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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2014–0010; Directorate Identifier 2012–NM–218–AD; Amendment 39–17882; AD 2014–13–06]

RIN 2120–AA64

Airworthiness Directives; Learjet Inc. Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: We are adopting a new airworthiness directive (AD) for certain Learjet Inc. Model 45 airplanes. This AD was prompted by a report of two cases of premature corrosion found on the structural support flange for the engine thrust reverser. This AD requires inspecting for any corrosion, and damage to the sealant; installing sealants and gaskets; and related investigative and corrective actions as necessary. We are issuing this AD to prevent failure of the thrust reverser structural support, which could result in departure of the thrust reverser from the engine that could subsequently result in damage to the adjacent support structure and engine controls, airframe structure, and control surfaces. Departing thrust reversers could also result in injury to persons on the ground.

DATES: This AD is effective August 19, 2014.

The Director of the Federal Register approved the incorporation by reference of certain publications listed in this AD as of August 19, 2014.

ADDRESSES: For service information identified in this AD, contact Learjet, Inc., One Learjet Way, Wichita, KS 67209–2942; telephone 316–946–2000; fax 316–946–2220; email *ac.ict@aero.bombardier.com*; Internet *http://www.bombardier.com*. You may view this referenced service information at the FAA, Transport Airplane Directorate; 1601 Lind Avenue SW., Renton, WA 98057–3356. For information on the availability of this material at the FAA, call 425–227–1221.

Examining the AD Docket

You may examine the AD docket on the Internet at *http://www.regulations.gov* by searching for and locating Docket No. FAA–2014–0010; or in person at the Docket Management Facility between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the regulatory evaluation, any comments received, and other information. The address for the Docket Office (phone: 800–647–5527) is Docket Management Facility, U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC 20590.

FOR FURTHER INFORMATION CONTACT: Paul Chapman, Aerospace Engineer, Airframe and Services Branch, ACE–118W, FAA, Wichita Aircraft Certification Office, 1801 Airport Road, Room 100, Mid-Continent Airport, Wichita, KS 67209; phone: 316–946–4152; fax: 316–946–4107; email: *paul.chapman@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 Learjet Inc. Model 45 airplanes. The NPRM published in the **Federal Register** on February 10, 2014 (79 FR 7601). The NPRM was prompted by a report of two cases of premature corrosion found on the structural support flange for the engine thrust reverser that attaches the thrust reverser to the engine. The thrust reverser's attach flange is made of aluminum and the corrosion of that flange can be caused by contact with exposed graphite fibers from the engine's composite bypass duct. The NPRM proposed to require doing a fluorescent penetrant inspection of the metallic components of the thrust reverser's attach flange for any corrosion; inspecting the thrust reverser flange for damage to the sealant, as applicable; installing sealants and gaskets, as applicable, to the thrust reverser flanges and service island flanges; and related investigative and corrective actions as necessary. We are issuing this AD to prevent failure of the thrust reverser structural support, which could result in departure of the thrust reverser from the engine that could subsequently result in damage to the adjacent support structure and engine controls, airframe structure, and control surfaces. Departing thrust reversers could also result in injury to persons on the ground.

Comments

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

Request To Add Service Information to Paragraph (i) of This AD

Bombardier requested that paragraph (i) of the proposed AD (79 FR 1601, February 10, 2014) be revised to add Bombardier Service Bulletin 40–78–03, Revision 1, dated November 5, 2012; or Bombardier Service Bulletin 45–78–9, Revision 1, dated November 5, 2012. Bombardier stated that adding this service information to paragraph (i) of the proposed AD would allow credit for accomplishing the requirements of paragraph (g) of the proposed AD before the effective date of the AD.

We disagree with revising paragraph (i) of this AD. The purpose of paragraph (i) of this AD is to allow credit for using an earlier revision of the required service information before the effective date of the AD if that earlier revision is considered acceptable for addressing the unsafe condition. If actions required by paragraph (g) of this AD were accomplished before the effective date of the AD, using the service information required by paragraph (g) of this AD, those actions are considered acceptable for compliance, since paragraph (f) of this AD states ''Comply with this AD within the compliance times specified, unless already done.'' We have not changed this AD in this regard.

Clarification of Marketing Designation

We have revised Note 1 to paragraph (c) of this AD to clarify the marketing designations that Model 45 airplanes might be known as.

Conclusion

We reviewed the relevant data, considered the comment received, and determined that air safety and the public interest require adopting this AD 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 (79 FR 1601, February 10, 2014) for correcting the unsafe condition; and
- Do not add any additional burden upon the public than was already proposed in the NPRM (79 FR 1601, February 10, 2014).

Costs of Compliance

We estimate that this AD affects 365 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	Number of U.S. products	Cost on U.S. operators
Inspections and installing sealants and gaskets.	Between 26 and 36 work-hours × $85 per hour = Between $2,210 and $3,060 per thrust reverser.	Between $1,216 and $1,476 per thrust reverser.	Between $3,426 and $4,536 per thrust reverser.	730 thrust reversers (365 airplanes).	Between $2,500,980 and $3,311,280.

We estimate the following costs to do any necessary replacements that would be required based on the results of the 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
Replacing thrust reverser attachment flange.	40 work-hours × $85 per hour = $3,400 per thrust reverser.	$1,200 per thrust reverser	$4,600 per thrust reverser.

According to the manufacturer, some of the costs of this AD may be covered under warranty, thereby reducing the cost impact on affected individuals. We do not control warranty coverage 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.

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):

2014–13–06 Learjet Inc.: Amendment 39–17882; Docket No. FAA–2014–0010; Directorate Identifier 2012–NM–218–AD.

(a) Effective Date

This AD is effective August 19, 2014.

(b) Affected ADs

None.

(c) Applicability

This AD applies to Learjet Inc. Model 45 airplanes having serial numbers (S/Ns) 45–005 through 45–436 inclusive, and 45–2001 through 45–2132 inclusive, certificated in any category, that are equipped with composite engine fan bypass ducts.

Note 1 to paragraph (c) of this AD: Learjet Model 45 airplanes having S/Ns 45–2001 and subsequent are commonly referred to as ''Model 40'' airplanes or Learjet 40 airplanes as marketing designations.

(d) Subject

Air Transport Association (ATA) of America Code 78, Engine Exhaust.

(e) Unsafe Condition

This AD was prompted by a report of two cases of premature corrosion found on the structural support flange for the engine thrust reverser. We are issuing this AD to prevent failure of the thrust reverser structural support, which could result in departure of the thrust reverser from the engine that could subsequently result in damage to the adjacent support structure and engine controls, airframe structure, and control surfaces.

Departing thrust reversers could also result in injury to persons on the ground.

(f) Compliance

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

(g) Inspections and Sealant Installation With Applicable Related Investigative and Corrective Actions

Within 1,200 flight hours or 48 months after the effective date of this AD, whichever occurs first, do the requirements of paragraph (g)(1) of this AD; and for the airplanes identified in paragraph (g)(2) of this AD, do the requirements of paragraph (g)(2) of this AD concurrently.

(1) Do a detailed inspection of the thrust reverser flange for damage to the sealant, as applicable, and install sealants and gaskets before further flight, as applicable, to the thrust reverser flanges and service island flanges, in accordance with the Accomplishment Instructions of Bombardier Service Bulletin 40–78–03, Revision 1, dated November 5, 2012 (for Model 45 airplanes having S/Ns 45–2001 through 45–2132 inclusive); or Bombardier Service Bulletin 45–78–9, Revision 1, dated November 5, 2012 (for Model 45 airplanes having S/Ns 45–005 through 45–436 inclusive).

(2) For Model 45 airplanes having S/Ns 45–2001 through 45–2129 inclusive and S/Ns 45–005 through 45–420 inclusive: Do a fluorescent penetrant inspection for corrosion of the metallic components of the thrust reverser's attach flange for any corrosion, and all applicable related investigative and corrective actions, in accordance with the Accomplishment Instructions of Nordam Service Bulletin 5045 78–13, dated January 17, 2012, except as required by paragraph (h) of this AD. Do all applicable related investigative and corrective actions before further flight.

(h) Exception to the Nordam Service Information

If any material thickness less than the minimum allowable thickness is found during any inspection required by paragraph (g)(2) of this AD, and Nordam Service Bulletin 5045 78–13, dated January 17, 2012, specifies contacting Bombardier Learjet for appropriate action: Before further flight, repair the thrust reverser's attach flange in accordance with a method approved by the Manager, Wichita Aircraft Certification Office (ACO), FAA. For a repair method to be approved by the Manager, Wichita ACO, as required by this paragraph, the Manager's approval letter must specifically refer to this AD.

(i) Credit for Previous Actions

This paragraph provides credit for the actions specified in paragraph (g) of this AD, if those actions were performed before the effective date of this AD using Bombardier Service Bulletin 40–78–03, dated February 27, 2012 (for Model 45 airplanes having S/Ns 45–2001 through 45–2132); or Bombardier Service Bulletin 45–78–9, dated February 27, 2012 (for Model 45 airplanes having S/Ns 45–005 through 45–436).

(j) Alternative Methods of Compliance (AMOCs)

(1) The Manager, Wichita ACO, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the manager of the ACO, send it to the attention of the person identified in paragraph (k)(1) of this AD.

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

(k) Related Information

(1) For more information about this AD, contact Paul Chapman, Aerospace Engineer, Airframe and Services Branch, ACE–118W, FAA, Wichita Aircraft Certification Office, 1801 Airport Road, Room 100, Mid-Continent Airport, Wichita, KS 67209; phone: 316–946–4152; fax: 316–946–4107; email: *paul.chapman@faa.gov*.

(2) Service information identified in this AD that is not incorporated by reference may be viewed at the addresses specified in paragraphs (l)(3) and (l)(4) of this AD.

(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) Bombardier Service Bulletin 40–78–03, Revision 1, dated November 5, 2012.

(ii) Bombardier Service Bulletin 45–78–9, Revision 1, dated November 5, 2012.

(iii) Nordam Service Bulletin 5045 78–13, dated January 17, 2012.

(3) For Learjet and Nordam service information identified in this AD, contact Learjet, Inc., One Learjet Way, Wichita, KS 67209–2942; telephone 316–946–2000; fax 316–946–2220; email *ac.ict@aero.bombardier.com*; Internet *http://www.bombardier.com*.

(4) You may view this service information at FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA 98057–3356. For information on the availability of this material at the FAA, call 425–227–1221.

(5) You may view this service information that is incorporated by reference at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202–741–6030, or go to: *http://www.archives.gov/federal-register/cfr/ibr-locations.html*.

Issued in Renton, Washington, on June 19, 2014.

Michael J. Kaszycki,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2014–15377 Filed 7–14–14; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2012–0863; Directorate Identifier 2012–NM–108–AD; Amendment 39–17883; AD 2014–13–07]

RIN 2120–AA64

Airworthiness Directives; The Boeing Company Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: We are adopting a new airworthiness directive (AD) for certain The Boeing Company Model 737–300, –400, –500, –600, –700, –700C, –800, –900, and –900ER series airplanes. This AD was prompted by a review of the tail strobe light installation, which revealed that the tail strobe light is not electrically bonded to primary structure of the airplane. This AD requires installing a new tail strobe light housing and a new disconnect bracket, and changing the wire bundles. This AD also requires, for certain airplanes, an inspection to determine if sealant is applied, and corrective actions if necessary. We are issuing this AD to prevent, in case of a direct lightning strike to the tail strobe light, damage to the operation of other critical airplane systems due to electromagnetic coupling and large transient voltages, and damage to the control mechanisms or surfaces due to a fire, which could result in loss of control of the airplane.

DATES: This AD is effective August 19, 2014.

The Director of the Federal Register approved the incorporation by reference of certain publications listed in this AD as of August 19, 2014.

ADDRESSES: For service information identified in this AD, contact Boeing Commercial Airplanes, Attention: Data & Services Management, P. O. Box 3707, MC 2H–65, Seattle, WA 98124–2207; telephone 206–544–5000, extension 1; fax 206–766–5680; Internet *https://www.myboeingfleet.com.* You may view this referenced service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425–227–1221.

Examining the AD Docket

You may examine the AD docket on the Internet at *http://www.regulations.gov* by searching for and locating Docket No. FAA–2012–

0863; or in person at the Docket Management Facility between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the regulatory evaluation, any comments received, and other information. The address for the Docket Office (phone: 800–647–5527) is Docket Management Facility, U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC 20590.

FOR FURTHER INFORMATION CONTACT:

Marie Hogestad, Aerospace Engineer, Systems and Equipment Branch, FAA, ANM–130S, Seattle Aircraft Certification Office, 1601 Lind Avenue SW., Renton, WA 98057–3356; phone: 425–917–6418; fax: 425–917–6590; email: *marie.hogestad@faa.gov*.

SUPPLEMENTARY INFORMATION:

Discussion

We issued a supplemental notice of proposed rulemaking (SNPRM) to amend 14 CFR part 39 by adding an AD that would apply to certain The Boeing Company Model 737–300, –400, –500, –600, –700, –700C, –800, –900, and –900ER series airplanes. The SNPRM published in the **Federal Register** on March 12, 2014 (79 FR 13934). We preceded the SNPRM with a notice of proposed rulemaking (NPRM) that published in the **Federal Register** on September 6, 2012 (77 FR 54848). The NPRM proposed to require installing a new tail strobe light housing and a new disconnect bracket, and changing the wire bundles. The NPRM was prompted by a review of the tail strobe light installation, which revealed that the tail strobe light is not electrically bonded to primary structure of the airplane. The SNPRM proposed to add, for certain airplanes, an inspection to determine if sealant is applied and corrective actions if necessary. We are issuing this AD to prevent, in case of a direct lightning strike to the tail strobe light, damage to the operation of other critical airplane systems due to electromagnetic coupling and large transient voltages, and damage to the control mechanisms or surfaces due to a fire, which could result in loss of control of the airplane.

Comments

We gave the public the opportunity to participate in developing this AD. We received no comments on the SNPRM (79 FR 13934, March 12, 2014) or on the determination of the cost to the public.

Clarification

We have changed the paragraph heading for paragraph (h) of this AD to more accurately reflect the required actions therein.

Conclusion

We reviewed the relevant data and determined that air safety and the public interest require adopting this AD as proposed except for minor editorial changes. We have determined that these minor changes:

- Are consistent with the intent that was proposed in the SNPRM (79 FR 13934, March 12, 2014) for correcting the unsafe condition; and
- Do not add any additional burden upon the public than was already proposed in the SNPRM (79 FR 13934, March 12, 2014).

Costs of Compliance

We estimate that this AD affects 1,433 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
Installation for Model 737–300, –400, and –500 series airplanes, as identified in Boeing Special Attention Service Bulletin 737–33–1149, dated April 13, 2012 (396 U.S. registered airplanes).	Up to 32 work-hours × $85 per hour = Up to $2,720.	Up to $14,886	Up to $17,606	Up to $6,971,976.
Installation for Model 737–600, –700, –700C, –800, –900, and –900ER series airplanes, Group 1, as identified in Boeing Special Attention Service Bulletin 737–33–1146, Revision 1, dated July 9, 2013 (465 U.S. registered airplanes).	Up to 21 work-hours × $85 per hour = Up to $1,785.	Up to $4,422	Up to $6,207	Up to $2,886,255.
Installation for Model 737–600, –700, –700C, –800, –900, and –900ER series airplanes, Group 2, as identified in Boeing Special Attention Service Bulletin 737–33–1146, Revision 1, dated July 9, 2013 (83 U.S. registered airplanes).	Up to 21 work-hours × $85 per hour = Up to $1,785.	Up to $2,496	Up to $4,281	Up to $355,323.
Installation for Model 737–600, –700, –700C, –800, –900, and –900ER series airplanes, Group 3, as identified in Boeing Special Attention Service Bulletin 737–33–1146, Revision 1, dated July 9, 2013 (25 U.S. registered airplanes).	Up to 20 work-hours × $85 per hour = Up to $1,700.	Up to $4,478	Up to $6,178	Up to $154,450.
Installation for Model 737–600, –700, –700C, –800, –900, and –900ER series airplanes, Group 4, as identified in Boeing Special Attention Service Bulletin 737–33–1146, Revision 1, dated July 9, 2013 (464 U.S. registered airplanes).	Up to 21 work-hours × $85 per hour = Up to $1,785.	Up to $4,423	Up to $6,208	Up to $2,880,512.

ESTIMATED COSTS—Continued

Action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Inspection for Model 737–600, –700, –700C, –800, –900 and –900ER series airplanes, as identified in Boeing Special Attention Service Bulletin 737–33–1146, Revision 1, dated July 9, 2013 (up to 1,037 U.S. registered airplanes).	Up to 2 work-hours × $85 per hour = Up to $170.	$0	Up to $170	Up to $176,290.

We estimate the following cost to apply sealant, based on the results of the inspection. We have no way of determining the number of aircraft that might need this sealant application:

ON-CONDITION COSTS

Action	Labor cost	Parts cost	Cost per product
Sealant application	1 work-hour × $85 per hour = $85	Negligible	$85

The parts cost to apply sealant between the disconnect bracket and the receptacle connector D44582J, and on the fasteners is not included in the estimate. It is considered ''Parts & Materials Supplied by the Operator,'' which is referenced in Boeing Special Attention Service Bulletin 737–33–1146, Revision 1, dated July 9, 2013.

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.

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):

2014–13–07 The Boeing Company: Amendment 39–17883; Docket No. FAA–2012–0863; Directorate Identifier 2012–NM–108–AD.

(a) Effective Date

This AD is effective August 19, 2014.

(b) Affected ADs

None.

(c) Applicability

This AD applies to The Boeing Company airplanes, certificated in any category, as identified in paragraphs (c)(1) and (c)(2) of this AD.

(1) Model 737–300, –400, and –500 series airplanes, as identified in Boeing Special Attention Service Bulletin 737–33–1149, dated April 13, 2012.

(2) Model 737–600, –700, –700C, –800, –900, and –900ER series airplanes, as identified in Boeing Special Attention Service Bulletin 737–33–1146, Revision 1, dated July 9, 2013.

(3) Installation of Supplemental Type Certificate (STC) ST00830SE (*http://rgl.faa.gov/Regulatory_and_Guidance_Library/rgstc.nsf/0/da95c49000906c7086257be80044d3d9/$FILE/ST00830SE.pdf*) does not affect the ability to accomplish the actions required by this AD. Therefore, for airplanes on which STC ST00830SE 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 33, Lights.

(e) Unsafe Condition

This AD was prompted by a review of the tail strobe light installation, which revealed that the tail strobe light is not electrically bonded to primary structure of the airplane. We are issuing this AD to prevent, in case of a direct lightning strike to the tail strobe light, damage to the operation of other critical airplane systems due to electromagnetic coupling and large transient voltages, and damage to the control mechanisms or surfaces due to a fire, 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) Tail Strobe Light Installation for Model 737–600, –700, –700C, –800, –900, and –900ER Series Airplanes

For Model 737–600, –700, –700C, –800, –900, and –900ER series airplanes on which the actions specified in Boeing Special Attention Service Bulletin 737–33–1146, dated November 2, 2011, have not been done before the effective date of this AD: Within 72 months after the effective date of this AD, install a new tail strobe light housing, install a new disconnect bracket, and change the wire bundles, in accordance with Part 1 of the Accomplishment Instructions of Boeing Special Attention Service Bulletin 737–33–1146, Revision 1, dated July 9, 2013, except as required by paragraphs (g)(1) and (g)(2) of this AD.

(1) Where Figure 8, Flag Note 3, of Boeing Special Attention Service Bulletin 737–33–1146, Revision 1, dated July 9, 2013, refers to solder sleeve BACS13CT3C, the shield splice contained in splice kit D–150–0168 may be used in lieu of solder sleeve (BACS13CT3C), provided a ground wire is used.

Note 1 to paragraph (g)(1) of this AD: Guidance for wire-type information for the ground wires may be found in Boeing Standard Wiring Practices Manual (SWPM) D6–54446, Section 20–10–15.

(2) Where the second sentence of note (c) of Figure 3 of the Accomplishment Instructions of Boeing Special Attention Service Bulletin 737–33–1146, Revision 1, dated July 9, 2013, specifies to ''Maintain a minimum of 1.7 Dimensions fastener edge margin on the disconnect bracket and the stiffener,'' instead ''Maintain a minimum of 1.7 diameter fastener edge margin on the disconnect bracket and the stiffener.''

(h) Inspection and Corrective Actions for Model 737–600, –700, –700C, –800, –900, and –900ER Series Airplanes

For Model 737–600, –700, –700C, –800, –900, and –900ER series airplanes, on which the actions specified in Boeing Special Attention Service Bulletin 737–33–1146, dated November 2, 2011, have been done before the effective date of this AD: Within 72 months after the effective date of this AD, do a general visual inspection to ensure there is fillet sealant between the disconnect bracket and the receptacle connector D44582J, and on the fasteners, and do all applicable corrective actions, in accordance with Part 2 of the Accomplishment Instructions of Boeing Special Attention Service Bulletin 737–33–1146, Revision 1, dated July 9, 2013. Do all applicable corrective actions before further flight.

(i) Tail Strobe Light Installation for Model 737–300, –400, and –500 Series Airplanes

For Model 737–300, –400, and –500 series airplanes: Within 72 months after the effective date of this AD, install a new tail strobe light housing, install a new disconnect bracket, and change the wire bundles, in accordance with the Accomplishment Instructions of Boeing Special Attention Service Bulletin 737–33–1149, dated April 13, 2012.

(j) Alternative Methods of Compliance (AMOCs)

(1) The Manager, Seattle Aircraft Certification Office (ACO), FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the manager of the ACO, send it to the attention of the person identified in paragraph (k) 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 required by this AD if it is approved by the Boeing Commercial Airplanes Organization Designation Authorization (ODA) that has been authorized by the Manager, Seattle ACO, to make those findings. For a repair method to be approved, the repair must meet the certification basis of the airplane, and the approval must specifically refer to this AD.

(k) Related Information

(1) For more information about this AD, contact Marie Hogestad, Aerospace Engineer, Systems and Equipment Branch, FAA, ANM–130S, Seattle Aircraft Certification Office, 1601 Lind Avenue SW., Renton, WA 98057–3356; phone: 425–917–6418; fax: 425–917–6590; email: *marie.hogestad@faa.gov.*

(2) For service information identified in this AD that is not incorporated by reference in this AD, contact Boeing Commercial Airplanes, Attention: Data & Services Management, P.O. Box 3707, MC 2H–65, Seattle, WA 98124–2207; telephone 206–544–5000, extension 1; fax 206–766–5680; Internet *https://www.myboeingfleet.com.* You may view this referenced service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425–227–1221.

(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 Special Attention Service Bulletin 737–33–1146, Revision 1, dated July 9, 2013.

(ii) Boeing Special Attention Service Bulletin 737–33–1149, dated April 13, 2012.

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

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

(5) You may view this service information that is incorporated by reference at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202–741–6030, or go to: *http://www.archives.gov/federal-register/cfr/ibr-locations.html.*

Issued in Renton, Washington, on June 19, 2014.

Michael Kaszycki,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2014–15382 Filed 7–14–14; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2013–1027; Directorate Identifier 2013–NM–121–AD; Amendment 39–17886; AD 2014–13–10]

RIN 2120–AA64

Airworthiness Directives; The Boeing Company Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: We are adopting a new airworthiness directive (AD) for certain The Boeing Company Model 737–600, –700, –700C, –800, –900, and –900ER series airplanes. This AD was prompted by a report of installation of incorrect wire support clamps within the bay area of the left and right environmental control systems (ECS) during production; the ECS bay area is a flammable fluid leakage zone. Use of incorrect wire support clamps that are not fully cushioned could allow electrical power wiring to come in contact with the exposed metal of the improper clamp, causing a short circuit

and subsequent electrical arcing. This AD requires inspecting to identify the part number of the wire support clamp, and related investigative and corrective actions if necessary. We are issuing this AD to prevent electrical arcing and a potential ignition source, which, in combination with flammable fuel vapors, could result in a fuel tank explosion, and consequent loss of the airplane.

DATES: This AD is effective August 19, 2014.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of August 19, 2014.

ADDRESSES: For service information identified in this AD, contact Boeing Commercial Airplanes, Attention: Data & Services Management, P.O. Box 3707, MC 2H–65, Seattle, WA 98124–2207; telephone 206–544–5000, extension 1; fax 206–766–5680; Internet *https://www.myboeingfleet.com*. You may view this referenced service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425–227–1221.

Examining the AD Docket

You may examine the AD docket on the Internet at *http://www.regulations.gov* by searching for and locating Docket No. FAA–2013–1027; or in person at the Docket Management Facility between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the regulatory evaluation, any comments received, and other information. The address for the Docket Office (phone: 800–647–5527) is Docket Management Facility, U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC 20590.

FOR FURTHER INFORMATION CONTACT: Georgios Roussos, Aerospace Engineer, Systems and Equipment Branch, ANM–130S, FAA, Seattle Aircraft Certification Office, 1601 Lind Avenue SW., Renton, WA 98057–3356; phone: 425–917–6482; fax: 425–917–6590; email: *georgios.roussos@faa.gov.*

SUPPLEMENTARY INFORMATION:

Discussion

We issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 by adding an AD that would apply to certain The Boeing Company Model 737–600, –700, –700C, –800, –900, and –900ER series airplanes. The NPRM published in the **Federal Register** on December 12, 2013 (78 FR 75512). The NPRM was prompted by a report of installation of incorrect wire support clamps within the bay area of the left and right ECS during production; the ECS bay area is a flammable leakage zone. Use of incorrect wire support clamps that are not fully cushioned could allow electrical power wiring to come in contact with the exposed metal of the improper clamp, causing a short circuit and subsequent electrical arcing. The NPRM proposed to require inspecting to identify the part number of the wire support clamp, and related investigative and corrective actions if necessary. We are issuing this AD to prevent electrical arcing and a potential ignition source, which, in combination with flammable fuel vapors, could result in a fuel tank explosion, and consequent loss of the airplane.

Comments

We gave the public the opportunity to participate in developing this AD. The following presents the comments received on the proposal (78 FR 75512, December 12, 2013) and the FAA's response to each comment.

Requests To Remove Certain Language in ''Relevant Service Information'' Section

Boeing, All Nippon Airways (ANA), and American Airlines (AA) asked that the third sentence in the ''Relevant Service Information'' section of the NPRM (78 FR 75512, December 12, 2013) be removed. That sentence specified ''The related investigative actions include an eddy current inspection of the wing front spar for cracking and a detailed inspection of the bolt forward of the wing front spar upper chord for cracking or missing bolts.'' Boeing stated that those actions seem unrelated to the intent of the AD. ANA stated that the eddy current inspection is not specified in Boeing Special Attention Service Bulletin 737–28–1312, dated April 19, 2013. AA stated that those actions are not included in the referenced service information, and asked that those actions be clarified or that the ''Relevant Service Information'' section be corrected by removing those actions.

We agree that the ''Relevant Service Information'' section in the NPRM (78 FR 75512, December 12, 2013) should not have stated that the related investigative actions include an eddy current inspection of the wing front spar for cracking; that inspection is not related to the unsafe condition addressed by this AD. However, the ''Relevant Service Information'' section of the NPRM is not carried over into this final rule; therefore, no change to this final rule is necessary in this regard.

Request To Include Equivalent Parts

AA asked that we add ''equivalent fully cushioned wire clamps'' to the approved part numbers (P/Ns) identified in paragraph (h) of the proposed AD (78 FR 75512, December 12, 2013) (redesignated as paragraph (i) of this AD). AA stated that paragraph (h) of the proposed AD prohibits the installation of a wire support clamp within the ECS bay area, unless the clamp has P/N TA0930034–10, TA0930034–10P, TA0930034–11, or TA0930034–12P. AA noted that adding ''equivalent fully cushioned wire clamps'' would account for future part number changes and future availability issues of the included part numbers. AA also asserted that including the equivalent clamps also would reduce the potential for airplanes becoming noncompliant during future maintenance.

We do not agree to add ''equivalent fully cushioned wire clamps'' to the approved part numbers identified in paragraph (i) of this AD (designated as paragraph (h) of the proposed AD). AA did not submit any data to show how equivalency of the wire support clamp is to be established, maintained, and controlled. However, under the provisions of paragraph (j) of this AD, we may consider requests to use alternate clamps if sufficient data are submitted to substantiate that these clamps meet the standards for the environmental (temperature, vibration, fluid resistance) and performance requirements necessary to provide an acceptable level of safety. We have not changed this final rule in this regard.

Request To Change Costs of Compliance Section

AA asked that we change the inspection estimate in the ''Costs of Compliance'' section in the NPRM (78 FR 75512, December 12, 2013) from 6 to 24 work-hours, as specified in Boeing Special Attention Service Bulletin 737–28–1312, dated April 19, 2013.

We agree to change the work-hour estimate for the inspection specified in the ''Costs of Compliance'' section. After further review of Boeing Special Attention Service Bulletin 737–28–1312, dated April 19, 2013, we have determined that the work-hour estimate of 24 hours is based on correct installation of the wire clamps and does not include repairs to the wiring. Therefore, we have increased the work hour estimate for the inspection

specified in the ''Costs of Compliance'' section of this final rule.

Changes to This Final Rule

Since we issued the NPRM (78 FR 75512, December 12, 2013), Boeing has issued Special Attention Service Bulletin 737–28–1312, Revision 1, dated April 21, 2014. No additional work is necessary on airplanes that were changed using Boeing Special Attention Service Bulletin 737–28–1312, dated April 19, 2013. We have added Boeing Special Attention Service Bulletin 737–28–1312, Revision 1, dated April 21, 2014, to paragraphs (c) and (g) of this AD, and added a new credit paragraph (h) to this AD giving credit for Boeing Special Attention Service Bulletin 737–28–1312, dated April 19, 2013.

Since we issued the NPRM (78 FR 75512, December 12, 2013), we have determined that the language used in the ''Parts Installation Limitations'' paragraph of the AD needs clarification. As written, the language could be interpreted as applying to ''all'' clamps located in the ECS bay area; however, the limitation only applies to certain clamps. We have changed paragraph (h) of the the proposed AD (redesignated as paragraph (i) of this AD) to provide that clarification.

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

Costs of Compliance

We estimate that this AD affects 519 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	24 work-hours × $85 per hour = $2,040	$0	$2,040	$1,058,760

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

ON-CONDITION COSTS

Action	Labor cost	Parts cost	Cost per product
Related investigative and corrective actions.	1 work-hour × $85 per hour = $85	$3	$88

We have received no definitive data that would enable us to provide cost estimates for the on-condition repair of chafed or damaged wiring specified in this AD.

According to the manufacturer, some of the costs of this AD may be covered under warranty, thereby reducing the cost impact on affected individuals. We do not control warranty coverage 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.

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):

2014–13–10 The Boeing Company: Amendment 39–17886; Docket No. FAA–2013–1027; Directorate Identifier 2013–NM–121–AD.

(a) Effective Date

This AD is effective August 19, 2014.

(b) Affected ADs

None.

(c) Applicability

This AD applies to The Boeing Company Model 737–600, –700, –700C, –800, –900, and –900ER series airplanes, certificated in any category, having a variable number identified in paragraph 1.A.1., Effectivity, of Boeing Special Attention Service Bulletin 737–28–1312, Revision 1, dated April 21, 2014.

(d) Subject

Air Transport Association (ATA) of America Code 28, Fuel System.

(e) Unsafe Condition

This AD was prompted by a report of installation of incorrect wire support clamps within the bay area of the left and right environmental control systems (ECS) during production; the ECS bay area is a flammable fluid leakage zone. Use of incorrect wire support clamps that are not fully cushioned could allow electrical power wiring to come in contact with the exposed metal of the improper clamp, causing a short circuit and subsequent electrical arcing. We are issuing this AD to prevent electrical arcing and a potential ignition source, which, in combination with flammable fuel vapors, could result in a fuel tank explosion, and consequent loss of the airplane.

(f) Compliance

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

(g) Inspection and Related Investigative and Corrective Actions

Within 60 months after the effective date of this AD: Do a detailed inspection to determine if a wire support clamp having part number (P/N) TA0930034–10, TA0930034–10P, TA0930034–11, or TA0930034–12P is installed, and do all applicable related investigative and corrective actions before further flight, in accordance with the Accomplishment Instructions of Boeing Special Attention Service Bulletin 737–28–1312, Revision 1, dated April 21, 2014.

(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 Boeing Special Attention Service Bulletin 737–28–1312, dated April 19, 2013.

(i) Parts Installation Limitation

As of the effective date of this AD, no person may install a wire support clamp on any airplane at the locations identified in the Accomplishment Instructions of Boeing Special Attention Service Bulletin 737–28–1312, Revision 1, dated April 21, 2014, unless the wire support clamp has P/N TA0930034–10, TA0930034–10P, TA0930034–11, or TA0930034–12P.

(j) Alternative Methods of Compliance (AMOCs)

(1) The Manager, Seattle Aircraft Certification Office (ACO), FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the manager of the ACO, send it to the attention of the person identified in paragraph (k) 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.

(k) Related Information

For more information about this AD, contact Georgios Roussos, Aerospace Engineer, Systems and Equipment Branch, ANM–130S, FAA, Seattle Aircraft Certification Office, 1601 Lind Avenue SW., Renton, WA 98057–3356; phone: 425–917–6482; fax: 425–917–6590; email: *georgios.roussos@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 Special Attention Service Bulletin 737–28–1312, Revision 1, dated April 21, 2014.

(ii) Reserved.

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

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

(5) You may view this service information that is incorporated by reference at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202–741–6030, or go to: *http://www.archives.gov/federal-register/cfr/ibr-locations.html.*

Issued in Renton, Washington, on June 25, 2014.

Jeffrey E. Duven,

Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2014–15506 Filed 7–14–14; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2014–0009; Directorate Identifier 2013–NM–123–AD; Amendment 39–17887; AD 2014–13–11]

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 707 airplanes, and Model 720 and 720B series airplanes. This AD was prompted by reports of scribe-line-related fatigue cracks on Model 727 airplanes, which are similar in design to Model 707 airplanes, and Model 720 and 720B series airplanes. This AD requires inspections for scribe lines in the skin lap joints, external approved repairs, external features, skin butt joints, and decals; and related investigative and corrective actions if necessary. This AD also requires surface finish restoration. We are issuing this AD to detect and correct scribe lines, which can develop into fatigue cracks in the skin and cause rapid decompression of the airplane.

DATES: This AD is effective August 19, 2014.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of August 19, 2014.

DATES: For service information identified in this AD, contact Boeing Commercial Airplanes, Attention: Data & Services Management, P. O. Box 3707, MC 2H–65, Seattle, WA 98124–2207; telephone 206–544–5000, extension 1; fax 206–766–5680; Internet *https://www.myboeingfleet.com.* You may view this service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425–227–1221.

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–2014–0009; or in person at the Docket Management Facility between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the regulatory evaluation, any comments received, and

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

FOR FURTHER INFORMATION CONTACT: Chandraduth Ramdoss, Aerospace Engineer, Airframe Branch, ANM–120L, FAA, Los Angeles Aircraft Certification Office (ACO), 3960 Paramount Boulevard, Suite 100, Lakewood, CA 90712–4137, phone: 562–627–5239; fax: 562–627–5210; email: *chandraduth.ramdoss@faa.gov.*

SUPPLEMENTARY INFORMATION:

Discussion

We issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 by adding an AD that would apply to all The Boeing Company Model 707 airplanes, and Model 720 and 720B series airplanes. The NPRM published in the **Federal Register** on February 10, 2014 (79 FR 7598). The NPRM was prompted by reports of scribe-line-related fatigue cracks on Model 727 airplanes, which are similar in design to Model 707 airplanes, and Model 720 and 720B series airplanes. The NPRM proposed to require inspections for scribe lines in the skin lap joints, external approved repairs, external features, skin butt joints, and decals; and related investigative and corrective actions if necessary. The NPRM also proposed to require surface finish restoration. We are issuing this AD to detect and correct scribe lines, which can develop into fatigue cracks in the skin and cause rapid decompression of the airplane.

Comments

We gave the public the opportunity to participate in developing this AD. We received no comments on the NPRM (79 FR 7598, February 10, 2014) or on the determination of the cost to the public.

Changes to This AD

We revised paragraphs (k)(1) and (k)(3) of this AD to update the aircraft certification office (ACO) information from the Seattle ACO to the Los Angeles ACO. The Los Angeles ACO is now the office of primary responsibility for the airplane models affected by this final rule.

Conclusion

We reviewed the relevant data and determined that air safety and the public interest require adopting this AD with the changes described previously except for minor editorial changes. We have determined that these minor changes:

- Are consistent with the intent that was proposed in the NPRM (79 FR 7598, February 10 2014) for correcting the unsafe condition; and
- Do not add any additional burden upon the public than was already proposed in the NPRM (79 FR 7598, February 10 2014).

Costs of Compliance

We estimate that this AD affects 11 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	96 work-hours × $85 per hour = $8,160	$0	$8,160	$89,760

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.

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):

2014–13–11 The Boeing Company: Amendment 39–17887; Docket No. FAA–2014–0009; Directorate Identifier 2013–NM–123–AD.

(a) Effective Date

This AD is effective August 19, 2014.

(b) Affected ADs

None.

(c) Applicability

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

(1) All Model 707–100 long body, –200, –100B long body, and –100B short body series airplanes; and Model 707–300, –300B, –300C, and –400 series airplanes.

(2) All Model 720 and 720B series airplanes.

(d) Subject

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

(e) Unsafe Condition

This AD was prompted by reports of scribe-line-related fatigue cracks on Model 727 airplanes, which are similar in design to the Model 707 airplanes, and Model 720 and 720B series airplanes. We are issuing this AD to detect and correct scribe lines, which can develop into fatigue cracks in the skin and cause rapid decompression of the airplane.

(f) Compliance

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

(g) Scribe Line Inspection

(1) Except as specified in paragraphs (j)(1) and (j)(2) of this AD, at the applicable time specified in paragraph 1.E., ''Compliance,'' of Boeing 707 Alert Service Bulletin A3539, dated April 26, 2013: Do a detailed inspection of the fuselage skin for scribe lines, in accordance with the Accomplishment Instructions of Boeing 707 Alert Service Bulletin A3539, dated April 26, 2013. If no scribe line is found: Before further flight, do surface finish restoration, in accordance with the Accomplishment Instructions of Boeing 707 Alert Service Bulletin A3539, dated April 26, 2013.

(2) The inspection exceptions described in paragraph 1.E., ''Compliance,'' of Boeing 707 Alert Service Bulletin A3539, dated April 26, 2013, apply to paragraph (g)(1) of this AD.

(h) Related Investigative and Corrective Actions

If any scribe line is found during any inspection required by paragraph (g)(1) of this AD: At the applicable time specified in paragraph 1.E., ''Compliance,'' of Boeing 707 Alert Service Bulletin A3539, dated April 26, 2013, except as specified in paragraphs (j)(1) and (j)(2) of this AD, do all applicable related investigative and corrective actions, by doing all applicable actions specified in the Accomplishment Instructions of Boeing 707 Alert Service Bulletin A3539, dated April 26, 2013, except as specified in paragraph (j)(3) of this AD.

(i) Surface Finish Restoration

After completing any actions required by paragraph (h) of this AD: Before further flight, do surface finish restoration, in accordance with the Accomplishment Instructions of Boeing 707 Alert Service Bulletin A3539, dated April 26, 2013.

(j) Exceptions to Paragraphs (g) and (h) of this AD

(1) Where paragraph 1.E., ''Compliance,'' of Boeing 707 Alert Service Bulletin A3539, dated April 26, 2013, specifies a compliance time ''after the original issue date of this service bulletin,'' this AD requires compliance within the specified compliance time after the effective date of this AD.

(2) Where the Condition column of paragraph 1.E., ''Compliance,'' of Boeing 707 Alert Service Bulletin A3539, dated April 26, 2013, refers to total flight cycles ''as of the original issue date of this service bulletin,'' this AD applies to the airplanes with the specified total flight cycles as of the effective date of this AD.

(3) Where Boeing 707 Alert Service Bulletin A3539, dated April 26, 2013, specifies to contact Boeing for additional inspections or repair instructions: Before further flight, repair the scribe line or cracking using a method approved in accordance with the procedures specified in paragraph (k) of this AD.

(k) Alternative Methods of Compliance (AMOCs)

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

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

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

(l) Related Information

For more information about this AD, contact Chandraduth Ramdoss, Aerospace Engineer, Airframe Branch, ANM–120L, FAA, Los Angeles Aircraft Certification Office (ACO), 3960 Paramount Boulevard, Suite 100, Lakewood, CA 90712–4137, phone: 562–627–5239; fax: 562–627–5210; email: *chandraduth.ramdoss@faa.gov.*

(m) Material Incorporated by Reference

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

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

(i) Boeing 707 Alert Service Bulletin A3539, dated April 26, 2013.

(ii) Reserved.

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

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

(5) You may view this service information that is incorporated by reference at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202–741–6030, or go to: *http://www.archives.gov/federal-register/cfr/ibr-locations.html.*

Issued in Renton, Washington, on June 24, 2014.

Jeffrey E. Duven,

Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2014–15507 Filed 7–14–14; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2014–0440; Directorate Identifier 2013–SW–075–AD; Amendment 39–17885; AD 2014–13–09]

RIN 2120–AA64

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

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

ACTION: Final rule; request for comments.

SUMMARY: We are adopting a new airworthiness directive (AD) for AHD Model EC135P1, P2, P2+, T1, T2, and T2+ helicopters. This AD requires repetitive visual inspections of the ring frame X9227 for a crack and, if there is a crack, replacing the ring frame before further flight. This AD is prompted by a fatigue crack in the ring frame. These actions are intended to detect a crack in the ring frame and prevent loss of the tail rotor and subsequent loss of control of the helicopter.

DATES: This AD becomes effective July 30, 2014.

The Director of the Federal Register approved the incorporation by reference of a certain document listed in this AD as of July 30, 2014.

We must receive comments on this AD by September 15, 2014.

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

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

Examining the AD Docket

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

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

You may review the referenced service information at the FAA, Office of the Regional Counsel, Southwest Region, 2601 Meacham Blvd., Room 663, Fort Worth, Texas 76137.

FOR FURTHER INFORMATION CONTACT: Matt Fuller, Senior Aviation Safety Engineer, Safety Management Group, Rotorcraft Directorate, FAA, 2601 Meacham Blvd., Fort Worth, Texas 76137; telephone (817) 222–5110; email *matthew.fuller@faa.gov.*

SUPPLEMENTARY INFORMATION:

Comments Invited

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

Discussion

We are adopting a new AD for AHD Model EC135P1, P2, P2+, T1, T2, and T2+ helicopters with certain mounting ring frames installed. This AD requires repetitive visual inspections of the ring frame X9227 for a crack and, if there is a crack, replacing the ring frame with an airworthy part before further flight. These actions are intended to detect a crack in the ring frame and prevent loss of tail rotor and subsequent loss of control of the helicopter.

This AD was prompted by AD No. 2013–0289–E, dated December 6, 2013, issued by EASA, which is the Technical Agent for the Member States of the European Union, to correct an unsafe condition for AHD Model EC135P1, EC135P2, EC135P2+, EC135T1, EC135T2, EC135T2+, EC635P2+, EC635T1, and EC635T2+ helicopters equipped with mounting ring frame X9227, part number (P/N) L535H2120301, P/N L535H2120303, or P/N L535H2120304 without frame reinforcement. EASA advises that ring frames X9227 with frame reinforcement P/N L535H2100201 are not affected by its AD. EASA advises that the fuselage tail boom structure of the EC135/EC635 type design is connected to the tail rotor ''fenestron'' housing by means of a ring frame attached by two rivet rows each. EASA states that during a recent post flight check, the pilot detected a crack that ran along three rivets across the ring frame. According to EASA, this condition if not corrected would gradually reduce the structural integrity of the tail boom fenestron attachment, potentially resulting in detachment of the fenestron and loss of the helicopter. To address this condition, EASA AD No. 2013–0289–E requires repetitive visual inspections of the ring frame X9227.

FAA's Determination

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

Related Service Information

Eurocopter issued Safety Information Notice No. 2636–S–53, dated October 10, 2013, alerting operators that during a post-flight check a pilot discovered a crack at the rear ring frame between the rear structure tube and the fenestron box. The Notice reminds operators to conduct the dedicated visual ring frame check according to the flight manual's pre-flight check so any cracked ring frames will be immediately discovered.

Eurocopter also issued Alert Service Bulletin ASB EC 135–53A–029, Revision 0, dated November 19, 2013 (ASB). The ASB specifies, every 50 flight hours, visually inspecting ring frame X9227 for a crack in addition to the visual pre-flight check of the ring frame. The ASB states that a crack within the ring frame and between the rivet heads is not permissible, and if detected in this area, AHD must be contacted before further flight.

AD Requirements

This AD requires, on or before reaching 100 hours TIS, or within 50 hours TIS for helicopters with more than 100 hours TIS, and thereafter at intervals not to exceed 50 hours TIS, using a 10X or higher power magnifying glass and a light, visually inspecting the ring frame X9227 for a crack between the rivets. If a crack is found, this AD requires, before further flight, replacing the ring frame X9227 with an airworthy part.

Differences Between This AD and the EASA AD

The EASA AD applies to EC635P2+, EC635T1, and EC635T2+ helicopters, and this AD does not because those helicopters are non-FAA type certificated. The EASA AD requires contacting the manufacturer if a crack is found in the ring frame. This AD requires replacing the ring frame if a crack is found.

Costs of Compliance

We estimate that this AD will affect 275 helicopters of U.S. Registry.

We estimate that operators may incur the following costs in order to comply with this AD. Labor costs are estimated at $85 per work hour. We estimate 0.2

work hour to do the inspection for a total estimated cost of $17 per helicopter and $4,675 for the U.S. fleet per inspection cycle. Replacing a ring frame will require 5 work hours and $18,500 for parts for a total cost of $18,925 per helicopter.

FAA's Justification and Determination of the Effective Date

Providing an opportunity for public comments before adopting these AD requirements would delay implementing the safety actions needed to correct this known unsafe condition. Therefore, we find that the risk to the flying public justifies waiving notice and comment before adopting this rule because the required corrective actions in a structural critical area must be done within 50 hours TIS, a very short time period based on the average flight-hour utilization rate for air ambulance and law enforcement operations of these helicopters.

Since an unsafe condition exists that requires the immediate adoption of this AD, we determined that notice and opportunity for public comment before issuing this AD are impracticable and that good cause exists for making this amendment effective in less than 30 days.

Authority for This Rulemaking

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

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

Regulatory Findings

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

For the reasons discussed, I certify that this AD:

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

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

3. Will not affect intrastate aviation in Alaska to the extent that it justifies making a regulatory distinction; and

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

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

List of Subjects in 14 CFR Part 39

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

Adoption of the Amendment

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

PART 39—AIRWORTHINESS DIRECTIVES

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

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

§ 39.13 [Amended]

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

2014–13–09 Airbus Helicopters Deutschland GmbH (Type Certificate Previously Held by Eurocopter Deutschland GmbH): Amendment 39–17885; Docket No. FAA–2014–0440; Directorate Identifier 2013–SW–075–AD.

(a) Applicability

This AD applies to Model EC135P1, P2, P2+, T1, T2, and T2+ helicopters with mounting ring frame X9227, part number (P/N) L535H2120301, P/N L535H2120303, or P/N L535H2120304, installed, except those with frame reinforcement P/N L535H2100201 installed, certificated in any category.

(b) Unsafe Condition

This AD defines the unsafe condition as a fatigue crack in a ring frame. This condition could result in loss of a tail rotor and subsequent loss of control of the helicopter.

(c) Effective Date

This AD becomes effective July 30, 2014.

(d) Compliance

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

(e) Required Actions

(1) On or before 100 hours time-in-service (TIS), or within 50 hours TIS for helicopters with more than 100 hours TIS, and thereafter at intervals not to exceed 50 hours TIS, using a 10X or higher power magnifying glass and a light, visually inspect the ring frame X9227 for a crack between the rivets as shown in Figure 2 of Eurocopter Alert Service Bulletin ASB EC135–53A–029, Revision 0, dated November 19, 2013. Paint cracks are permissible.

(2) If there is a crack, before further flight, replace the ring frame X9227 with an airworthy part.

(f) Special Flight Permits

Special flight permits are prohibited.

(g) Alternative Methods of Compliance (AMOCs)

(1) The Manager, Safety Management Group, FAA, may approve AMOCs for this AD. Send your proposal to: Matt Fuller, Senior Aviation Safety Engineer, Safety Management Group, Rotorcraft Directorate, FAA, 2601 Meacham Blvd., Fort Worth, Texas 76137; telephone (817) 222–5110; email *matthew.fuller@faa.gov.*

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

(h) Additional Information

(1) Eurocopter Safety Information Notice No. 2636–S–53, Revision 0, dated October 10, 2013, which is not incorporated by reference, contains additional information about the subject of this AD. You may review a copy of the service information at the FAA, Office of the Regional Counsel, Southwest Region, 2601 Meacham Blvd., Room 663, Fort Worth, Texas 76137.

(2) The subject of this AD is addressed in European Aviation Safety Agency (EASA) AD No. 2013–0289–E, dated December 6, 2013. You may view the EASA AD on the Internet at *http://www.regulations.gov* in Docket No. FAA–2014–0440.

(i) Subject

Joint Aircraft Service Component (JASC) Code: 5302 Tail Rotor.

(j) Material Incorporated by Reference

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

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

(i) Eurocopter Alert Service Bulletin ASB EC135–53A–029, Revision 0, dated November 19, 2013.

(ii) Reserved.

(3) For service information identified in this AD, contact Airbus Helicopters, Inc., 2701 N. Forum Drive, Grand Prairie, TX

75052; telephone (972) 641–0000 or (800) 232–0323; fax (972) 641–3775; or at *http://www.airbushelicopters.com/techpub.*

(4) You may view this service information at FAA, Office of the Regional Counsel, Southwest Region, 2601 Meacham Blvd., Room 663, Fort Worth, Texas 76137. For information on the availability of this material at the FAA, call (817) 222–5110.

(5) You may view this service information that is incorporated by reference at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call (202) 741–6030, or go to: *http://www.archives.gov/federal-register/cfr/ibr-locations.html.* Issued in Fort Worth, Texas, on June 25, 2014.

Lance T. Gant,

Acting Directorate Manager, Rotorcraft Directorate, Aircraft Certification Service.

[FR Doc. 2014–15527 Filed 7–14–14; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2013–0973; Directorate Identifier 2013–NM–139–AD; Amendment 39–17893; AD 2014–13–17]

RIN 2120–AA64

Airworthiness Directives; Airbus Airplanes

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

ACTION: Final rule.

SUMMARY: We are adopting a new airworthiness directive (AD) for all Airbus Model A300 series airplanes; Airbus Model A300 B4–600, B4–600R, and F4–600R series airplanes, and Model A300 C4–605R Variant F airplanes (collectively called Model A300–600 series airplanes); and Model A310 series airplanes. This AD was prompted by reports of failures of the right inner tank fuel pump. This AD requires repetitive functional tests of the circuit breakers for the fuel pump power supply, and replacement of certain circuit breakers. We are issuing this AD to detect and correct failure of the circuit breakers for the fuel pump power supply, which could result in a fuel pump overheating, leading to a fuel tank explosion.

DATES: This AD becomes effective August 19, 2014.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of August 19, 2014.

ADDRESSES: You may examine the AD docket on the Internet at *http://www.regulations.gov/#!docketDetail;D=FAA-2013-0973;* or in person at the Docket Management Facility, U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC.

For service information identified in this AD, contact Airbus SAS, Airworthiness Office—EAW, 1 Rond Point Maurice Bellonte, 31707 Blagnac Cedex, France; telephone +33 5 61 93 36 96; fax +33 5 61 93 44 51; email *account.airworth-eas@airbus.com;* Internet *http://www.airbus.com.* You may view this referenced service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425–227–1221.

FOR FURTHER INFORMATION CONTACT: Dan Rodina, Aerospace Engineer, International Branch, ANM–116, Transport Airplane Directorate, FAA, 1601 Lind Avenue SW., Renton, WA 98057–3356; telephone 425–227–2125; fax 425–227–1149.

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 Airbus Model A300 series airplanes; Airbus Model A300 B4–600, B4–600R, and F4–600R series airplanes, and Model A300 C4–605R Variant F airplanes (collectively called Model A300–600 series airplanes); and Model A310 series airplanes. The NPRM published in the **Federal Register** on November 22, 2013 (78 FR 70003).

The European Aviation Safety Agency (EASA), which is the Technical Agent for the Member States of the European Community, has issued EASA Airworthiness Directive 2013–0163, dated July 24, 2013 (referred to after this as the Mandatory Continuing Airworthiness Information, or ''the MCAI''), to correct an unsafe condition for the specified products. The MCAI states:

> Two successive failures have been reported of a Right Hand #1 inner tank fuel pump, Part Number 2052Cxx series (with placeholder ''xx'' indicating numerals). The fix consisted in the replacement of the pump, the associated circuit breaker and the AC [alternating current] bus load relay.
>
> Investigations determined that, in case of loss of one phase on the pump supply and the associated circuit breaker failing to trip, the fuel pump thermal fuses may not operate as quickly as expected.
>
> This condition, if not detected and corrected, would result in an overheat condition of the fuel pump in excess of 200 °C and could lead to a fuel tank explosion.
>
> To address this potential unsafe condition, Airbus issued Alert Operator Transmission (AOT) A28W002–13 providing instructions for a functional test of circuit breakers and corrective action.
>
> For the reasons described above, as a temporary measure until further notice, this [EASA] AD mandates functional tests of the affected fuel pump power supply circuit breakers, and, depending on findings, replacement of circuit breakers.
>
> This [EASA] AD will be followed by further [EASA] AD action.

You may examine the MCAI in the AD docket on the Internet at *http://www.regulations.gov/#!documentDetail;D=FAA-2013-0973-0002.*

Comments

We gave the public the opportunity to participate in developing this AD. We received no comments on the NPRM (78 FR 70003, November 22, 2013) or on the determination of the cost to the public.

''Contacting the Manufacturer'' Paragraph in This AD

Since late 2006, we have included a standard paragraph titled ''Airworthy Product'' in all MCAI ADs in which the FAA develops an AD based on a foreign authority's AD.

The MCAI or referenced service information in an FAA AD often directs the owner/operator to contact the manufacturer for corrective actions, such as a repair. Briefly, the Airworthy Product paragraph allowed owners/operators to use corrective actions provided by the manufacturer if those actions were FAA-approved. In addition, the paragraph stated that any actions approved by the State of Design Authority (or its delegated agent) are considered to be FAA-approved.

In the NPRM (78 FR 70003, November 22, 2013), we proposed to prevent the use of repairs that were not specifically developed to correct the unsafe condition, by requiring that the repair approval provided by the State of Design Authority or its delegated agent specifically refer to this FAA AD. This change was intended to clarify the method of compliance and to provide operators with better visibility of repairs that are specifically developed and approved to correct the unsafe condition. In addition, we proposed to change the phrase ''its delegated agent'' to include a design approval holder (DAH) with State of Design Authority design organization approval (DOA), as applicable, to refer to a DAH authorized

to approve required repairs for the proposed AD.

No comments were provided to the NPRM (78 FR 70003, November 22, 2013) about these proposed changes. However, a comment was provided for another NPRM, Directorate Identifier 2012–NM–101–AD (78 FR 78285, December 26, 2013). The commenter stated the following: ''The proposed wording, being specific to repairs, eliminates the interpretation that Airbus messages are acceptable for approving minor deviations (corrective actions) needed during accomplishment of an AD mandated Airbus service bulletin.''

This comment has made the FAA aware that some operators have misunderstood or misinterpreted the Airworthy Product paragraph to allow the owner/operator to use messages provided by the manufacturer as approval of deviations during the accomplishment of an AD-mandated action. The Airworthy Product paragraph does not approve messages or other information provided by the manufacturer for deviations to the requirements of the AD-mandated actions. The Airworthy Product paragraph only addresses the requirement to contact the manufacturer for corrective actions for the identified unsafe condition and does not cover deviations from other AD requirements. However, deviations to AD-required actions are addressed in 14 CFR 39.17, and anyone may request the approval for an alternative method of compliance to the AD-required actions using the procedures found in 14 CFR 39.19.

To address this misunderstanding and misinterpretation of the Airworthy Product paragraph, we have changed that paragraph and retitled it ''Contacting the Manufacturer.'' This paragraph now clarifies that for any requirement in this AD to obtain corrective actions from a manufacturer, the action must be accomplished using a method approved by the FAA, the European Aviation Safety Agency (EASA), or Airbus's EASA DOA. Where necessary throughout this AD, we also replaced any reference to approvals of corrective actions with a reference to the Contacting the Manufacturer paragraph.

The Contacting the Manufacturer paragraph also clarifies that, if approved by the DOA, the approval must include the DOA-authorized signature. The DOA signature indicates that the data and information contained in the document are EASA-approved, which is also FAA-approved. Messages and other information provided by the manufacturer that do not contain the DOA-authorized signature approval are not EASA-approved, unless EASA directly approves the manufacturer's message or other information.

This clarification does not remove flexibility previously afforded by the Airworthy Product paragraph. Consistent with long-standing FAA policy, such flexibility was never intended for required actions. This is also consistent with the recommendation of the Airworthiness Directive Implementation Aviation Rulemaking Committee to increase flexibility in complying with ADs by identifying those actions in manufacturers' service instructions that are ''Required for Compliance'' with ADs. We continue to work with manufacturers to implement this recommendation. But once we determine that an action is required, any deviation from the requirement must be approved as an alternative method of compliance.

Other commenters to the NPRM discussed previously, Directorate Identifier 2012–NM–101–AD (78 FR 78285, December 26, 2013), pointed out that in many cases the foreign manufacturer's service bulletin and the foreign authority's MCAI might have been issued some time before the FAA AD. Therefore, the DOA might have provided U.S. operators with an approved repair, developed with full awareness of the unsafe condition, before the FAA AD is issued. Under these circumstances, to comply with the FAA AD, the operator would be required to go back to the manufacturer's DOA and obtain a new approval document, adding time and expense to the compliance process with no safety benefit.

Based on these comments, we removed the requirement that the DAH-provided repair specifically refer to this AD. Before adopting such a requirement, the FAA will coordinate with affected DAHs and verify they are prepared to implement means to ensure that their repair approvals consider the unsafe condition addressed in this AD. Any such requirements will be adopted through the normal AD rulemaking process, including notice-and-comment procedures, when appropriate. We also have decided not to include a generic reference to either the ''delegated agent'' or ''DAH with State of Design Authority design organization approval,'' but instead we have provided the specific delegation approval granted by the State of Design Authority for the DAH in the Contacting the Manufacturer paragraph of this AD.

Conclusion

We reviewed the relevant data 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 (78 FR 70003, November 22, 2013) for correcting the unsafe condition; and
- Do not add any additional burden upon the public than was already proposed in the NPRM (78 FR 70003, November 22, 2013).

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

Costs of Compliance

We estimate that this AD affects 156 airplanes of U.S. registry.

We also estimate that it will take about 1 work-hour per product to comply with the basic requirements of this AD. The average labor rate is $85 per work-hour. Required parts will cost about $0 per product. Based on these figures, we estimate the cost of this AD on U.S. operators to be $85 per test, or $13,260 per test for U.S.-registered airplanes.

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.

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.

Examining the AD Docket

You may examine the AD docket on the Internet at *http://www.regulations.gov/#!docketDetail;D=FAA-2013-0973;* or in person at the Docket Management Facility between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the regulatory evaluation, any comments received, and other information. The street address for the Docket Operations office (telephone 800–647–5527) is in the **ADDRESSES** section.

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):

2014–13–17 Airbus: Amendment 39–17893. Docket No. FAA–2013–0973; Directorate Identifier 2013–NM–139–AD.

(a) Effective Date

This AD becomes effective August 19, 2014.

(b) Affected ADs

None.

(c) Applicability

This AD applies to the Airbus airplanes specified in paragraphs (c)(1), (c)(2), (c)(3), (c)(4), (c)(5), and (c)(6) of this AD; certificated in any category; all serial numbers.

(1) Model A300 B2–1A, B2–1C, B2K–3C, B2–203, B4–2C, B4–103, and B4–203 airplanes.

(2) Model A300 B4–601, B4–603, B4–620, and B4–622 airplanes.

(3) Model A300 B4–605R and B4–622R airplanes.

(4) Model A300 F4–605R and F4–622R airplanes.

(5) Model A300 C4–605R Variant F airplanes.

(6) Model A310–203, –204, –221, –222, –304, –322, –324, and –325 airplanes.

(d) Subject

Air Transport Association (ATA) of America Code 28, Fuel.

(e) Reason

This AD was prompted by reports of failures of the right inner tank fuel pump. We are issuing this AD to detect and correct failure of the circuit breakers for the fuel pump power supply, which could result in a fuel pump overheating, leading to a fuel tank explosion.

(f) Compliance

You are responsible for having the actions required by this AD performed within the compliance times specified, unless the actions have already been done.

(g) Repetitive Functional Tests of Circuit Breakers

(1) Within 6 months or 500 flight hours after the effective date of this AD, whichever occurs first: Do a functional test of the circuit breakers for the fuel pump power supply, as identified in paragraphs (g)(1)(i), (g)(1)(ii), and (g)(1)(iii) of this AD, as applicable, in accordance with Airbus Alert Operators Transmission A28W002–13, dated July 23, 2013. Repeat the functional test thereafter at intervals not to exceed 6 months or 500 flight hours, whichever occurs first.

(i) For Airbus Model A300 B2–1A, B2–1C, B2K–3C, and B2–203 airplanes: Inner and outer pump, No. 1 and No. 2 left-hand (LH) side and right-hand (RH) side.

(ii) For Airbus Model A300 B4–2C, B4–103, B4–203, B4–601, B4–603, B4–620, and B4–622 airplanes; and A310–203, –204, –221, and –222 airplanes:

(A) Inner and outer pump, No. 1 and No. 2, LH and RH; and

(B) Center pump, LH and RH.

(iii) For Airbus Model A300 B4–605R, B4–622R, F4–605R, F4–622R, and C4–605R Variant F airplanes; and Model A310–304, –322, –324, and –325 airplanes:

(A) Inner and outer pump, No. 1 and No. 2, LH and RH;

(B) Center pump, LH and RH; and

(C) Trim tank pump No. 1 and No. 2.

(2) If, during any functional test required by paragraph (g)(1) of this AD, any circuit breaker fails any functional test, or any circuit breaker is found to be stuck closed, before further flight, replace the affected circuit breaker with a serviceable part, in accordance with Airbus Alert Operators Transmission A28W002–13, dated July 23, 2013.

(3) The replacement of one or more circuit breakers as required by paragraph (g)(2) of this AD does not terminate the repetitive functional tests required by paragraph (g)(1) of this AD.

(h) Other FAA AD Provisions

The following provisions also apply to this AD:

(1) *Alternative Methods of Compliance (AMOCs):* The Manager, International Branch, ANM–116, Transport Airplane Directorate, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the International Branch, send it to ATTN: Dan Rodina, Aerospace Engineer, International Branch, ANM–116, Transport Airplane Directorate, FAA, 1601 Lind Avenue SW., Renton, WA 98057–3356; telephone 425–227–2125; fax 425–227–1149. 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. The AMOC approval letter must specifically reference this AD.

(2) *Contacting the Manufacturer:* For any requirement in this AD to obtain corrective actions from a manufacturer, the action must be accomplished using a method approved by the Manager, International Branch, ANM–116, Transport Airplane Directorate, FAA; or the European Aviation Safety Agency (EASA); or Airbus's EASA Design Organization Approval (DOA). If approved by the DOA, the approval must include the DOA-authorized signature.

(i) Related Information

Refer to Mandatory Continuing Airworthiness Information (MCAI) European Aviation Safety Agency Airworthiness Directive 2013–0163, dated July 24, 2013, for related information. This MCAI may be found in the AD docket on the Internet at *http://www.regulations.gov/#!document Detail;D=FAA-2013-0973-0002.*

(j) 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 Alert Operators Transmission A28W002–13, dated July 23, 2013.

(ii) Reserved.

(3) For service information identified in this AD, contact Airbus SAS, Airworthiness Office—EAW, 1 Rond Point Maurice Bellonte, 31707 Blagnac Cedex, France; telephone +33 5 61 93 36 96; fax +33 5 61 93 44 51; email *account.airworth-eas@airbus.com;* Internet *http://www.airbus.com.* You may view this referenced service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425–227–1221.

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

(5) You may view this service information that is incorporated by reference at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202–741–6030, or go to: *http://www.archives.gov/federal-register/cfr/ibr-locations.html.*

Issued in Renton, Washington, on June 25, 2014.

Jeffrey E. Duven,

Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2014–15800 Filed 7–14–14; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2013–0867; Directorate Identifier 2013–NM–115–AD; Amendment 39–17853; AD 2014–11–03]

RIN 2120–AA64

Airworthiness Directives; The Boeing Company Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: We are adopting a new airworthiness directive (AD) for certain The Boeing Company Model 777–200, –200LR, –300, and –300ER series airplanes. This AD was prompted by reports of severe corrosion on bonding jumpers installed on the flight control surfaces. This AD requires repetitive bonding jumper inspections for corrosion, sealant disbond, and insufficient sealant coverage; and corrective actions if necessary. This AD also specifies an optional inspection for corrosion damage of the bonding brackets, and corrective actions if necessary, which would terminate the repetitive inspections. For certain airplanes, this AD requires installing certain bonding jumpers, and replacing single-tabbed brackets with two-tabbed brackets. We are issuing this AD to detect and correct corrosion on bonding jumpers installed on the flight control surfaces, which, in the event of a lightning strike, could damage the actuator control electronics (ACEs) and result in the loss of the ability to command individual flight control surfaces or cause uncommanded motion of individual flight control surfaces.

DATES: This AD is effective August 19, 2014.

The Director of the Federal Register approved the incorporation by reference of certain publications listed in this AD as of August 19, 2014.

ADDRESSES: For service information identified in this AD, contact Boeing Commercial Airplanes, Attention: Data & Services Management, P.O. Box 3707, MC 2H–65, Seattle, WA 98124–2207; telephone 206–544–5000, extension 1; fax 206–766–5680; Internet *https://www.myboeingfleet.com.* You may view this referenced service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425–227–1221.

Examining the AD Docket

You may examine the AD docket on the Internet at *http://www.regulations.gov* by searching for and locating Docket No. FAA–2013–0867; or in person at the Docket Management Facility between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the regulatory evaluation, any comments received, and other information. The address for the Docket Office (phone: 800–647–5527) is Docket Management Facility, U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC 20590.

FOR FURTHER INFORMATION CONTACT: Georgios Roussos, Aerospace Engineer, Systems and Equipment Branch, ANM–130S, Seattle Aircraft Certification Office, FAA, 1601 Lind Avenue SW., Renton, WA 98057–3356; phone: 425–917–6482; fax: 425–917–6590; email: *Georgios.Roussos@faa.gov.*

SUPPLEMENTARY INFORMATION:

Discussion

We issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 by adding an AD that would apply to certain The Boeing Company Model 777–200, –200LR, –300, and –300ER series airplanes. The NPRM published in the **Federal Register** on October 25, 2013 (78 FR 63903). The NPRM was prompted by reports of severe corrosion on bonding jumpers installed on the flight control surfaces. The NPRM proposed to require repetitive bonding jumper inspections for corrosion, sealant disbond, and insufficient sealant coverage; and corrective actions if necessary. The NPRM also specified an optional inspection for corrosion damage of the bonding brackets, and corrective actions if necessary, which would terminate the repetitive inspections. For certain airplanes, the NPRM proposed installing certain bonding jumpers, and replacing single-tabbed brackets with two-tabbed brackets. We are issuing this AD to detect and correct corrosion on bonding jumpers installed on the flight control surfaces, which, in the event of a lightning strike, could damage the ACEs and result in the loss of the ability to command individual flight control surfaces or cause uncommanded motion of individual flight control surfaces.

Comments

We gave the public the opportunity to participate in developing this AD. The following presents the comments received on the proposal (78 FR 63903, October 25, 2013) and the FAA's response to each comment.

Request To Base Compliance Time on AD Issue Date

American Airlines (AAL) requested that paragraph (f) of the proposed AD (78 FR 63903, October 25, 2013) be revised to allow operators to comply with Boeing Service Bulletin 777–27A0078, Revision 1, dated April 1, 2013, within 36 months after the AD effective date. AAL stated that Boeing Alert Service Bulletin 777–27A0078, dated September 10, 2009, was issued with a compliance time of 36 months from the original release of the service bulletin. AAL explained that after Boeing Alert Service Bulletin 777–27A0078, dated September 10, 2009, was released, Boeing accomplished a service bulletin validation on another operator's airplane and found many discrepancies and errors with the work instructions and parts required, resulting in Revision 1 of Boeing Service Bulletin 777–27A0078, dated April 1, 2013. AAL stated that due to the issues still existing in the work instructions for Boeing Alert Service Bulletin 777–27A0078, dated September 10, 2009, and a long lead time on the part kits, operators will be unable to accomplish Boeing Service Bulletin 777–27A0078, Revision 1, dated April 1, 2013, by the compliance time given without severe disruption of schedules.

We agree with the commenter's request. We agree that the compliance time should be based on the effective date of this final rule and not on the original issue date of Boeing Service Bulletin 777–27A0078, Revision 1, dated April 1, 2013. We had already included this information in the proposed AD (78 FR 63903, October 25, 2013), paragraph (j)(1) of this AD, as

reiterated from the proposed AD, states that where Boeing Service Bulletin 777–27A0078, Revision 1, dated April 1, 2013, specifies a compliance time after the ''Original issue date of this service bulletin,'' this AD requires compliance within the specified compliance time after the ''effective date of this AD''. Therefore, no change is required for this AD in this regard.

Request To Revise Repetitive Inspection Interval

Boeing requested that we revise paragraph (g) of the proposed AD (78 FR 63903, October 25, 2013) to extend the compliance time for the repetitive inspections from 48 months to 1,500 days in order to allow operators to do these inspections at the same time as other inspections which are on a 1,500-day cycle mandated by the Model 777 airplane maintenance planning document. Boeing stated that current guidance on developing a compliance recommendation requires that airline maintenance inspection intervals (AMII) be taken into account when determining the compliance time. Boeing explained that for the Model 777 series airplanes, these AMII are given in calendar days and cycles, and that deviation from the AMII requires justification. Boeing stated that since no such justification exists, if the compliance time were to be determined today, it would be 1,500 days (4 maintenance years) instead of 48 months (4 calendar years).

We agree with the commenter's request. The requested change to the repetitive inspection interval meets the compliance time that has been determined for addressing the identified unsafe condition, while taking into account fleet-established maintenance intervals. We have revised paragraph (g) of this AD to specify a repetitive inspection interval of 1,500 days.

Request to Clarify Inspection Method

United Airlines (UAL) requested that we revise paragraph (g) of the proposed AD (78 FR 63903, October 25, 2013), which specifies to do a detailed inspection using a borescope if the horizontal stabilizer tips have not been removed. UAL requested that we clarify the required action by including ''as applicable'' or by noting that this borescope inspection applies only to bonding jumper number 10.

We infer that the commenter refers to the work instructions in Boeing Service Bulletin 777–27A0078, Revision 1, dated April 1, 2013, that identify the option of using a borescope to inspect bonding jumper 10 if the horizontal stabilizer tips have not been removed. We agree with the commenter's request. The use of a borescope is intended for bonding jumper 10, and not for all bonding jumpers. We have revised paragraph (g) of this AD to specify doing the detailed inspection using a borescope if the horizontal stabilizer tips have not been removed.

Revisions Made to This Final Rule

We have revised the Costs of Compliance in this final rule to specify only the mandated actions, since we have no definitive data for the on-condition costs. We have also revised the concurrent cost estimates by including the estimated number of airplanes on which those actions must be accomplished.

We have revised paragraph (h)(1) of this AD to clarify that the optional terminating action for Option 2 includes replacing bonding jumpers.

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 (78 FR 63903, October 25, 2013) for correcting the unsafe condition; and
- Do not add any additional burden upon the public than was already proposed in the NPRM (78 FR 63903, October 25, 2013).

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

Costs of Compliance

We estimate that this AD affects 131 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 of bonding jumpers (131 airplanes)	Up to 67 work-hours × $85 per hour = Up to $5,695 per inspection cycle.	$0	Up to $5,695 per inspection cycle.	Up to $746,045 per inspection cycle.
Concurrent action; Boeing Service Bulletin 777-55A0010, Revision 1, dated April 17, 2001. (34 airplanes)	66 work-hours × $85 per hour = $5,610.	2,668	$8,278	$281,452.
Concurrent action; Boeing Service Bulletin 777-55A0014, Revision 1, dated April 1, 2010. (84 airplanes)	21 work-hours × $85 per hour = $1,785.	1,235	$3,020	$253,680.

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

Authority for This Rulemaking

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

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

Regulatory Findings

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

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

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

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

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

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

List of Subjects in 14 CFR Part 39

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

Adoption of the Amendment

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

PART 39—AIRWORTHINESS DIRECTIVES

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

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

§ 39.13 [Amended]

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

2014–11–03 The Boeing Company: Amendment 39–17853; Docket No. FAA–2013–0867; Directorate Identifier 2013–NM–115–AD.

(a) Effective Date

This AD is effective August 19, 2014.

(b) Affected ADs

This AD affects AD 2012–08–13, Amendment 39–17030 (77 FR 24357, April 24, 2012).

(c) Applicability

This AD applies to The Boeing Company Model 777–200, -200LR, -300, and -300ER series airplanes, certificated in any category, as identified in Boeing Service Bulletin 777–27A0078, Revision 1, dated April 1, 2013.

(d) Subject

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

(e) Unsafe Condition

This AD was prompted by reports of severe corrosion on bonding jumpers installed on the flight control surfaces. We are issuing this AD to detect and correct corrosion on bonding jumpers installed on the flight control surfaces, which, in the event of a lightning strike, could damage the actuator control electronics (ACEs) and result in the loss of the ability to command individual flight control surfaces or cause uncommanded motion of individual flight control surfaces.

(f) Compliance

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

(g) Bonding Jumper or Bracket Inspection

At the applicable compliance time specified in paragraph 1.E., ''Compliance,'' of Boeing Service Bulletin 777–27A0078, Revision 1, dated April 1, 2013, except as specified in paragraphs (j)(1) and (j)(2) of this AD: Do a general visual inspection or a detailed inspection, including a borescopic inspection as applicable, for corrosion, sealant disbond, and insufficient sealant coverage of bonding jumpers; and do all applicable corrective actions; in accordance with Option 1, and Option 2, as applicable, of the Accomplishment Instructions of Boeing Service Bulletin 777–27A0078, Revision 1, dated April 1, 2013, except as required by paragraph (j)(3) of this AD. Do a detailed inspection using a borescope of bonding jumper 10 if the horizontal stabilizer tips have not been removed. Do all applicable corrective actions before further flight. Repeat the inspection thereafter at intervals not to exceed 1,500 days. Doing the actions specified in paragraph (h)(1) of this AD on a bonding jumper terminates the repetitive inspections required by this paragraph. Doing the actions specified in paragraph (h)(2) of this AD terminates repetitive inspections required by this paragraph for that bonding jumper.

(h) Optional Terminating Actions

(1) Doing a general visual inspection or a detailed inspection for corrosion damage of the bonding jumper brackets, replacing bonding jumpers, and all applicable corrective actions; in accordance with Option 2 of the Accomplishment Instructions of Boeing Service Bulletin 777–27A0078, Revision 1, dated April 1, 2013; terminates the repetitive inspections required by paragraph (g) of this AD. Do all applicable corrective actions before further flight.

(2) The repetitive inspections required by paragraph (g) of this AD are not required on the bonding jumpers that were removed, inspected, and replaced with new bonding jumpers and new fasteners using the new category 2 fay sealed direct standard ground stud installation method, in accordance with the Accomplishment Instructions of Boeing Service Bulletin 777–27A0078, Revision 1, dated April 1, 2013.

(i) Prior and Concurrent Requirements

(1) For Group 1 airplanes, as identified in Boeing Service Bulletin 777–27A0078, Revision 1, dated April 1, 2013: Prior to or concurrently with accomplishing the actions required by paragraph (g) of this AD, install new bonding jumpers, and do resistance measurements of the modified installation to verify resistance is within the limits specified in the Accomplishment Instructions of Boeing Service Bulletin 777–55A0010, Revision 1, dated April 17, 2001. Do the actions in accordance with the Accomplishment Instructions of Boeing Service Bulletin 777–55A0010, Revision 1, dated April 17, 2001.

Note 1 to paragraph (i)(1) of this AD: AD 2012–08–13, Amendment 39–17030 (77 FR 24357, April 24, 2012), refers to Boeing Service Bulletin 777–55A0010, Revision 1, dated April 17, 2001, as the appropriate source of service information for accomplishing the actions specified in paragraph (h) of AD 2012–08–13.

(2) For Group 1 and Group 2 airplanes, as identified in Boeing Service Bulletin 777–27A0078, Revision 1, dated April 1, 2013: Prior to or concurrently with accomplishing the actions required by paragraph (g) of this AD, replace certain single-tabbed bonding brackets in the airplane empennage with two-tabbed bonding brackets, in accordance with the Accomplishment Instructions of Boeing Service Bulletin 777–55A0014, Revision 1, dated April 1, 2010.

Note 2 to paragraph (i)(2) of this AD: AD 2012–08–13, Amendment 39–17030 (77 FR 24357, April 24, 2012), refers to Boeing Service Bulletin 777–55A0014, Revision 1, dated April 1, 2010, as the appropriate source of service information for accomplishing the actions specified in paragraph (g) of AD 2012–08–13.

(j) Exceptions to Service Information

(1) Where Boeing Service Bulletin 777–27A0078, Revision 1, dated April 1, 2013, specifies a compliance time after the ''Original issue date of this service bulletin,'' this AD requires compliance within the specified compliance time after the effective date of this AD.

(2) The ''Condition'' column in paragraph 1.E., ''Compliance,'' of Boeing Service Bulletin 777–27A0078, Revision 1, dated April 1, 2013, refers to a condition as of the ''Original Issue date of this service bulletin.'' This AD applies to the corresponding condition as of the effective date of this AD.

(3) If any corrosion damage is found during any inspection required by this AD, and Boeing Service Bulletin 777–27A0078, Revision 1, dated April 1, 2013, specifies to contact Boeing for appropriate action: Before further flight, repair the corrosion damage using a method approved in accordance with the procedures specified in paragraph (l) of this AD.

(k) Credit for Previous Actions

(1) For Groups 1, 2, and 6 through 9, as identified in Boeing Alert Service Bulletin 777–27A0078, dated September 10, 2009: This paragraph provides credit for actions required by paragraph (g) of this AD and the actions specified in paragraph (h) of this AD, if those actions were performed before the effective date of this AD using Boeing Alert

Service Bulletin 777–27A0078, dated September 10, 2009, which is not incorporated by reference in this AD.

(2) For Groups 3 through 5, as identified in Boeing Alert Service Bulletin 777–27A0078, dated September 10, 2009: This paragraph provides credit for actions required by paragraph (g) of this AD, except for the actions required for bonding jumpers 21 and 22, if those actions were performed before the effective date of this AD using Boeing Alert Service Bulletin 777–27A0078, dated September 10, 2009, which is not incorporated by reference in this AD. If a review of the airplane's maintenance records positively determines that bonding jumpers 21 and 22 were inspected before the effective date of this AD in accordance with Option 1 of Work Package 3 of the Accomplishment Instructions of Boeing Alert Service Bulletin 777–27A0078, dated September 10, 2009, this paragraph provides credit for the actions required by paragraph (g) of this AD for the inspected bonding jumpers.

(3) For Groups 3 through 5, as identified in Boeing Alert Service Bulletin 777–27A0078, dated September 10, 2009: This paragraph provides credit for actions specified in paragraph (h) of this AD, if those actions were performed before the effective date of this AD using Boeing Alert Service Bulletin 777–27A0078, dated September 10, 2009, which is not incorporated by reference in this AD; provided that a review of the airplane's maintenance records positively determines that bonding jumpers 21 and 22 were replaced in accordance with Option 2 of Work Package 3 of the Accomplishment Instructions of Boeing Alert Service Bulletin 777–27A0078, dated September 10, 2009, or were replaced using the new Category 2 fay sealed direct ground stud installation method.

(4) This paragraph provides credit for actions required by paragraph (i)(1) of this AD if those actions were performed before the effective date of this AD using Boeing Alert Service Bulletin 777–55A0010, dated October 26, 2000, which is not incorporated by reference in this AD.

(5) This paragraph provides credit for actions required by paragraph (i)(2) of this AD if those actions were performed before the effective date of this AD using Boeing Alert Service Bulletin 777–55A0014, dated May 8, 2008, which is not incorporated by reference in this AD.

(l) Alternative Methods of Compliance (AMOCs)

(1) The Manager, Seattle Aircraft Certification Office (ACO), FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the manager of the ACO, send it to the attention of the person identified in paragraph (m)(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 Principal Maintenance Inspector or Principal Avionics Inspector, as appropriate, or lacking a principal inspector, your local Flight Standards District Office.

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

(m) Related Information

(1) For more information about this AD, contact Georgios Roussos, Aerospace Engineer, Systems and Equipment Branch, ANM–130S, Seattle Aircraft Certification Office, FAA, 1601 Lind Avenue SW., Renton, WA 98057–3356; phone: 425–917–6482; fax: 425–917–6590; email: *Georgios.Roussos@faa.gov.*

(2) Service information identified in this AD that is not incorporated by reference may be viewed 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 the AD specifies otherwise.

(i) Boeing Service Bulletin 777–27A0078, Revision 1, dated April 1, 2013.

(ii) Boeing Service Bulletin 777–55A0010, Revision 1, dated April 17, 2001.

(iii) Boeing Service Bulletin 777–55A0014, Revision 1, dated April 1, 2010.

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

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

(5) You may view this service information that is incorporated by reference at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202–741–6030, or go to: *http://www.archives.gov/federal-register/cfr/ibr-locations.html.*

Issued in Renton, Washington, on May 14, 2014.

Michael J. Kaszycki,

Acting Manager Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2014–15435 Filed 7–14–14; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2013–0296; Directorate Identifier 2012–NM–102–AD; Amendment 39–17861; AD 2014–11–10]

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) 2008–08–09 for certain Bombardier, Inc. Model CL–600–2B19 (Regional Jet Series 100 & 440) airplanes. AD 2008–08–09 required revising the airworthiness limitations (AWL) section of the Instructions for Continued Airworthiness by incorporating procedures for repetitive functional tests of the pilot input lever of the pitch feel simulator (PFS) units and corrective actions if necessary. This new AD requires replacing certain PFS units with new redesigned PFS units, which would terminate the repetitive functional tests; and both adding and removing certain airplanes from the applicability. This AD was prompted by reports that the shear pin in the input lever of several PFS units failed due to fatigue; and by the development of a re-designed PFS unit, which eliminates the need for repetitive functional tests. We are issuing this AD to prevent undetected failure of the shear pins of both PFS units simultaneously, which could result in loss of pitch feel forces and consequent reduced control of the airplane.

DATES: This AD becomes effective August 19, 2014.

The Director of the Federal Register approved the incorporation by reference of certain publications listed in this AD as of August 19, 2014.

ADDRESSES: You may examine the AD docket on the Internet at *http://www.regulations.gov/#!docketDetail;D=FAA-2013-0296*; or in person at the Docket Management Facility, U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC.

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

FOR FURTHER INFORMATION CONTACT:

Cesar Gomez, Aerospace Engineer, Airframe and Mechanical Systems Branch, ANE–171, FAA, New York Aircraft Certification Office, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone 516–228–7318; fax 516–794–5531.

SUPPLEMENTARY INFORMATION:

Discussion

We issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 to supersede AD 2008–08–09, Amendment 39–15461 (73 FR 19979, April 14, 2008). AD 2008–08–09 applied to certain Bombardier, Inc. Model CL–600–2B19 (Regional Jet Series 100 & 440) airplanes. The NPRM published in the **Federal Register** on April 9, 2013 (78 FR 21074).

Transport Canada Civil Aviation (TCCA), which is the aviation authority for Canada, has issued Canadian Airworthiness Directive CF–2005–41R1, dated May 10, 2012 (referred to after this as the Mandatory Continuing Airworthiness Information, or ''the MCAI''), to correct an unsafe condition for the specified products. The MCAI states:

> The shear pin in the input lever of several Pitch Feel Simulators (PFS) units has failed due to fatigue. The shear pin failure is not always detectable by the flight crew in normal operation. Failure of the shear pins in both PFS units on an aeroplane could result in loss of pitch feel forces and reduced controllability of the aeroplane.
>
> Recently, Transport Canada has certified the new design of the PFS unit—part number (P/N) 601R92300–7 as a terminating action. Revision 1 of this [Canadian] AD mandates the retrofit of all in-service CL–600–2B19 aeroplanes with the redesigned PFS unit.

Required actions include revising the AWLs section of the Instructions for Continued Airworthiness, repetitive functional testing of the pilot input lever of the PFS unit, and corrective actions if necessary, and replacing the PFS units having part number (P/N) 601R92300–3 (vendor P/N TY1910–50A) or 601R92300–5 (vendor P/N TY1910–51A) with PFS units having P/N 601R92300–7 (vendor P/N TY1910–54A), which terminates the actions required by AD 2008–08–09, Amendment 39–15461 (73 FR 19979, April 14, 2008). This AD also adds airplanes having serial numbers (S/Ns) 7991 through 7999 inclusive, and removes airplanes having S/Ns 8111 and subsequent. You may examine the MCAI in the AD docket on the Internet at *http://www.regulations.gov/#!docketDetail;D=FAA-2013-0296*.

Comments

We gave the public the opportunity to participate in developing this AD. The following presents the comments received on the NPRM (78 FR 21074, April 9, 2013) and the FAA's response to each comment.

Request To Revise the Applicability by Adding Part Numbers

Air Wisconsin Airlines Corporation (Air Wisconsin) requested that we revise paragraph (c) of the proposed AD (78 FR 21074, April 9, 2013) by adding the part numbers of the PFS units, in addition to the airplane serial numbers. Air Wisconsin stated that the part numbers that should be added are P/N 601R92300–3 (vendor P/N TY1910–50A) and P/N 601R92300–5 (vendor P/N TY1910–51A). Air Wisconsin provided no justification for this request.

We do not agree to add the requested part numbers to the applicability of this AD. The functional check of the input lever required by this AD must be done on all airplanes having the serial numbers identified in the applicability of this AD. We have made no changes to paragraph (c) of this AD in this regard.

Request To Clarify Instructions Regarding Airworthiness Limitations

Air Wisconsin requested that we clarify how an operator is to update the AWLs when the task for doing the functional test of the PFS unit was deleted. Air Wisconsin stated that paragraph (g) of the proposed AD (78 FR 21074, April 9, 2013) refers to Task R27–31–A024–01, which was deleted by Bombardier on February 23, 2007. Air Wisconsin pointed out that Task R27–31–A024–01 was specified in Bombardier Temporary Revision (TR) 2B–1784, dated October 24, 2003, to the Canadair CL–600–2B19 Regional Jet Maintenance Requirements Manual, Part 2, Appendix B, which is no longer available or relevant.

We agree. We removed proposed paragraph (g) (78 FR 21074, April 9, 2013) from this AD, and redesignated subsequent paragraphs accordingly. The functional test specified in paragraph (h) of the proposed AD (78 FR 21074, April 9, 2013) (redesignated as paragraph (g) of this AD) is now required in paragraph (g) of this AD.

Request To Revise Applicability To Exclude a Certain Serial Number

Air Wisconsin requested that we revise paragraph (h) of the proposed AD (78 FR 21074, April 9, 2013) (redesignated as paragraph (g) of this AD) to match the Effectivity section of Bombardier Alert Service Bulletin A601R–27–144, Revision E, dated October 2, 2012. Air Wisconsin stated that paragraph (h) of the proposed AD applies to airplanes having S/Ns 7003 through 7990 inclusive, and S/Ns 8000 through 8111 inclusive. Air Wisconsin stated that, while the Effectivity section of the service information varies between revisions, Bombardier Alert Service Bulletin A601R–27–144, Revision E, dated October 2, 2012, excludes the airplane having S/N 8111.

We agree with Air Wisconsin's request to revise the applicability of this final rule for the reason provided. We have confirmed that the airplane having S/N 8111 is not affected by the unsafe condition addressed by this AD. Therefore, we have revised paragraphs (c) and (g) of this AD (designated as paragraphs (c) and (h) of the proposed AD (78 FR 21074, April 9, 2013)) to remove the airplane having S/N 8111. We have coordinated this change with TCCA and Bombardier.

Request To Clarify Instructions Regarding Functional Test

Air Wisconsin requested that we clarify how an operator is to perform the functional test identified in paragraph (j) of the proposed AD (78 FR 21074, April 9, 2013) (redesignated as paragraph (i) of this AD) when the task for the functional test has been deleted. Air Wisconsin stated that paragraph (j) of the proposed AD refers to Task R27–31–A024–01, which was deleted by Bombardier on February 23, 2007. Air Wisconsin stated that this task was specified in Bombardier TR 2B–1784, dated October 24, 2003, to the Canadair CL–600–2B19 Regional Jet Maintenance Requirements Manual, Part 2, Appendix B, which is no longer available or relevant.

We agree for the reason stated by Air Wisconsin. We have revised paragraph (i) of this AD (designated as paragraph (j) in the proposed AD (78 FR 21074, April 9, 2013)) by removing the reference to Task R27–31–A024–01.

Request To Revise Wording in Paragraph (k) of the Proposed AD (78 FR 21074, April 9, 2013)

Air Wisconsin requested that the term ''detected'' in paragraph (k) of the proposed AD (78 FR 21074, April 9, 2013) (redesignated as paragraph (j) of

this AD) be changed to ''disconnected.'' Air Wisconsin asserted that FAA's intent was probably to use the term ''disconnected.''

We partially agree. We agree that paragraph (j) of this AD (78 FR 21074, April 9, 2013) (designated as paragraph (k) of the proposed AD) should read differently. Paragraph 2.B.(4)(c) of the Accomplishment Instructions of Bombardier Service Bulletin A601R–27–144, Revision E, dated October 2, 2012, states, ''If the input lever moves freely, or the input lever is loose, the PFS is ''defective. . . .'' Therefore, we have revised paragraphs (i) and (j) of this AD (designated as paragraphs (j) and (k) of the proposed AD) by changing the word ''disconnected'' to ''defective.''

Request To Clarify Airplanes Affected by New PFS Unit Replacement

Air Wisconsin requested that paragraph (l) of the proposed AD (78 FR 21074, April 9, 2013) (redesignated as paragraph (k) of this AD) be revised to add vendor P/Ns TY1910–50A, TY1910–51A, and TY1910–54A for clarity.

We agree with Air Wisconsin's request to add vendor part numbers in paragraph (k) of this AD (designated as paragraph (l) in the proposed AD (78 FR 21074, April 9, 2013). We have revised paragraph (k) of this AD by adding the vendor part numbers with the manufacturer part numbers.

Request To Add Compliance Time When Total Flight Hours are Unknown

Air Wisconsin requested that paragraph (l) of the proposed AD (78 FR 21074, April 9, 2013) (redesignated as paragraph (k) of this AD) be revised to add a replacement compliance time for PFS units on which the total flight hours are unknown. Air Wisconsin suggested the compliance time for PFS units with unknown total flight hours be 3,000 flight hours or 18 months after the effective date of this AD.

We agree with Air Wisconsin's request to specify a compliance time for PFS units with unknown total flight hours. We have revised paragraph (k)(4) of this AD (78 FR 21074, April 9, 2013) to add the suggested compliance time for PFS units having P/N 601R92300–3 (vendor P/N TY1910–50A) or 601R92300–5 (vendor P/N TY1910–51A) for which the total flight hours are unknown or cannot be determined.

Explanation of Changes Made to This AD

We have reformatted paragraph (l) of this AD (designated as paragraph (m) of the proposed AD (78 FR 21074, April 9, 2013).

We have added new paragraph (l)(1) to this AD. Paragraph (l)(1) of this AD gives credit for doing a functional test if done before the effective date of AD 2006–05–11 R1, Amendment 39–14528 (71 FR 15323, March 28, 2006), using Bombardier Alert Service Bulletin A601R–27–144, including Appendix A, dated September 15, 2005.

We redesignated paragraphs (m)(1), (m)(1)(i), (m)(1)(ii), and (m)(2) of the proposed AD (78 FR 21074, April 9, 2013) as paragraphs (l)(2), (l)(2)(i), (l)(2)(ii), and (l)(5) of this AD.

Conclusion

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

- Are consistent with the intent that was proposed in the NPRM (78 FR 21074, April 9, 2013) for correcting the unsafe condition; and
- Do not add any additional burden upon the public than was already proposed in the NPRM (78 FR 21074, April 9, 2013).

Costs of Compliance

We estimate that this AD affects 574 airplanes of U.S. registry.

The actions that are required by AD 2008–08–09, Amendment 39–15461 (73 FR 19979, April 14, 2008), and retained in this AD take about 2 work-hours per product, at an average labor rate of $85 per work-hour. Required parts cost $0 per product. Based on these figures, the estimated cost of the actions that were required by AD 2008–08–09 is $170 per product.

We also estimate that it will take about 8 work-hours per product to comply with the new basic requirements of this AD. The average labor rate is $85 per work-hour. Required parts will cost about $2,500 per product. Where the service information lists required parts costs that are covered under warranty, we have assumed that there will be no charge for these parts. As we do not control warranty coverage for affected parties, some parties may incur costs higher than estimated here. Based on these figures, we estimate the cost of this AD on U.S. operators to be $1,825,320, or $3,180 per product.

Authority for This Rulemaking

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

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

Regulatory Findings

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

For the reasons discussed 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.

Examining the AD Docket

You may examine the AD docket on the Internet at *http://www.regulations.gov/#!docketDetail;D=FAA-2013-0296*; or in person at the Docket Management Facility between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the regulatory evaluation, any comments received, and other information. The street address for the Docket Operations office (telephone 800–647–5527) is in the **ADDRESSES** section.

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) 2008–08–09, Amendment 39–15461 (73 FR 19979, April 14, 2008), and adding the following new AD:

2014–11–10 Bombardier: Amendment 39–17861. Docket No. FAA–2013–0296; Directorate Identifier 2012–NM–102–AD.

(a) Effective Date

This AD becomes effective August 19, 2014.

(b) Affected ADs

This AD supersedes AD 2008–08–09, Amendment 39–15461 (73 FR 19979, April 14, 2008).

(c) Applicability

This AD applies to Bombardier, Inc. Model CL–600–2B19 (Regional Jet Series 100 & 440) airplanes, certificated in any category, serial numbers (S/Ns) 7003 through 8110 inclusive.

(d) Subject

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

(e) Reason

This AD was prompted by reports that the shear pin in the input lever of several pitch feel simulator (PFS) units failed due to fatigue; and by the development of a re-designed PFS unit, which eliminates the need for repetitive functional testing. We are issuing this AD to prevent undetected failure of the shear pins of both PFS units simultaneously, which could result in loss of pitch feel forces and consequent reduced control of the airplane.

(f) Compliance

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

(g) Retained Functional Test of Input Lever With Revised Service Information

This paragraph restates the requirements of paragraph (g) of AD 2008–08–09, Amendment 39–15461 (73 FR 19979, April 14, 2008), with revised service information. For airplanes having S/Ns 7003 through 7990 inclusive, and S/Ns 8000 through 8110 inclusive: Before the accumulation of 4,000 total flight hours, or within 100 flight hours after March 27, 2006 (the effective date of AD 2006–05–11 R1, Amendment 39–14528 (71 FR 15323, March 28, 2006), whichever occurs later, do a functional test of the pilot input lever of the PFS units to determine if the lever is disconnected, in accordance with the Accomplishment Instructions of a service bulletin specified in paragraph (g)(1), (g)(2), or (g)(3) of this AD. Repeat the test at intervals not to exceed 100 flight hours. As of the effective date of this AD, only Bombardier Alert Service Bulletin A601R–27–144, Revision E, dated October 2, 2012, including Appendix A, Revision A, dated December 20, 2006, may be used to accomplish the actions required by this paragraph.

(1) Bombardier Alert Service Bulletin A601R–27–144, Revision A, dated February 14, 2006, including Appendix A, dated September 15, 2005.

(2) Bombardier Alert Service Bulletin A601R–27–144, Revision B, dated December 20, 2006, including Appendix A, Revision A, dated December 20, 2006.

(3) Bombardier Alert Service Bulletin A601R–27–144, Revision E, dated October 2, 2012, including Appendix A, Revision A, dated December 20, 2006.

(h) Retained Replacement With Revised Service Information

This paragraph restates the requirements of paragraph (h) of AD 2008–08–09, Amendment 39–15461 (73 FR 19979, April 14, 2008), with revised service information. If any lever is found to be disconnected during any functional test required by paragraph (g) of this AD: Before further flight, replace the defective PFS unit with a serviceable PFS unit, in accordance with the Accomplishment Instructions of a service bulletin specified in paragraph (h)(1), (h)(2), or (h)(3) of this AD. As of the effective date of this AD, only Bombardier Alert Service Bulletin A601R–27–144, Revision E, dated October 2, 2012, including Appendix A, Revision A, dated December 20, 2006, may be used to accomplish the actions required by this paragraph.

(1) Bombardier Alert Service Bulletin A601R–27–144, Revision A, dated February 14, 2006, including Appendix A, dated September 15, 2005.

(2) Bombardier Alert Service Bulletin A601R–27–144, Revision B, dated December 20, 2006, including Appendix A, Revision A, dated December 20, 2006.

(3) Bombardier Alert Service Bulletin A601R–27–144, Revision E, dated October 2, 2012, including Appendix A, Revision A, dated December 20, 2006.

(i) New Functional Test of Input Lever

For airplanes having S/Ns 7991 through 7999 inclusive: At the later of the times specified in paragraphs (i)(1) and (i)(2) of this AD, do a functional test of the pilot input lever of the PFS units to determine if the lever is defective, in accordance with the Accomplishment Instructions of Bombardier Alert Service Bulletin A601R–27–144, Revision E, dated October 2, 2012, including Appendix A, Revision A, dated December 20, 2006. Repeat the test thereafter at intervals not to exceed 100 flight hours.

(1) Before the accumulation of 4,000 total flight hours.

(2) Within 100 flight hours from the effective date of this AD.

(j) New Replacement of Defective Pitch Feel Simulator Unit

For airplanes having S/Ns 7991 through 7999 inclusive: If any defective lever is found during any functional test required by paragraph (i) of this AD, before further flight, replace the defective PFS unit with a serviceable PFS unit, in accordance with the Accomplishment Instructions of Bombardier Alert Service Bulletin A601R–27–144, Revision E, dated October 2, 2012, including Appendix A, Revision A, dated December 20, 2006.

(k) New Replacement of Pitch Feel Simulator Units

At the applicable time specified in paragraph (k)(1), (k)(2), (k)(3), or (k)(4) of this AD: Replace PFS units having part number (P/N) 601R92300–3 (vendor P/N TY1910–50A) or 601R92300–5 (vendor P/N TY1910–51A), with PFS units having P/N 601R92300–7 (vendor P/N TY1910–54A), in accordance with the Accomplishment Instructions of Bombardier Service Bulletin 601R–27–139, Revision A, dated May 28, 2012. Accomplishment of the replacement required by this paragraph terminates the requirements of paragraphs (g), (h), (i), and (j) of this AD, and does not alter the approved maintenance program for the new redesigned PFS unit P/N 601R92300–7 (vendor P/N TY1910–54A).

(1) For PFS units having P/N 601R92300–3 (vendor P/N TY1910–50A) or 601R92300–5 (vendor P/N TY1910–51A), that have accumulated less than 18,000 total flight hours as of the effective date of this AD: Within 6,000 flight hours after the effective date of this AD, but not to exceed 23,000 total flight hours on the PFS unit, or within 36 months after the effective date of this AD, whichever occurs first.

(2) For PFS units having P/N 601R92300–3 (vendor P/N TY1910–50A) or 601R92300–5 (vendor P/N TY1910–51A), that have accumulated more than or equal to 18,000 total flight hours, but less than 19,000 total flight hours as of the effective date of this AD: Within 5,000 flight hours after the effective date of this AD, but not to exceed 23,000 total flight hours on the PFS unit, or within 30 months after the effective date of this AD, whichever occurs first.

(3) For PFS units having P/N 601R92300–3 (vendor P/N TY1910–50A) or 601R92300–5 (vendor P/N TY1910–51A), that have accumulated more than or equal to 19,000 total flight hours, but less than 20,000 total flight hours as of the effective date of this AD: Within 4,000 flight hours after the effective date of this AD, but not to exceed 23,000 total flight hours on the PFS unit, or within 24 months after the effective date of this AD, whichever occurs first.

(4) For PFS units having P/N 601R92300–3 (vendor P/N TY1910–50A) or 601R92300–5 (vendor P/N TY1910–51A) that have accumulated more than or equal to 20,000 total flight hours as of the effective date of this AD, or for which the total flight hours are unknown or cannot be determined: Within 3,000 flight hours or 18 months after the effective date of this AD, whichever occurs first.

(l) Credit for Previous Actions

(1) This paragraph provides credit for the actions required by paragraphs (g) and (h) of this AD, if those actions were performed before March 27, 2006 (the effective date of AD 2006–05–11 R1, Amendment 39–14528

(71 FR 15323, March 28, 2006)), using Bombardier Alert Service Bulletin A601R–27–144, including Appendix A, dated September 15, 2005, which is not incorporated by reference in this AD.

(2) This paragraph provides credit for the actions required by paragraphs (g) and (h) of this AD, if those actions were performed before the effective date of this AD using a service bulletin identified in paragraph (l)(2)(i) or (l)(2)(ii) of this AD.

(i) Bombardier Alert Service Bulletin A601R–27–144, Revision C, dated July 21, 2008, including Appendix A, dated December 20, 2006, which is not incorporated by reference in this AD.

(ii) Bombardier Alert Service Bulletin A601R–27–144, Revision D, dated December 22, 2011, including Appendix A, dated December 20, 2006, which is not incorporated by reference in this AD.

(3) This paragraph provides credit for the actions required by paragraph (h) of this AD, if those actions were performed before March 27, 2006 (the effective date of AD 2006–05–11 R1, Amendment 39–14528 (71 FR 15323, March 28, 2006)), using Bombardier Alert Service Bulletin A601R–27–144, Revision B, dated December 20, 2006, including Appendix A, Revision A, dated December 20, 2006.

(4) This paragraph provides credit for actions required by paragraph (i) of this AD, if those actions were performed before May 19, 2008 (the effective date of AD 2008–08–09, Amendment 39–15461 (73 FR 19979, April 14, 2008)), using Bombardier Alert Service Bulletin A601R–27–144, Revision B, dated December 20, 2006, including Appendix A, Revision A, dated December 20, 2006.

(5) This paragraph provides credit for replacement of the PFS units required by paragraph (k) of this AD, if those actions were performed before the effective date of this AD using Bombardier Service Bulletin 601R–27–139, dated December 22, 2011, which is not incorporated by reference in this AD.

(m) Other FAA AD Provisions

The following provisions also apply to this AD:

(1) *Alternative Methods of Compliance (AMOCs):* The Manager, New York Aircraft Certification Office (ACO), ANE–170, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. Send information to ATTN: Program Manager, Continuing Operational Safety, FAA, New York ACO, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone 516–228–7300; fax 516–794–5531. Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/certificate holding district office. The AMOC approval letter must specifically reference this AD. AMOCs approved previously in accordance with AD 2008–08–09, Amendment 39–15461 (73 FR 19979, April 14, 2008), are approved as AMOCs for the corresponding actions specified in paragraphs (g) and (h) of this AD.

(2) *Airworthy Product:* For any requirement in this AD to obtain corrective actions from a manufacturer or other source, use these actions if they are FAA-approved. Corrective actions are considered FAA-approved if they are approved by the State of Design Authority (or their delegated agent). You are required to assure the product is airworthy before it is returned to service.

(n) Related Information

(1) Refer to Mandatory Continuing Airworthiness Information (MCAI) Canadian Airworthiness Directive CF–2005–41R1, dated May 10, 2012, for related information. You may examine the MCAI in the AD docket on the Internet at *http://www.regulations.gov/#!docketDetail;D=FAA-2013-0296*.

(2) Service information identified in this AD that is not incorporated by reference may be obtained 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) Bombardier Alert Service Bulletin A601R–27–144, Revision E, dated October 2, 2012, including Appendix A, Revision A, dated December 20, 2006.

(ii) Bombardier Service Bulletin 601R–27–139, Revision A, dated May 28, 2012.

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

(5) You may view this service information that is incorporated by reference at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202–741–6030, or go to: *http://www.archives.gov/federal-register/cfr/ibr-locations.html*.

Issued in Renton, Washington, on May 27, 2014.

Michael Kaszycki,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2014–15655 Filed 7–14–14; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2013–1070; Directorate Identifier 2013–NM–175–AD; Amendment 39–17892; AD 2014–13–16]

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–600–2C10 (Regional Jet Series 700, 701, & 702), CL–600–2D15 (Regional Jet Series 705), CL–600–2D24 (Regional Jet Series 900), and CL–600–2E25 (Regional Jet Series 1000) airplanes. This AD was prompted by the finding of an uncertified main landing gear (MLG) inboard retraction actuator bracket pin installed on an in-service airplane. This AD requires inspection of the MLG inboard retraction actuator bracket for a part number, and replacement if necessary. We are issuing this AD to detect and correct uncertified pins in the MLG inboard retraction actuator bracket, which could result in pin failure, leading to an MLG extension without damping, and a potential for MLG structural damage and possible collapse during landing.

DATES: This AD becomes effective August 19, 2014.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of August 19, 2014.

ADDRESSES: You may examine the AD docket on the Internet at *http://www.regulations.gov/#!docketDetail;D=FAA-2013-1070;* or in person at the Docket Management Facility, U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC.

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*. You may view this referenced service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the

availability of this material at the FAA, call 425–227–1221.

FOR FURTHER INFORMATION CONTACT: Luke Walker, Aerospace Engineer, Airframe and Mechanical Systems Branch, ANE–171, FAA, New York Aircraft Certification Office (ACO), 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone 516–228–7363; fax 516–794–5531.

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–600–2C10 (Regional Jet Series 700, 701, & 702), CL–600–2D15 (Regional Jet Series 705), CL–600–2D24 (Regional Jet Series 900), and CL–600–2E25 (Regional Jet Series 1000) airplanes. The NPRM published in the **Federal Register** on January 2, 2014 (79 FR 72).

Transport Canada Civil Aviation (TCCA), which is the aviation authority for Canada, has issued Canadian Airworthiness Directive CF–2013–23, dated August 13, 2013 (referred to after this as the Mandatory Continuing Airworthiness Information, or ''the MCAI''), to correct an unsafe condition for the specified products. The MCAI states:

> An uncertified main landing gear (MLG) inboard retraction actuator bracket pin, part number (P/N) 49131–1, was found installed on an in-service aeroplane. Five other uncertified pins were also returned to the manufacturer. The uncertified pin, P/N 49131–1, is weaker than the approved pin, P/N 49131–3. An MLG inboard retraction actuator bracket pin failure could result in an MLG extension without damping, and a potential for MLG structural damage and possible collapse during landing.
>
> This [Canadian] AD mandates the inspection for and removal of the uncertified pins.

You may examine the MCAI in the AD docket on the Internet at *http://www.regulations.gov/#!documentDetail;D=FAA-2013-1070-0002*.

Comments

We gave the public the opportunity to participate in developing this AD. We received no comments on the NPRM (79 FR 72, January 2, 2014) or on the determination of the cost to the public.

''Contacting the Manufacturer'' Paragraph in This AD

Since late 2006, we have included a standard paragraph titled ''Airworthy Product'' in all MCAI ADs in which the FAA develops an AD based on a foreign authority's AD.

The MCAI or referenced service information in an FAA AD often directs the owner/operator to contact the manufacturer for corrective actions, such as a repair. Briefly, the Airworthy Product paragraph allowed owners/operators to use corrective actions provided by the manufacturer if those actions were FAA-approved. In addition, the paragraph stated that any actions approved by the State of Design Authority (or its delegated agent) are considered to be FAA-approved.

In the NPRM (79 FR 72, January 2, 2014), we proposed to prevent the use of repairs that were not specifically developed to correct the unsafe condition, by requiring that the repair approval provided by the State of Design Authority or its delegated agent specifically refer to this FAA AD. This change was intended to clarify the method of compliance and to provide operators with better visibility of repairs that are specifically developed and approved to correct the unsafe condition. In addition, we proposed to change the phrase ''its delegated agent'' to include a design approval holder (DAH) with State of Design Authority design organization approval (DOA), as applicable, to refer to a DAH authorized to approve required repairs for the proposed AD.

No comments were provided to the NPRM (79 FR 72, January 2, 2014) about these proposed changes. However, a comment was provided for another NPRM, Directorate Identifier 2012–NM–101–AD (78 FR 78285, December 26, 2013). The commenter stated the following: ''The proposed wording, being specific to repairs, eliminates the interpretation that Airbus messages are acceptable for approving minor deviations (corrective actions) needed during accomplishment of an AD mandated Airbus service bulletin.''

This comment has made the FAA aware that some operators have misunderstood or misinterpreted the Airworthy Product paragraph to allow the owner/operator to use messages provided by the manufacturer as approval of deviations during the accomplishment of an AD-mandated action. The Airworthy Product paragraph does not approve messages or other information provided by the manufacturer for deviations to the requirements of the AD-mandated actions. The Airworthy Product paragraph only addresses the requirement to contact the manufacturer for corrective actions for the identified unsafe condition and does not cover deviations from other AD requirements. However, deviations to AD-required actions are addressed in 14 CFR 39.17, and anyone may request the approval for an alternative method of compliance to the AD-required actions using the procedures found in 14 CFR 39.19.

To address this misunderstanding and misinterpretation of the Airworthy Product paragraph, we have changed that paragraph and retitled it ''Contacting the Manufacturer.'' This paragraph now clarifies that for any requirement in this AD to obtain corrective actions from a manufacturer, the action must be accomplished using a method approved by the FAA, TCCA, or Bombardier's TCCA Design Approval Organization (DAO). Where necessary throughout this AD, we also replaced any reference to approvals of corrective actions with a reference to the Contacting the Manufacturer paragraph.

The Contacting the Manufacturer paragraph also clarifies that, if approved by the DAO, the approval must include the DAO-authorized signature. The DAO signature indicates that the data and information contained in the document are TCCA-approved, which is also FAA-approved. Messages and other information provided by the manufacturer that do not contain the DAO-authorized signature approval are not TCCA-approved, unless TCCA directly approves the manufacturer's message or other information.

This clarification does not remove flexibility previously afforded by the Airworthy Product paragraph. Consistent with long-standing FAA policy, such flexibility was never intended for required actions. This is also consistent with the recommendation of the Airworthiness Directive Implementation Aviation Rulemaking Committee to increase flexibility in complying with ADs by identifying those actions in manufacturers' service instructions that are ''Required for Compliance'' with ADs. We continue to work with manufacturers to implement this recommendation. But once we determine that an action is required, any deviation from the requirement must be approved as an alternative method of compliance.

Other commenters to the NPRM discussed previously, Directorate Identifier 2012–NM–101–AD (78 FR 78285, December 26, 2013), pointed out that in many cases the foreign manufacturer's service bulletin and the foreign authority's MCAI might have been issued some time before the FAA AD. Therefore, the DOA might have provided U.S. operators with an approved repair, developed with full awareness of the unsafe condition, before the FAA AD is issued. Under these circumstances, to comply with the

FAA AD, the operator would be required to go back to the manufacturer's DOA and obtain a new approval document, adding time and expense to the compliance process with no safety benefit.

Based on these comments, we removed the requirement that the DAH-provided repair specifically refer to this AD. Before adopting such a requirement, the FAA will coordinate with affected DAHs and verify they are prepared to implement means to ensure that their repair approvals consider the unsafe condition addressed in this AD. Any such requirements will be adopted through the normal AD rulemaking process, including notice-and-comment procedures, when appropriate. We also have decided not to include a generic reference to either the ''delegated agent'' or ''DAH with State of Design Authority design organization approval,'' but instead we have provided the specific delegation approval granted by the State of Design Authority for the DAH in the Contacting the Manufacturer paragraph of this AD.

Conclusion

We reviewed the relevant data 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 (79 FR 72, January 2, 2014) for correcting the unsafe condition; and
- Do not add any additional burden upon the public than was already proposed in the NPRM (79 FR 72, January 2, 2014).

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

Costs of Compliance

We estimate that this AD affects 416 airplanes of U.S. registry.

We also estimate that it will take about 1 work-hour per product to comply with the basic requirements of this AD. The average labor rate is $85 per work-hour. Required parts will cost $0 per product. Based on these figures, we estimate the cost of this AD on U.S. operators to be $35,360, or $85 per product.

In addition, we estimate that any necessary follow-on actions will take about 1 work-hour and require parts costing $0, for a cost of $85 per product. We have no way of determining the number of aircraft that might need these actions.

According to the manufacturer, some of the costs of this AD may be covered under warranty, thereby reducing the cost impact on affected individuals. We do not control warranty coverage 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.

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.

Examining the AD Docket

You may examine the AD docket on the Internet at *http://www.regulations.gov/#!docketDetail;D=FAA-2013-1070;* or in person at the Docket Management Facility between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the regulatory evaluation, any comments received, and other information. The street address for the Docket Operations office (telephone 800–647–5527) is in the **ADDRESSES** section.

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):

2014–13–16 Bombardier, Inc.: Amendment 39–17892. Docket No. FAA–2013–1070; Directorate Identifier 2013–NM–175–AD.

(a) Effective Date

This AD becomes effective August 19, 2014.

(b) Affected ADs

None.

(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 (S/N) 10002 and subsequent.

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

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

(d) Subject

Air Transport Association (ATA) of America Code 32, Landing Gear.

(e) Reason

This AD was prompted by the finding of an uncertified main landing gear (MLG) inboard retraction actuator bracket pin installed on an in-service airplane. We are issuing this AD to detect and correct uncertified pins in the MLG inboard retraction actuator bracket, which could result in pin failure, leading to an MLG extension without damping, and a potential for MLG structural damage and possible collapse during landing.

(f) Compliance

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

(g) Inspection for Uncertified Bracket Pins

Within 6,600 flight hours or 36 months after the effective date of this AD, whichever occurs first, do an inspection of the MLG inboard retraction actuator bracket for any uncertified pin having part number (P/N) 49131–1, in accordance with the Accomplishment Instructions of Bombardier Service Bulletin 670BA–32–044, dated May 29, 2013.

(h) Replacement of Uncertified Pins

If any uncertified pin having P/N 49131–1 is found during the inspection required by paragraph (g) of this AD, before further flight, replace all uncertified pins, in accordance with the Accomplishment Instructions of Bombardier Service Bulletin 670BA–32–044, dated May 29, 2013.

(i) Other FAA AD Provisions

The following provisions also apply to this AD:

(1) *Alternative Methods of Compliance (AMOCs):* The Manager, ANE–170, FAA, New York Aircraft Certification Office (ACO), 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 New York ACO, send it to ATTN: Program Manager, Continuing Operational Safety, FAA, New York ACO, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone 516–228–7300; fax 516–794–5531. Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/certificate holding district office. The AMOC approval letter must specifically reference this AD.

(2) *Contacting the Manufacturer:* For any requirement in this AD to obtain corrective actions from a manufacturer, the action must be accomplished using a method approved by the Manager, New York ACO, ANE–170, Engine and Propeller Directorate, 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

Refer to Mandatory Continuing Airworthiness Information (MCAI) Canadian Airworthiness Directive CF–2013–23, dated August 13, 2013, 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–2013–1070.

(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 670BA–32–044, dated May 29, 2013.

(ii) Reserved.

(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 Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425–227–1221.

(5) You may view this service information that is incorporated by reference at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202–741–6030, or go to: *http://www.archives.gov/federal-register/cfr/ibr-locations.html.*

Issued in Renton, Washington, on June 25, 2014.

Jeffrey E. Duven,

Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2014–15802 Filed 7–14–14; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2013–0980; Directorate Identifier 2013–NM–129–AD; Amendment 39–17891; AD 2014–13–15]

RIN 2120–AA64

Airworthiness Directives; EADS CASA (Type Certificate Previously Held by Construcciones Aeronauticas, S.A.) Airplanes

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

ACTION: Final rule.

SUMMARY: We are adopting a new airworthiness directive (AD) for certain EADS CASA (Type Certificate Previously Held by Construcciones Aeronauticas, S.A.) Model CN–235–300 airplanes. This AD was prompted by reports of reduced thickness of the center fuselage lower skin panel. This AD requires a detailed inspection to determine the presence of panel thickness reduction; and repetitive nondestructive testing (NDT) inspections and repair if necessary. We are issuing this AD to detect and correct reduced thickness of lower panel joints, which could result in reduced fatigue and damage tolerant characteristics of the lower panel joint to the adjacent side panels and failure of the center fuselage lower skin panel, resulting in loss of control of the airplane.

DATES: This AD becomes effective August 19, 2014.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of August 19, 2014.

ADDRESSES: You may examine the AD docket on the Internet at *http://www.regulations.gov/#!docketDetail;D=FAA-2013-0980*; or in person at the Docket Management Facility, U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC.

For service information identified in this AD, contact EADS–CASA, Military Transport Aircraft Division (MTAD), Integrated Customer Services (ICS), Technical Services, Avenida de Aragón 404, 28022 Madrid, Spain; telephone +34 91 585 55 84; fax +34 91 585 55 05; email *MTA.TechnicalService@casa.eads.net;* Internet *http://www.eads.net.* You may view this referenced service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425–227–1221.

FOR FURTHER INFORMATION CONTACT: Shahram Daneshmandi, Aerospace Engineer, International Branch, ANM–116, Transport Airplane Directorate, FAA, 1601 Lind Avenue SW., Renton, Washington 98057–3356; telephone 425–227–1112; fax 425–227–1149.

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 EADS CASA (Type Certificate Previously Held by Construcciones Aeronauticas, S.A.) Model CN–235–300 airplanes. The NPRM published in the **Federal Register** on December 9, 2013 (78 FR 73742).

The European Aviation Safety Agency (EASA), which is the Technical Agent for the Member States of the European Community, has issued EASA Airworthiness Directive 2013–0131, dated June 25, 2013 (referred to after this as the Mandatory Continuing Airworthiness Information, or ''the MCAI''), to correct an unsafe condition for the specified products. The MCAI states:

During delivery of a spare centre fuselage lower skin panel to a CN–235 aeroplane operator, a reduced thickness of the spare panel was identified. The affected panel is used as the lower part of the fuselage between Frame (FR) FR13 and FR21, and from Stringer (STR) 24 left hand (LH) side to STR24 right hand (RH) side. Several CN–235 aeroplanes could have been delivered with a reduced thickness panel.

This condition, if not detected and corrected, could result in reduced fatigue and damage tolerant characteristics of the lower panel joint to the adjacent side panels and lead to failure of the part.

To address this potentially unsafe condition, EADS–CASA issued All Operator Letter (AOL) 235–024 to provide instructions to determine correct centre fuselage lower panel configuration by accomplishing a detailed visual inspection (DVI) of affected fuselage area [for any cracking].

For the reason described above, this [EASA] AD requires a one-time inspection of the affected panel thickness at STR24 LH and STR24 RH. In case a nonconforming panel is found to be installed, this [EASA] AD requires repetitive Non Destructive Testing (NDT) inspections and, depending on findings, the accomplishment of applicable corrective action(s).

You may examine the MCAI in the AD docket on the Internet at *http://www.regulations.gov/#!documentDetail;D=FAA-2013-0980-0003.*

Comments

We gave the public the opportunity to participate in developing this AD. We received no comments on the NPRM (78 FR 73742, December 9, 2013) or on the determination of the cost to the public.

''Contacting the Manufacturer'' Paragraph in This AD

Since late 2006, we have included a standard paragraph titled ''Airworthy Product'' in all MCAI ADs in which the FAA develops an AD based on a foreign authority's AD.

The MCAI or referenced service information in an FAA AD often directs the owner/operator to contact the manufacturer for corrective actions, such as a repair. Briefly, the Airworthy Product paragraph allowed owners/operators to use corrective actions provided by the manufacturer if those actions were FAA-approved. In addition, the paragraph stated that any actions approved by the State of Design Authority (or its delegated agent) are considered to be FAA-approved.

In the NPRM (78 FR 73742, December 9, 2013), we proposed to prevent the use of repairs that were not specifically developed to correct the unsafe condition, by requiring that the repair approval provided by the State of Design Authority or its delegated agent specifically refer to this FAA AD. This change was intended to clarify the method of compliance and to provide operators with better visibility of repairs that are specifically developed and approved to correct the unsafe condition. In addition, we proposed to change the phrase ''its delegated agent'' to include a design approval holder (DAH) with State of Design Authority design organization approval (DOA), as applicable, to refer to a DAH authorized to approve required repairs for the proposed AD.

No comments were provided to the NPRM (78 FR 73742, December 9, 2013) about these proposed changes. However, a comment was provided for another NPRM, Directorate Identifier 2012–NM–101–AD (78 FR 78285, December 26, 2013). The commenter stated the following: ''The proposed wording, being specific to repairs, eliminates the interpretation that Airbus messages are acceptable for approving minor deviations (corrective actions) needed during accomplishment of an AD mandated Airbus service bulletin.''

This comment has made the FAA aware that some operators have misunderstood or misinterpreted the Airworthy Product paragraph to allow the owner/operator to use messages provided by the manufacturer as approval of deviations during the accomplishment of an AD-mandated action. The Airworthy Product paragraph does not approve messages or other information provided by the manufacturer for deviations to the requirements of the AD-mandated actions. The Airworthy Product paragraph only addresses the requirement to contact the manufacturer for corrective actions for the identified unsafe condition and does not cover deviations from other AD requirements. However, deviations to AD-required actions are addressed in 14 CFR 39.17, and anyone may request the approval for an alternative method of compliance to the AD-required actions using the procedures found in 14 CFR 39.19.

To address this misunderstanding and misinterpretation of the Airworthy Product paragraph, we have changed that paragraph and retitled it ''Contacting the Manufacturer.'' This paragraph now clarifies that for any requirement in this AD to obtain corrective actions from a manufacturer, the action must be accomplished using a method approved by the FAA, the European Aviation Safety Agency (EASA), or Airbus's EASA DOA. Where necessary throughout this AD, we also replaced any reference to approvals of corrective actions with a reference to the Contacting the Manufacturer paragraph.

The Contacting the Manufacturer paragraph also clarifies that, if approved by the DOA, the approval must include the DOA-authorized signature. The DOA signature indicates that the data and information contained in the document are EASA-approved, which is also FAA-approved. Messages and other information provided by the manufacturer that do not contain the DOA-authorized signature approval are not EASA-approved, unless EASA directly approves the manufacturer's message or other information.

This clarification does not remove flexibility previously afforded by the Airworthy Product paragraph. Consistent with long-standing FAA policy, such flexibility was never intended for required actions. This is also consistent with the recommendation of the Airworthiness Directive Implementation Aviation Rulemaking Committee to increase flexibility in complying with ADs by identifying those actions in manufacturers' service instructions that are ''Required for Compliance'' with ADs. We continue to work with manufacturers to implement this recommendation. But once we determine that an action is required, any deviation from the requirement must be approved as an alternative method of compliance.

Other commenters to the NPRM discussed previously, Directorate Identifier 2012–NM–101–AD (78 FR 78285, December 26, 2013), pointed out that in many cases the foreign manufacturer's service bulletin and the foreign authority's MCAI might have been issued some time before the FAA AD. Therefore, the DOA might have provided U.S. operators with an approved repair, developed with full awareness of the unsafe condition, before the FAA AD is issued. Under these circumstances, to comply with the FAA AD, the operator would be required to go back to the manufacturer's DOA and obtain a new approval document, adding time and expense to the compliance process with no safety benefit.

Based on these comments, we removed the requirement that the DAH-provided repair specifically refer to this AD. Before adopting such a requirement, the FAA will coordinate with affected DAHs and verify they are prepared to implement means to ensure that their repair approvals consider the unsafe condition addressed in this AD. Any such requirements will be adopted through the normal AD rulemaking process, including notice-and-comment procedures, when appropriate. We also have decided not to include a generic

reference to either the ''delegated agent'' or ''DAH with State of Design Authority design organization approval,'' but instead we have provided the specific delegation approval granted by the State of Design Authority for the DAH throughout this AD.

Explanation of Additional Change Made to This AD

We have revised the manufacturer's name from EADS CASA to Airbus Military for All Operator Letter (AOL) 235–024, dated March 1, 2013, referenced in this AD. This change is necessary to adhere to the Office of the Federal Register's requirements for materials incorporated by reference.

Conclusion

We reviewed the relevant data 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 (78 FR 73742, December 9, 2013) for correcting the unsafe condition; and

• Do not add any additional burden upon the public than was already proposed in the NPRM (78 FR 73742, December 9, 2013).

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

Costs of Compliance

We estimate that this AD affects 20 airplanes of U.S. registry.

ESTIMATED COSTS

Action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Detailed visual inspection	1 work-hour × $85 per hour = $85	N/A	$85	$1,700.
NDT inspections	19 work-hours × $85 per hour = $1,615 per inspection cycle.	N/A	$1,615 per inspection cycle.	$32,300 per inspection cycle.

We have received no definitive data that enabled 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.

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.

Examining the AD Docket

You may examine the AD docket on the Internet at *http://www.regulations.gov/#!docketDetail;D=FAA-2013-0980;* or in person at the Docket Management Facility between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the regulatory evaluation, any comments received, and other information. The street address for the Docket Operations office (telephone 800–647–5527) is in the **ADDRESSES** section.

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):

2014–13–15 EADS CASA (Type Certificate Previously Held by Construcciones Aeronauticas, S.A.): Amendment 39–17891. Docket No. FAA–2013–0980; Directorate Identifier 2013–NM–129–AD.

(a) Effective Date

This AD becomes effective August 19, 2014.

(b) Affected ADs

None.

(c) Applicability

This AD applies to EADS CASA (Type Certificate previously held by Construcciones Aeronauticas, S.A.) Model CN–235–300 airplanes, certificated in any category, manufacturer serial numbers (MSN) C–143 through C–208, inclusive.

(d) Subject

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

(e) Reason

This AD was prompted by reports of reduced thickness of the center fuselage lower skin panel. We are issuing this AD to detect and correct a reduced thickness of lower panel joints, which could result in reduced fatigue and damage tolerant characteristics of the lower panel joint to the adjacent side panels and lead to failure of the center fuselage lower skin panel, resulting in loss of control of the airplane.

(f) Compliance

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

(g) Detailed Visual Inspection

For airplanes having MSNs C–143 through C–195 inclusive, C–201, and C–202: At the

applicable time specified in paragraph (g)(1) or (g)(2) of this AD, do a detailed inspection to determine the presence of panel thickness reduction of the lower panel joint with the side panels at stringer (STR) 24 left-hand and STR24 right-hand, in accordance with Airbus Military All Operator Letter (AOL) 235–024, Revision 01, dated March 1, 2013.

(1) For airplane versions CG01, CL04, ED01, GC01, MM01, and SM01: Inspect at the later of the times specified in paragraphs (g)(1)(i) and (g)(1)(ii) of this AD.

(i) Before the accumulation of 1,900 total flight cycles.

(ii) Within 10 flight cycles or 30 days after the effective date of this AD, whichever occurs first.

(2) For any airplane version not identified in paragraph (g)(1) of this AD: Inspect at the later of the times specified in paragraphs (g)(2)(i) and (g)(2)(ii) of this AD.

(i) Before the accumulation of 3,800 total flight cycles.

(ii) Within 10 flight cycles or 30 days after the effective date of this AD, whichever occurs first.

(h) Repetitive Nondestructive Testing (NDT) Inspections

(1) For airplanes having MSNs C–196 through C–200 inclusive and C–203 through C–208 inclusive, and for airplanes with a reduced panel thickness identified during the inspection required by paragraph (g) of this AD: At the applicable time specified in paragraph (g)(1)(i) of this AD (for airplanes identified in paragraph (g)(1) of this AD), or paragraph (g)(2)(i) of this AD (for airplanes identified in paragraph (g)(2) of this AD), or within 50 flight cycles after the effective date of this AD, whichever occurs later, do an NDT inspection for cracking, in accordance with Airbus Military AOL 235–024, Revision 01, dated March 1, 2013. Repeat the inspection thereafter at the applicable time specified in paragraph (h)(1)(i) or (h)(1)(ii) of this AD.

(i) For airplane versions CG01, CL04, ED01, GC01, MM01, and SM01: Inspect at intervals not to exceed 1,000 flight cycles.

(ii) For airplane versions other than those identified in paragraph (h)(1)(i) of this AD: Inspect at intervals not to exceed 2,000 flight cycles.

(2) If any cracking is detected during the inspection required by paragraph (h)(1) of this AD, before further flight, repair using a method approved in accordance with the procedures specified in paragraph (j)(2) of this AD.

(i) Credit for Previous Actions

This paragraph provides credit for the inspections required by paragraphs (g) and (h)(1) of this AD, if those actions were performed before the effective date of this AD using Airbus Military AOL 235–024, dated February 12, 2013.

(j) Other FAA AD Provisions

The following provisions also apply to this AD:

(1) *Alternative Methods of Compliance (AMOCs):* The Manager, International Branch, ANM–116, Transport Airplane Directorate, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the International Branch, send it to ATTN: Shahram Daneshmandi, Aerospace Engineer, International Branch, ANM–116, Transport Airplane Directorate, FAA, 1601 Lind Avenue SW., Renton, Washington 98057–3356; telephone 425–227–1112; fax 425–227–1149. 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. The AMOC approval letter must specifically reference this AD.

(2) *Contacting the Manufacturer:* For any requirement in this AD to obtain corrective actions from a manufacturer, the action must be accomplished using a method approved by the Manager, International Branch, ANM–116, Transport Airplane Directorate, FAA; or the European Aviation Safety Agency (EASA); or EADS CASA's EASA Design Organization Approval (DOA). If approved by the DOA, the approval must include the DOA-authorized signature.

(k) Related Information

(1) Refer to Mandatory Continuing Airworthiness Information (MCAI) EASA Airworthiness Directive 2013–0131, dated June 25, 2013, for related information. This MCAI may be found in the AD docket on the Internet at *http://www.regulations.gov/#!documentDetail;D=FAA-2013-0980-0003.*

(2) Service information identified in this AD that is not incorporated by reference may be viewed at the addresses specified in paragraphs (l)(3) and (l)(4) of this AD.

(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) Airbus Military All Operator Letter 235–024, Revision 01, dated March 1, 2013.

(ii) Reserved.

(3) For service information identified in this AD, contact EADS–CASA, Military Transport Aircraft Division (MTAD), Integrated Customer Services (ICS), Technical Services, Avenida de Aragón 404, 28022 Madrid, Spain; telephone +34 91 585 55 84; fax +34 91 585 55 05; email *MTA.TechnicalService@casa.eads.net;* Internet *http://www.eads.net.*

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

(5) You may view this service information that is incorporated by reference at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202–741–6030, or go to: *http://www.archives.gov/federal-register/cfr/ibr-locations.html.*

Issued in Renton, Washington, on June 25, 2014.

Jeffrey E. Duven,

Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2014–15804 Filed 7–14–14; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2013–1025; Directorate Identifier 2013–NM–096–AD; Amendment 39–17894; AD 2014–13–18]

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–8–102, –103, and –106 airplanes; and DHC–8–200 and DHC–8–300 series airplanes. This AD was prompted by a report of a beta warning horn (BWH) system failing to activate when the beta mode was triggered. This AD requires modifying the BWH microswitch installation. We are issuing this AD to prevent the inadvertent activation of ground beta mode during flight, which could lead to engine overspeed, engine damage or failure, and consequent reduced controllability of the airplane.

DATES: This AD becomes effective August 19, 2014.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of August 19, 2014.

ADDRESSES: You may examine the AD docket on the Internet at *http://www.regulations.gov/#!docketDetail;D=FAA-2013-1025* or in person at the Docket Management Facility, U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC.

For service information identified in this AD, contact Bombardier, Inc., Q-Series Technical Help Desk, 123 Garratt Boulevard, Toronto, Ontario M3K 1Y5, Canada; telephone 416–375–4000; fax 416–375–4539; email *thd.qseries@*

aero.bombardier.com; Internet *http://www.bombardier.com.* You may view this referenced service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425–227–1221.

FOR FURTHER INFORMATION CONTACT: Kent Fredrickson, Aerospace Engineer, Propulsion and Flight Test Branch, ANE–173, FAA; NY Aircraft Certification Office, 1600 Stewart Avenue, Suite 410, Westbury, New York 11590; telephone 516–228–7364; fax 516–794–5531.

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–8–102, –103, and –106 airplanes; and DHC–8–200 and DHC–8–300 series airplanes. The NPRM published in the **Federal Register** on December 11, 2013 (78 FR 75291).

Transport Canada Civil Aviation (TCCA), which is the aviation authority for Canada, has issued Canadian Airworthiness Directive CF–2012–01R1, dated March 6, 2013 (referred to after this as the Mandatory Continuing Airworthiness Information, or ''the MCAI''), to correct an unsafe condition certain Bombardier, Inc., Model DHC–8–102, –103, and –106 airplanes; and DHC–8–200 and DHC–8–300 series airplanes. The MCAI states:

* * * * *

During an on-ground Beta Warning Horn (BWH) system check conducted in the wake of an in-flight Beta range operation incident on a DHC–8 Series 200 aeroplane, it was discovered that the BWH system failed to activate when the Beta mode was triggered.

An investigation by Bombardier had determined that the deformation of the flexible center console cover could cause the BWH system triggering microswitch to malfunction, resulting in dormant failure of the BWH system. To mitigate the safety risk by minimizing the risk exposure period, [TCCA] * * * mandate[d] a 50 hours periodic operational test of the BWH system functionality.

To address the root cause of the subject problem, Bombardier has issued Service Bulletin (SB) 8–76–33 that modifies the BWH microswitch installation by replacing the BWH microswitch attachment bracket with a new, more robust bracket that is not affected by deformation of the center console cover. [Canadian] AD CF–2012–01 is therefore revised to mandate compliance with SB 8–76–33 as terminating action for the 50 hours periodic operational test requirement.

The unsafe condition is the inadvertent activation of ground beta mode during flight, which could lead to engine overspeed, engine damage or failure, and consequent reduced controllability of the airplane. You may examine the MCAI in the AD docket on the Internet at *http://www.regulations.gov/#!documentDetail;D=FAA-2013-1025-0002.*

Comments

We gave the public the opportunity to participate in developing this AD. We received no comments on the NPRM (78 FR 75291, December 11, 2013) or on the determination of the cost to the public.

''Contacting the Manufacturer'' Paragraph in this AD

Since late 2006, we have included a standard paragraph titled ''Airworthy Product'' in all Mandatory Continuing Airworthiness Information (MCAI) ADs in which the FAA develops an AD based on a foreign authority's AD.

The MCAI or referenced service information in an FAA AD often directs the owner/operator to contact the manufacturer for corrective actions, such as a repair. Briefly, the Airworthy Product paragraph allowed owners/operators to use corrective actions provided by the manufacturer if those actions were FAA-approved. In addition, the paragraph stated that any actions approved by the State of Design Authority (or its delegated agent) are considered to be FAA-approved.

In the NPRM (78 FR 75291, December 11, 2013), we proposed to prevent the use of repairs that were not specifically developed to correct the unsafe condition, by requiring that the repair approval provided by the State of Design Authority or its delegated agent specifically refer to this FAA AD. This change was intended to clarify the method of compliance and to provide operators with better visibility of repairs that are specifically developed and approved to correct the unsafe condition. In addition, we proposed to change the phrase ''its delegated agent'' to include a design approval holder (DAH) with State of Design Authority design organization approval (DOA), as applicable, to refer to a DAH authorized to approve required repairs for the proposed AD.

No comments were provided to the NPRM (78 FR 75291, December 11, 2013 about these proposed changes. However, a comment was provided for another NPRM, Directorate Identifier 2012–NM–101–AD (78 FR 78285, December 26, 2013). The commenter stated the following: ''The proposed wording, being specific to repairs, eliminates the interpretation that Airbus messages are acceptable for approving minor deviations (corrective actions) needed during accomplishment of an AD mandated Airbus service bulletin.''

This comment has made the FAA aware that some operators have misunderstood or misinterpreted the Airworthy Product paragraph to allow the owner/operator to use messages provided by the manufacturer as approval of deviations during the accomplishment of an AD-mandated action. The Airworthy Product paragraph does not approve messages or other information provided by the manufacturer for deviations to the requirements of the AD-mandated actions. The Airworthy Product paragraph only addresses the requirement to contact the manufacturer for corrective actions for the identified unsafe condition and does not cover deviations from other AD requirements. However, deviations to AD-required actions are addressed in 14 CFR 39.17, and anyone may request the approval for an alternative method of compliance to the AD-required actions using the procedures found in 14 CFR 39.19.

To address this misunderstanding and misinterpretation of the Airworthy Product paragraph, we have changed that paragraph and retitled it ''Contacting the Manufacturer.'' This paragraph now clarifies that for any requirement in this AD to obtain corrective actions from a manufacturer, the action must be accomplished using a method approved by the FAA, Transport Canada Civil Aviation (TCCA), or Bombardier's TCCA Design Approval Organization (DAO). Where necessary throughout this AD, we also replaced any reference to approvals of corrective actions with a reference to the Contacting the Manufacturer paragraph.

The Contacting the Manufacturer paragraph also clarifies that, if approved by the DAO, the approval must include the DAO-authorized signature. The DAO signature indicates that the data and information contained in the document are TCCA-approved, which is also FAA-approved. Messages and other information provided by the manufacturer that do not contain the DAO-authorized signature approval are not DAO-approved, unless TCCA directly approves the manufacturer's message or other information.

This clarification does not remove flexibility previously afforded by the Airworthy Product paragraph. Consistent with long-standing FAA policy, such flexibility was never intended for required actions. This is also consistent with the recommendation of the Airworthiness Directive Implementation Aviation Rulemaking Committee to increase

flexibility in complying with ADs by identifying those actions in manufacturers' service instructions that are ''Required for Compliance'' with ADs. We continue to work with manufacturers to implement this recommendation. But once we determine that an action is required, any deviation from the requirement must be approved as an alternative method of compliance.

Other commenters to the NPRM discussed previously, Directorate Identifier 2012–NM–101–AD (78 FR 78285, December 26, 2013), pointed out that in many cases the foreign manufacturer's service bulletin and the foreign authority's MCAI might have been issued some time before the FAA AD. Therefore, the DOA might have provided U.S. operators with an approved repair, developed with full awareness of the unsafe condition, before the FAA AD is issued. Under these circumstances, to comply with the FAA AD, the operator would be required to go back to the manufacturer's DOA and obtain a new approval document, adding time and expense to the compliance process with no safety benefit.

Based on these comments, we removed the requirement that the DAH-provided repair specifically refer to this AD. Before adopting such a requirement, the FAA will coordinate with affected DAHs and verify they are prepared to implement means to ensure that their repair approvals consider the unsafe condition addressed in this AD. Any such requirements will be adopted through the normal AD rulemaking process, including notice-and-comment procedures, when appropriate. We also have decided not to include a generic reference to either the ''delegated agent'' or ''DAH with State of Design Authority design organization approval,'' but instead we have provided the specific delegation approval granted by the State of Design Authority for the DAH in the Contacting the Manufacturer paragraph.

Conclusion

We reviewed the relevant data 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 (78 FR 75291, December 11, 2013) for correcting the unsafe condition; and
- Do not add any additional burden upon the public than was already proposed in the NPRM (78 FR 75291, December 11, 2013).

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

Costs of Compliance

We estimate that this AD affects 94 airplanes of U.S. registry.

We also estimate that it will take about 7 work-hours per product to comply with the basic requirements of this AD. The average labor rate is $85 per work-hour. Required parts will cost about $117 per product. Based on these figures, we estimate the cost of this AD on U.S. operators to be $66,928, or $712 per product.

According to the manufacturer, some of the costs of this AD may be covered under warranty, thereby reducing the cost impact on affected individuals. We do not control warranty coverage 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.

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.

Examining the AD Docket

You may examine the AD docket on the Internet at *http://www.regulations.gov/#!docketDetail;D=FAA-2013-1025;* or in person at the Docket Management Facility between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the regulatory evaluation, any comments received, and other information. The street address for the Docket Operations office (telephone 800–647–5527) is in the **ADDRESSES** section.

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):

2014–13–18 Bombardier, Inc.: Amendment 39–17894. Docket No. FAA–2013–1025; Directorate Identifier 2013–NM–096–AD.

(a) Effective Date

This AD becomes effective August 19, 2014.

(b) Affected ADs

None.

(c) Applicability

This AD applies to Bombardier, Inc., Model DHC–8–102, –103, –106, –201, –202, –301, –311, and –315 airplanes; certificated in any category; serial numbers 003 through 672 inclusive with a beta warning horn (BWH) (Mod 8/2852) incorporated; except for airplanes that have incorporated Bombardier option CR873CH00003, CR873CH00005, CR873SOO8112, or MS8Q902206.

(d) Subject

Air Transport Association (ATA) of America Code 31, Instruments; Code 76, Engine Controls.

(e) Reason

This AD was prompted by a report of a BWH system failing to activate when the beta mode was triggered. We are issuing this AD to prevent the inadvertent activation of ground beta mode during flight, which could lead to engine overspeed, engine damage or failure, and consequent reduced controllability of the airplane.

(f) Compliance

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

(g) Terminating Modification

Within 6,000 flight hours or 36 months, whichever occurs first, after the effective date of this AD: Modify the BWH microswitch installation by replacing the existing BWH microswitch installation bracket with a new bracket having part number 87610164–003, in accordance with the Accomplishment Instructions of Bombardier Service Bulletin 8–76–33, dated December 13, 2012.

(h) Other FAA AD Provisions

The following provisions also apply to this AD:

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

(2) *Contacting the Manufacturer:* For any requirement in this AD to obtain corrective actions from a manufacturer, the action must be accomplished using a method approved by the Manager, International Branch, ANM–116, Transport Airplane Directorate, FAA; or Transport Canada Civil Aviation (TCCA); or Bombardier's TCCA Design Approval Organization (DAO). If approved by the DAO, the approval must include the DAO-authorized signature.

(i) Related Information

Refer to Mandatory Continuing Airworthiness Information (MCAI) Canadian Airworthiness Directive CF–2012–01R1, dated March 6, 2013, for related information. This MCAI may be found in the AD docket on the Internet at *http://www.regulations.gov/#!documentDetail;D=FAA-2013-1025-0002.*

(j) 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 8–76–33, dated December 13, 2012.

(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 Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425–227–1221.

(5) You may view this service information that is incorporated by reference at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202–741–6030, or go to: *http://www.archives.gov/federal-register/cfr/ibr-locations.html.*

Issued in Renton, Washington, on June 25, 2014.

Jeffrey E. Duven,

Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2014–15952 Filed 7–14–14; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2014–0395; Directorate Identifier 2014–SW–016–AD; Amendment 39–17876; AD 2014–06–51]

RIN 2120–AA64

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

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

ACTION: Final rule; request for comments.

SUMMARY: We are publishing a new airworthiness directive (AD) for Airbus Helicopters Model MBB–BK 117 A–3, MBB–BK 117 A–4, MBB–BK 117 B–1, and MBB–BK 117 C–2 helicopters with a certain Metro Aviation, Inc. (Metro), vapor-cycle air conditioning kit pulley (pulley) installed, which was sent previously to all known U.S. owners and operators of these helicopters. This AD supersedes AD 2013–12–06, which required inspecting the pulley for looseness and properly installed lockwire and re-installing the pulley. Since we issued AD 2013–12–06, we received a report of a possible design and manufacturing deficiency in some pulleys wherein they did not have sufficient thread depth, allowing the pulley to detach from the rotor brake disc. This AD requires inspecting each pulley attaching bolt hole to determine if there is sufficient depth of the threads and either removing the pulley if the depth is insufficient or installing dual locking tabs under each pulley attaching bolt if the depth is sufficient. These actions are intended to prevent the pulley from detaching, resulting in damage to the tail rotor (T/R) driveshaft, and subsequent loss of control of the helicopter.

DATES: This AD becomes effective July 30, 2014 to all persons except those persons to whom it was made immediately effective by Emergency AD (EAD) 2014–06–51, issued on March 24, 2014, which contains the requirements of this AD.

The Director of the Federal Register approved the incorporation by reference of a certain document listed in this AD as of July 30, 2014.

We must receive comments on this AD by September 15, 2014.

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

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

Examining the AD Docket

You may examine the AD docket on the Internet at *http://www.regulations.gov* or in person at the Docket Operations Office between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the economic evaluation, any incorporated by reference service information, any comments received, and other information. The street address for the Docket Operations Office (telephone 800–647–5527) is in the **ADDRESSES** section. Comments will be available in the AD docket shortly after receipt.

For service information identified in this AD, contact Metro Aviation, Inc.,

1214 Hawn Ave, Shreveport, LA 71107; phone: (318) 222–5529; Web site: *metroproductsupport.com.* You may review the referenced service information at the FAA, Office of the Regional Counsel, Southwest Region, 2601 Meacham Blvd., Room 663, Fort Worth, Texas 76137.

FOR FURTHER INFORMATION CONTACT: Martin Crane, Aviation Safety Engineer, Rotorcraft Certification Office, Rotorcraft Directorate, FAA, 2601 Meacham Blvd., Fort Worth, Texas 76137; telephone (817) 222–5170; email *7-AVS-ASW-170@faa.gov.*

SUPPLEMENTARY INFORMATION:

Comments Invited

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

Discussion

On June 13, 2013, we issued AD 2013–12–06, Amendment 39–17484 (78 FR 40956, July 9, 2013) (AD 2013–12–06), for Eurocopter Deutschland GmbH (now Airbus Helicopters) Model MBB–BK 117 A–3, MBB–BK 117 A–4, MBB–BK 117 B–1, and MBB–BK 117 C–2 helicopters with a Metro vapor-cycle air conditioning kit installed in accordance with Supplemental Type Certificate No. SH3880SW. AD 2013–12–06 required repetitively inspecting the air conditioning drive pulley for looseness and properly installed lockwire, and also required reinstalling the pulley. AD 2013–12–06 resulted from two reports of the pulley detaching from the rotor brake disk on the T/R driveshaft. We issued AD 2013–12–06 to prevent separation of the pulley, damage to the T/R driveshaft, and subsequent loss of control of the helicopter.

Actions Since AD 2013–12–06 Was Issued

After we issued AD 2013–12–06, Metro developed a procedure to install a tabbed washer underneath the bolt heads securing the pulley to the rotor disc. This procedure was intended to provide a secondary locking feature to the bolts, and to relieve the requirement for repetitive inspections of the safety wire which secures the bolts. On December 20, 2013, Metro requested and we approved this procedure as a global Alternative Method of Compliance (AMOC) for AD 2013–12–06 in lieu of performing the repetitive inspections required by paragraph (e) of that AD.

On March 10, 2014, we received a report that an attaching bolt would not seat on the mating surface of the pulley. Compliance with the AMOC revealed a possible design deficiency and a manufacturing defect in some pulleys. Metro has determined that the pulley, along with two additional pulleys from other helicopters, did not have sufficient thread depth. This condition may allow the attaching bolts to come loose, resulting in the pulley detaching from the rotor brake disc, subsequent damage to the T/R driveshaft, and loss of control of the helicopter.

On March 24, 2014, we issued EAD 2014–06–51, which superseded AD 2013–12–06, for those to whom it was made immediately effective. EAD 2014–06–51 requires inspecting the pulley to determine if there is sufficient depth of the threads and removing the pulley if there is not sufficient depth. EAD 2014–06–51 also requires installing a dual locking tab on each pulley attaching bolt and reporting the inspection findings to the FAA. Finally, EAD 2014–06–51 revises the applicability to helicopters with a pulley, P/N 30001, installed rather than with the air conditioning kit installed because this pulley has been determined to be the unsafe condition. EAD 2014–06–51 was sent previously to all known U.S. owners and operators of these helicopters. The actions in EAD 2014–06–51 are intended to prevent the pulley detaching from the rotor brake disc, subsequent damage to the T/R driveshaft, and loss of control of the helicopter.

FAA's Determination

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

Related Service Information

We reviewed Metro Alert Service Bulletin (ASB) No. MA145–21B–003, Revision B, dated December 20, 2013 (ASB MA145–21B–003), which describes procedures for installing a dual-locking tab on the air conditioning drive pulley attachment bolts.

Since we issued EAD 2014–06–51, Metro released ASB No. MA145–21–004, Revision IR, dated March 24, 2014, which describes procedures for inspecting the air conditioning drive pulley thread depth. This AD continues to reference ASB MA145–21B–003.

AD Requirements

This AD requires, within 5 hours time-in-service, inspecting each pulley attaching bolt hole to determine if there is sufficient depth of the threads. If the depth is less than 0.61 inch, this AD requires removing the pulley. This AD also requires installing dual locking tabs under each pulley attaching bolt by following the Accomplishment Instructions, paragraphs 3.E. through 3.G., of ASB MA145–21B–003. This AD also requires submitting a report of the inspection findings to the FAA.

Differences Between This AD and the Service Information

This AD requires determining the depth of the threaded portion of the pulley attaching bolt holes; the service information does not.

Costs of Compliance

We estimate that this AD will affect 75 helicopters of U.S. Registry. We estimate that operators may incur the following costs in order to comply with this AD. At an average labor rate of $85 per work-hour, inspecting the pulley bolt holes, and installing the tabbed washers will require 6 work hours, and required parts will cost $100, for a cost per helicopter of $610 and a total cost of $45,750 for the fleet.

Reviewing instructions, collecting and reviewing information, and submitting a report to the FAA will require 0.5 work-hour, for a cost per helicopter of $43 and a cost of $3,225 for the fleet.

If necessary, replacing a pulley will require about 2 work-hours, and required parts would cost $800, for a total cost per helicopter of $970.

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 required by 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.

FAA's Justification and Determination of the Effective Date

Providing an opportunity for public comments before adopting these AD requirements would delay implementing the safety actions needed to correct this known unsafe condition. Therefore, we found and continue to find that the risk to the flying public justifies waiving notice and comment prior to adopting this rule because the required corrective actions must be done within 5 hours time-in-service, a very short time period based on the average flight-hour utilization rate of these helicopters.

Since it was found that immediate corrective action was required, notice and opportunity for prior public comment before issuing this AD were impracticable and contrary to the public interest and that good cause existed to make the AD effective immediately by EAD 2014–06–51, issued on March 24, 2014, to all known U.S. owners and operators of these helicopters. These conditions still exist and the AD is hereby published in the **Federal Register** as an amendment to section 39.13 of the Federal Aviation Regulations (14 CFR 39.13) to make it effective to all persons.

Authority for This Rulemaking

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

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

Regulatory Findings

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

For the reasons discussed, I certify that this AD:

1. Is not a ''significant regulatory action'' under Executive Order 12866;
2. Is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979);
3. Will not affect intrastate aviation in Alaska to the extent that it justifies making a regulatory distinction; and
4. Will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

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

List of Subjects in 14 CFR Part 39

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

Adoption of the Amendment

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

PART 39—AIRWORTHINESS DIRECTIVES

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

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

§ 39.13 [Amended]

■ 2. The FAA amends § 39.13 by removing Airworthiness Directive (AD) 2013–12–06, Amendment 39–17484 (78 FR 40956, July 9, 2013), and adding the following new AD:

2014–06–51 Airbus Helicopters Deutschland GmbH (Airbus Helicopters) (Type Certificate Previously Held By Eurocopter Deutschland GmbH) Helicopters: Amendment 39–17876; Docket No. FAA–2014–0395; Directorate Identifier 2014–SW–016–AD.

(a) Applicability

This AD applies to Airbus Helicopters Model MBB–BK 117 A–3, MBB–BK 117 A–4, MBB–BK 117 B–1, and MBB–BK 117 C–2 helicopters with a Metro Aviation, Inc., vapor-cycle air conditioning kit pulley (pulley) part number (P/N) 30001 installed in accordance with Supplemental Type Certificate (STC) No. SH3880SW.

(b) Unsafe Condition

This AD defines the unsafe condition as insufficient thread depth which could allow the attaching bolts to come loose, resulting in the pulley detaching from the rotor brake disc, subsequent damage to the tail rotor (T/R) driveshaft, and loss of control of the helicopter.

(c) Effective Date

This AD becomes effective July 30, 2014 to all persons except those persons to whom it was made immediately effective by Emergency AD 2014–06–51, issued on March 24, 2014, which contains the requirements of this AD.

(d) Affected ADs

This AD supersedes AD 2013–12–06, Amendment 39–17484 (78 FR 40956, July 9, 2013).

(e) Compliance

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

(f) Required Actions

Within 5 hours time-in-service, inspect each pulley attaching bolt hole to determine the depth:

(1) Relieve tension from the compressor drive belt and remove each bolt that attaches the pulley to the rotor brake disc. Do not remove all three bolts at the same time.

(2) Remove AN960–416 washer or MAI–145–DUAL LOCK TAB washer.

(3) Using a bolt or screw with ¼-28 threads with 0.5 inch of threads and a minimum of 0.8 inch grip length, coat the shank with blue dye or permanent marker and thread into hole until threads have lightly bottomed (finger tight). Scribe the shank flush with the face of the rotor brake disk. Measure distance from end to scribe mark (length protruding into assembly). This dimension represents total depth of threads and stack-up of the brake disk.

(4) If the depth measures less than 0.61 inch, remove the pulley.

(5) If the depth measures 0.61 inch or more, install dual locking tabs as described in the Accomplishment Instructions, paragraphs 3.E. through 3.G., of Metro Aviation, Inc., Alert Service Bulletin No. MA145–21B–003, Revision B, dated December 20, 2013.

(g) Reporting Requirement

Within 10 days after inspecting the pulley as required by paragraph (f)(3) of this AD, submit a report with the helicopter model, helicopter serial number, hole number 1 thread depth, hole number 2 thread depth (if measured), and hole number 3 thread depth

(if measured) to the person identified in paragraph (h)(1) of this AD.

(h) Alternative Methods of Compliance (AMOCs)

(1) The Manager, Rotorcraft Certification Office, FAA, may approve AMOCs for this AD. Send your proposal to: Martin Crane, Aviation Safety Engineer, Rotorcraft Certification Office, Rotorcraft Directorate, FAA, 2601 Meacham Blvd., Fort Worth, Texas 76137; telephone (817) 222–5170; email *7-AVS-ASW-170@faa.gov.*

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

(i) Additional Information

(1) Metro Aviation, Inc., Alert Service Bulletin No. MA145–21–004, Revision IR, dated March 24, 2014, which is not incorporated by reference, contains additional information about the subject of this AD. For service information identified in this AD, contact Metro Aviation, Inc., 1214 Hawn Ave., Shreveport, LA 71107; phone: (318) 222–5529; Web site: metroproductsupport.com. You may review a copy of the service information at the FAA, Office of the Regional Counsel, Southwest Region, 2601 Meacham Blvd., Room 663, Fort Worth Texas 76137.

(2) STC No. SH3380SW, amended April 16, 2004, may be found on the Internet at, *http://www.regulations.gov* in Docket No. FAA–2014–0395.

(j) Subject

Joint Aircraft Service Component (JASC) Code: 6500: Tail Rotor Drive.

(k) Material Incorporated by Reference

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

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

(i) Metro Aviation, Inc., Alert Service Bulletin No. MA145–21B–003, Revision B, dated December 20, 2013.

(ii) Reserved.

(3) For Metro Aviation, Inc., service information identified in this AD, contact Metro Aviation, Inc., 1214 Hawn Ave, Shreveport, LA 71107; phone: (318) 222–5529; Web site: *metroproductsupport.com.*

(4) You may view this service information at FAA, Office of the Regional Counsel, Southwest Region, 2601 Meacham Blvd., Room 663, Fort Worth, Texas 76137. For information on the availability of this material at the FAA, call (817) 222–5110.

(5) You may view this service information that is incorporated by reference at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call (202) 741–6030, or go to: *http://www.archives.gov/federal-register/cfr/ibr-locations.html.*

Issued in Fort Worth, Texas, on June 16, 2014.

Lance T. Gant,

Acting Directorate Manager, Rotorcraft Directorate, Aircraft Certification Service.

[FR Doc. 2014–16387 Filed 7–14–14; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2014–0432; Directorate Identifier 2014–NM–099–AD; Amendment 39–17898; AD 2014–14–03]

RIN 2120–AA64

Airworthiness Directives; The Boeing Company Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule; request for comments.

SUMMARY: We are superseding Airworthiness Directive (AD) 2014–07–01, for certain The Boeing Company Model 747 airplanes. AD 2014–07–01 required repetitive inspections for cracking in certain bulkhead structure; inspections of certain fasteners and support frame modifications on certain airplanes; related investigative and corrective actions, if necessary; and an interim modification that would terminate certain repetitive inspections. This AD clarifies certain paragraph references and revises a compliance time. This AD was prompted by a determination that certain paragraph references are in error. We are issuing this AD to detect and correct fatigue cracking of the BS 2598 bulkhead structure, which could adversely affect the structural integrity of the bulkhead and the horizontal stabilizer support structure, and result in loss of controllability of the airplane.

DATES: This AD is effective July 15, 2014.

The Director of the Federal Register approved the incorporation by reference of certain publications listed in this AD as of June 3, 2014 (79 FR 23893, April 29, 2014).

We must receive any comments on this AD by August 29, 2014.

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

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

For service information identified in this AD, contact Boeing Commercial Airplanes, Attention: Data & Services Management, P.O. Box 3707, MC 2H–65, Seattle, WA 98124–2207; telephone 206–544–5000, extension 1; fax 206–766–5680; Internet *https://www.myboeingfleet.com.* You may view this referenced service information at the FAA, Transport Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425–227–1221.

Examining the AD Docket

You may examine the AD docket on the Internet at *http://www.regulations.gov* by searching for and locating Docket No. FAA–2014–0432; or in person at the Docket Management Facility between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this AD, the regulatory evaluation, any comments received, and other information. The street address for the Docket Office (phone: 800–647–5527) is in the **ADDRESSES** section. Comments will be available in the AD docket shortly after receipt.

FOR FURTHER INFORMATION CONTACT: Nathan Weigand, Aerospace Engineer, Airframe Branch, ANM–120S, FAA, Seattle Aircraft Certification Office, 1601 Lind Avenue SW., Renton, WA 98057–3356; phone: 425–917–6428; fax: 425–917–6590; email: *nathan.p.weigand@faa.gov.*

SUPPLEMENTARY INFORMATION:

Discussion

On March 17, 2014, we issued AD 2014–07–01, Amendment 39–17815 (79 FR 23893, April 29, 2014), for certain The Boeing Company Model 747 airplanes. AD 2014–07–01 required repetitive inspections, including post-repair and post-modification inspections, for cracking in the bulkhead structure at body station (BS) 2598; certain one-time inspections of certain fasteners and support frame modifications on certain airplanes; related investigative and corrective

actions, if necessary; and an interim modification that would terminate certain repetitive inspections.

AD 2014–07–01, Amendment 39–17815 (79 FR 23893, April 29, 2014), resulted from reports of cracking in the forward and aft inner chord of the BS 2598 bulkhead near the upper corners of the cutout for the horizontal stabilizer rear spar, and cracking in the bulkhead upper and lower web panels near the inner chord to shear deck connection. We issued AD 2014–07–01 to detect and correct fatigue cracking of the BS 2598 bulkhead structure, which could adversely affect the structural integrity of the bulkhead and the horizontal stabilizer support structure, and result in loss of controllability of the airplane.

Actions Since AD 2014–07–01, Amendment 39–17815 (79 FR 23893, April 29, 2014), Was Issued

Paragraph (o)(1) of AD 2014–07–01, Amendment 39–17815 (79 FR 23893, April 29, 2014), terminated the actions in certain paragraphs of AD 2010–14–07, Amendment 39–16352 (75 FR 38001, July 1, 2010). AD 2014–07–01, however, incorrectly terminated ''paragraphs (k) and (l),'' which should have been ''paragraph (k)(1).'' Paragraph (o)(1) of this AD corrects that reference to ''paragraph (k)(1).'' All provisions of AD 2010–14–07 that are not specifically referenced in paragraph (o)(1) of this AD remain fully applicable and must be complied with, including paragraph (k)(2) of AD 2010–14–07.

We also found an additional incorrect paragraph reference. The first sentence of paragraph (p) of AD 2014–07–01 provides credit for the actions required by paragraphs (g), (h), (i), and (n)(2) of that AD. Paragraph (n)(2) of AD 2014–07–01 does not exist. The text of paragraph (p) of this AD has been revised to refer to paragraphs (g), (h), and (i) of this AD.

We have also clarified that the airplanes affected by paragraph (i) of this AD include airplanes on which an interim modification, aft inner chord repair, or upper web repair has been previously accomplished as specified in Boeing Alert Service Bulletin 747–53A2427.

Compliance Time Change for Airplanes in Groups 4 and 5

We have moved the compliance time specified in paragraph (j) of 2014–07–01, Amendment 39–17815 (79 FR 23893, April 29, 2014), into new paragraphs (j)(1) and (j)(2) of this AD. Paragraph (j)(1) of this AD restates the compliance times for airplanes in Groups 1, 2, and 3. Paragraph (j)(2) of this AD provides a new compliance time for airplanes in Groups 4 and 5. We have added a compliance time (grace period) of ''18 months after the effective date of this AD'' for airplanes in Groups 4 and 5. We have determined that this new grace period will provide an acceptable level of safety.

FAA's Determination

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

AD Requirements

This AD requires repetitive inspections, including post-repair and post-modification inspections, for cracking in the bulkhead structure at BS 2598; certain one-time inspections of certain fasteners and support frame modifications on certain airplanes; related investigative and corrective actions, if necessary; and an interim modification that would terminate certain repetitive inspections. This AD provides clarification of certain paragraph references and revises a compliance time.

FAA's Justification and Determination of the Effective Date

Since this AD merely corrects incorrect paragraph references and includes a relieving grace period for certain airplanes, notice and opportunity for public comment before issuing this AD are unnecessary.

Comments Invited

This AD is a final rule that involves requirements affecting flight safety, and we did not provide you with notice and an opportunity to provide your comments before it becomes effective. However, we invite you to send any written data, views, or arguments about this AD. Send your comments to an address listed under the **ADDRESSES** section. Include ''Docket No. FAA–2014–0432; Directorate Identifier 2014–NM–099–AD'' at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of this AD. We will consider all comments received by the closing date and may amend this AD because of those comments.

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

Costs of Compliance

We estimate that this AD affects 184 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
Bulkhead (support frame) inspection.	49 work-hours × $85 per hour = $4,165 per inspection cycle.	$0	$4,165 per inspection cycle	$766,360 per inspection cycle.
Support frame modification	315 work-hours × $85 per hour = $26,775.	0	$26,775	Up to $4,926,600.
Support frame upper corner fastener inspection.	16 work-hours × $85 per hour = $1,360.	0	$1,360	Up to $250,240.
Support frame post-modification/post repair inspection.	200 work hours × $85 per hour = $17,000.	0	$17,000	$3,128,000.

We estimate the following costs to do any necessary interim modification that would be required based on the results of the inspections of the bulkhead specified in paragraph (g) of this AD. We have no way of determining the number of aircraft that might need this interim modification:

ON-CONDITION COSTS

Action	Labor cost	Parts cost	Cost per product
Interim modification	4 work-hours × $85 per hour = $340	$0	$340

We have received no definitive data that would enable us to provide a cost estimate for the corrective actions specified in this AD.

Authority for This Rulemaking

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

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

Regulatory Findings

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

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

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

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

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

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

List of Subjects in 14 CFR Part 39

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

Adoption of the Amendment

Accordingly, under the authority delegated to me by the Administrator, the FAA amends part 39 of the Federal Aviation Regulations (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) 2014–07–01, Amendment 39–17815 (79 FR 23893, April 29, 2014) and adding the following new AD:

2014–14–03 The Boeing Company: Amendment 39–17898; Docket No. FAA–2014–0432; Directorate Identifier 2014–NM–099–AD.

(a) Effective Date

This AD is effective July 15, 2014.

(b) Affected ADs

This AD supersedes AD 2014–07–01, Amendment 39–17815 (79 FR 23893, April 29, 2014).

(c) Applicability

This AD applies to The Boeing Company Model 747–100, 747–100B, 747–100B SUD, 747–200B, 747–200C, 747–200F, 747–300, 747–400, 747–400D, 747–400F, 747SR, and 747SP series airplanes, certificated in any category, as identified in Boeing Alert Service Bulletin 747–53A2427, Revision 7, dated July 19, 2013.

(d) Subject

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

(e) Unsafe Condition

This AD was prompted by reports of cracking in particular areas of the bulkhead structure at body station (BS) 2598. We are issuing this AD to detect and correct fatigue cracking of the BS 2598 bulkhead structure, which could adversely affect the structural integrity of the bulkhead and the horizontal stabilizer support structure, and result in loss of controllability of the airplane.

(f) Compliance

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

(g) Retained Inspections of the Bulkhead (Support Frame) With No Changes

This paragraph restates the actions required by paragraph (g) of AD 2014–07–01, Amendment 39–17815 (79 FR 23893, April 29, 2014), with no changes. For airplanes on which the bulkhead (support frame) modification specified in Boeing Service Bulletin 747–53A2473 or Boeing Alert Service Bulletin 747–53A2837 has not been done, and on which an interim modification or aft inner chord repair specified in Boeing Alert Service Bulletin 747–53A2427 has not been done: At the applicable times specified in paragraph 1.E., ''Compliance,'' of Boeing Alert Service Bulletin 747–53A2427, Revision 7, dated July 19, 2013, except as provided by paragraph (m)(1), (m)(2), or (m)(3) of this AD, as applicable, do an open-hole and surface high frequency eddy current (HFEC) inspection for cracking in the bulkhead (support frame), which includes the bulkhead splice fitting, frame supports, forward and aft inner chords, floor supports, and upper and lower web panels; do a surface HFEC inspection for cracking in the bulkhead upper web assembly; do an open-hole and surface HFEC inspection for cracking in the bulkhead lower web assembly; and do all applicable corrective actions; in accordance with the Accomplishment Instructions of Boeing Alert Service Bulletin 747–53A2427, Revision 7, dated July 19, 2013, except as required by paragraphs (h), (m)(4), (m)(5), and (m)(6) of this AD. Do all applicable corrective actions before further flight. Repeat the applicable inspections, thereafter, at the applicable times specified in paragraph 1.E., ''Compliance,'' of Boeing Alert Service Bulletin 747–53A2427, Revision 7, dated July 19, 2013. Doing the modification required by paragraph (j) of this AD terminates the repetitive inspections required by this paragraph.

(h) Retained Interim Modification With No Changes

This paragraph restates the actions required by paragraph (h) of AD 2014–07–01, Amendment 39–17815 (79 FR 23893, April 29, 2014), with no changes. For airplanes in Groups 1 and 2, as identified in Boeing Alert Service Bulletin 747–53A2427, Revision 7, dated July 19, 2013, on which no cracking was found during any inspection required by paragraph (g) of this AD: At the applicable times specified in paragraph 1.E., ''Compliance,'' of Boeing Alert Service Bulletin 747–53A2427, Revision 7, dated July 19, 2013, except as provided by paragraph (m)(2) of this AD, do the interim modification, in accordance with the Accomplishment Instructions of Boeing Alert Service Bulletin 747–53A2427, Revision 7, dated July 19, 2013. Doing the interim modification terminates the repetitive

inspections required by paragraph (g) of this AD in the area of the modification only. The repetitive inspections of the bulkhead lower web, as specified in paragraph (g) of this AD, must be done. If the aft inner chord repair or upper web repair specified in Boeing Alert Service Bulletin 747–53A2427, Revision 7, dated July 19, 2013, has been accomplished, an interim modification on the side of the airplane that has the repair is not required by this paragraph.

(i) Retained Post-Repair Inspection or Post-Interim Modification Inspection With a Clarification

This paragraph restates the actions required by paragraph (i) of AD 2014–07–01, Amendment 39–17815 (79 FR 23893, April 29, 2014), with a clarification of the affected airplanes. For airplanes on which an interim modification, aft inner chord repair, or upper web repair has been done as specified in paragraph (g) or (h) of this AD, or has been previously accomplished as specified in Boeing Alert Service Bulletin 747–53A2427: At the applicable times specified in paragraph 1.E., ''Compliance,'' of Boeing Alert Service Bulletin 747–53A2427, Revision 7, dated July 19, 2013, except as specified in paragraph (m)(1), (m)(2), or (m)(3) of this AD, as applicable, do the actions specified in paragraphs (i)(1) and (i)(2) of this AD, and all applicable corrective actions, in accordance with the Accomplishment Instructions of Boeing Alert Service Bulletin 747–53A2427, Revision 7, dated July 19, 2013, except as required by paragraph (m)(4) of this AD. Do all applicable corrective actions before further flight. Repeat the inspections thereafter at the applicable intervals specified in paragraph 1.E., ''Compliance,'' of Boeing Alert Service Bulletin 747–53A2427, Revision 7, dated July 19, 2013. Doing the modification required by paragraph (j) of this AD terminates the repetitive inspections required by this paragraph.

(1) Do forward side surface HFEC inspections for cracking of the bulkhead forward inner chord, splice fitting, and frame support.

(2) Do surface and open-hole HFEC inspections for cracking in the repaired and modified areas of the bulkhead, as applicable.

(j) Retained Bulkhead (Support Frame) Modification and Inspections With a Revised Compliance Time

This paragraph restates the actions required by paragraph (j) of AD 2014–07–01, Amendment 39–17815 (79 FR 23893, April 29, 2014), with a revised compliance time. For airplanes on which the bulkhead (support frame) modification, as specified in Boeing Service Bulletin 747–53A2473 has not been done as of June 3, 2014 (the effective date of AD 2014–07–01): At the applicable time specified in paragraph (j)(1) or (j)(2) of this AD, do the bulkhead (support frame) modification and inspections, and all applicable related investigative and corrective actions; in accordance with steps 3.B.3., 3.B.4., and 3.B.5. of the Accomplishment Instructions of Boeing Service Bulletin 747–53A2473, Revision 4, dated December 1, 2011, except as required by paragraph (m)(4) of this AD. Do all applicable related investigative and corrective actions before further flight. Doing the modification in this paragraph terminates the inspections required by paragraphs (g) and (i) of this AD.

(1) For Groups 1, 2, and 3 airplanes identified in Boeing Service Bulletin 747–53A2473, Revision 4, dated December 1, 2011: At the time specified in table 2 of paragraph 1.E., ''Compliance,'' of Boeing Service Bulletin 747–53A2473, Revision 4, dated December 1, 2011.

(2) For Groups 4 and 5 airplanes identified in Boeing Service Bulletin 747–53A2473, Revision 4, dated December 1, 2011: At the earlier of the times specified in paragraphs (j)(2)(i) and (j)(2)(ii) of this AD,

(i) Before the accumulation of 20,000 total flight cycles or within 18 months after August 5, 2010 (the effective date of AD 2010–14–07, Amendment 39–16352 (75 FR 38001, July 1, 2010), whichever occurs later.

(ii) Before the accumulation of 12,000 total flight cycles or within 18 months after the effective date of this AD, whichever occurs later.

(k) Retained Post-Modification Inspections With No Changes

This paragraph restates the actions required by paragraph (k) of AD 2014–07–01, Amendment 39–17815 (79 FR 23893, April 29, 2014), with no changes.

(1) For airplanes on which the bulkhead (support frame) modification, as specified in Boeing Service Bulletin 747–53A2473 has been done: Except as provided by paragraphs (m)(7) and (m)(8) of this AD, at the applicable time specified in tables 6, 7, 8, and 9 of paragraph 1.E., ''Compliance,'' of Boeing Service Bulletin 747–53A2473, Revision 4, dated December 1, 2011, do support frame post-modification inspections, and open-hole HFEC inspections for cracking in the hinge support, and do all applicable related investigative and corrective actions, in accordance with the Accomplishment Instructions of Boeing Service Bulletin 747–53A2473, Revision 4, dated December 1, 2011, except as required by paragraph (m)(4) of this AD. Do all applicable related investigative and corrective actions before further flight. Repeat the inspections thereafter at the applicable times specified in tables 6, 7, 8, and 9 of paragraph 1.E., ''Compliance,'' of Boeing Service Bulletin 747–53A2473, Revision 4, dated December 1, 2011.

(2) For airplanes on which the support frame modification, as specified in Boeing Service Bulletin 747–53A2473, Revision 1, dated February 20, 2007 (which is not incorporated by reference in this AD), has been done : Except as specified in paragraphs (m)(7) and (m)(8) of this AD, at the applicable time specified in tables 4 and 5 of paragraph 1.E., ''Compliance,'' of Boeing Service Bulletin 747–53A2473, Revision 4, dated December 1, 2011, do a one-time general visual inspection of the frame web and upper shear deck (floor support) chord aft side for fasteners that were installed as part of an inner chord repair removal; and a one-time general visual inspection of the upper forward inner chord, frame support fitting, and splice fitting for the installation of certain fasteners; and do all applicable related investigative and corrective actions; in accordance with the Accomplishment Instructions of Boeing Service Bulletin 747–53A2473, Revision 4, dated December 1, 2011, except as required by paragraph (m)(4) of this AD. Do all applicable related investigative and corrective actions at the applicable times specified in tables 4 and 5 of paragraph 1.E., ''Compliance,'' of Boeing Service Bulletin 747–53A2473, Revision 4, dated December 1, 2011.

(3) For airplanes on which the support frame modification, as specified in Boeing Service Bulletin 747–53A2473, dated March 24, 2005 (which was incorporated by reference in AD 2006–05–06, Amendment 39–14503 (71 FR 12125, March 9, 2006)), has been done: Except as specified in paragraphs (m)(7) and (m)(8) of this AD, at the applicable time specified in tables 5 and 10 of paragraph 1.E., ''Compliance,'' of Boeing Service Bulletin 747–53A2473, Revision 4, dated December 1, 2011, do a one-time general visual inspection of the upper forward inner chord, frame support fitting, and splice fitting for the installation of certain fasteners; a one-time general visual inspection for any repair installed on the left and right side of the aft inner chord; and do all applicable related investigative and corrective actions; in accordance with the Accomplishment Instructions of Boeing Service Bulletin 747–53A2473, Revision 4, dated December 1, 2011, except as required by paragraph (m)(4) of this AD. Do all applicable related investigative and corrective actions at the applicable times specified in tables 5 and 10 of paragraph 1.E., ''Compliance,'' of Boeing Service Bulletin 747–53A2473, Revision 4, dated December 1, 2011.

(4) For airplanes on which a post-modification inspection was done using paragraph 3.B.8. of Part 1 of the Accomplishment Instructions of Boeing Service Bulletin 747–53A2473, Revision 3, dated July 14, 2011 (which is not incorporated by reference in this AD): Except as required by paragraphs (m)(7) and (m)(8) of this AD, at the applicable time in table 11 of paragraph 1.E., ''Compliance,'' of Boeing Service Bulletin 747–53A2473, Revision 4, dated December 1, 2011, do a one-time surface HFEC inspection of the support frame outer chord for cracking, in accordance with Part 1 of the Accomplishment Instructions of Boeing Service Bulletin 747–53A2473, Revision 4, dated December 1, 2011. If any cracking is found, repair before further flight, using a method approved in accordance with the procedures specified in paragraph (q) of this AD.

(l) Retained Post-Modification and Post-Repair Inspections With No Changes

This paragraph restates the actions required by paragraph (l) of AD 2014–07–01, Amendment 39–17815 (79 FR 23893, April 29, 2014), with no changes. For airplanes on which cracking was found during a post-modification inspection and was repaired by doing the installation of an upper or lower corner post-modification web crack repair, as specified in Boeing Service Bulletin 747–

53A2473, Revision 4, dated December 1, 2011: At the applicable times specified in tables 6 and 8 of paragraph 1.E., ''Compliance,'' of Boeing Service Bulletin 747–53A2473, Revision 4, dated December 1, 2011, do a bulkhead (support frame) post-repair inspection, and do all applicable corrective actions, in accordance with paragraph a., b., or c. of Part 4 of paragraph 3.B.8 of the Accomplishment Instructions of Boeing Service Bulletin 747–53A2473, Revision 4, dated December 1, 2011, as applicable, except as required by paragraph (m)(4) of this AD. Repeat the inspection, thereafter, at the applicable times specified in tables 6 and 8 of paragraph 1.E., ''Compliance,'' of Boeing Service Bulletin 747–53A2473, Revision 4, dated December 1, 2011.

(m) Retained Exceptions to Service Information With No Changes

This paragraph restates the exceptions specified in paragraph (m) of AD 2014–07–01, Amendment 39–17815 (79 FR 23893, April 29, 2014), with no changes.

(1) Where Boeing Alert Service Bulletin 747–53A2427, Revision 7, dated July 19, 2013, specifies a compliance time after ''the date on Revision 2 of this service bulletin,'' this AD requires compliance within the specified compliance time after August 28, 2001 (the effective date of AD 2001–15–03, Amendment 39–12337 (66 FR 38365, July 24, 2001)).

(2) Where Boeing Alert Service Bulletin 747–53A2427, Revision 7, dated July 19, 2013, specifies a compliance time after ''the date on Revision 4 of this service bulletin,'' this AD requires compliance within the specified compliance time after August 5, 2010 (the effective date of AD 2010–14–07, Amendment 39–16352 (75 FR 38001, July 1, 2010)).

(3) Where Boeing Alert Service Bulletin 747–53A2427, Revision 7, dated July 19, 2013, specifies a compliance time ''after the date on the respective service bulletin revision'' this AD requires compliance within the specified compliance time after June 3, 2014 (the effective date of AD 2014–07–01 Amendment 39–17815 (79 FR 23893, April 29, 2014)).

(4) If any cracking is found during any inspection required by this AD, and Boeing Alert Service Bulletin 747–53A2427, Revision 7, dated July 19, 2013; or Boeing Service Bulletin 747–53A2473, Revision 4, dated December 1, 2011; specifies to contact Boeing for appropriate action: Before further flight, repair the crack using a method approved in accordance with the procedures specified in paragraph (q) of this AD.

(5) If, during any inspection required by paragraph (g) of this AD, any cracking is found in the bonded web doubler, before further flight, repair using a method approved in accordance with the procedures specified in paragraph (q) of this AD.

(6) Where Part 1 of the Accomplishment Instructions of Boeing Alert Service Bulletin 747–53A2427, Revision 7, dated July 19, 2013, specifies accomplishing inspections for cracking in the forward and aft inner chords, splice fittings, floor supports, and upper and lower web panels, this AD also requires doing an open-hole HFEC inspection of the bonded web doubler if present.

(7) Where Boeing Service Bulletin 747–53A2473, Revision 4, dated December 1, 2011, specifies a compliance time ''after the date on Revision 2 of this service bulletin,'' this AD requires compliance within the specified compliance time as of August 5, 2010 (the effective date of AD 2010–14–07, Amendment 39–16352 (75 FR 38001, July 1, 2010)).

(8) Where Boeing Service Bulletin 747–53A2473, Revision 4, dated December 1, 2011, specifies a compliance time ''after the date on Revision 3 of this service bulletin,'' or ''after the date on Revision 4 of this service bulletin,'' this AD requires compliance within the specified compliance time after June 3, 2014 (the effective date of AD 2010–14–07, Amendment 39–17815 (79 FR 23893, April 29, 2014)).

(n) Retained Optional Terminating Modification With No Changes

This paragraph restates the actions required by paragraph (n) of AD 2014–07–01, Amendment 39–17815 (79 FR 23893, April 29, 2014), with no changes. Accomplishing the modification of the bulkhead at BS 2598 in accordance with the Accomplishment Instructions of Boeing Alert Service Bulletin 747–53A2837, dated July 13, 2012, terminates the requirements of paragraphs (g), (h), (i), (j), (k), and (l) of this AD, except where Boeing Alert Service Bulletin 747–53A2837, dated July 13, 2012, specifies to contact Boeing for appropriate action: Before further flight, repair the crack using a method approved in accordance with the procedures specified in paragraph (q) of this AD.

(o) Retained Terminating Action for Certain Requirements of AD 2010–14–07, Amendment 39–16352 (75 FR 38001, July 1, 2010), With Revised Terminating Action

This paragraph restates the terminating actions specified in paragraph (o) of AD 2014–07–01, Amendment 39–17815 (79 FR 23893, April 29, 2014), with revised terminating action within paragraph (o)(1) of this AD.

(1) Accomplishing the inspections, repairs, and modification in accordance with the Accomplishment Instructions of Boeing Service Bulletin 747–53A2473, Revision 4, dated December 1, 2011, is an acceptable terminating action for the corresponding inspections, repairs, and modification at the BS 2598 support frame required by paragraphs (i), (j), (k)(1), (m), (n), (o), (p), (q), (r), (s), (t), (u), and (v) of AD 2010–14–07, Amendment 39–16352 (75 FR 38001, July 1, 2010). Where Boeing Service Bulletin 747–53A2473, Revision 4, dated December 1, 2011, specifies to contact Boeing for repair instructions, the repair instructions must be approved in accordance with the procedures specified in paragraph (q) of this AD. All provisions of AD 2010–14–07 that are not specifically referenced in this paragraph remain fully applicable and must be complied with, including paragraph (k)(2) of AD 2010–14–07.

(2) Accomplishing the inspections, repairs, and interim modification in accordance with Boeing Alert Service Bulletin 747–53A2427, Revision 7, dated July 19, 2013, is an acceptable terminating action for the corresponding inspections, repairs and interim modification at the BS 2598 bulkhead required by paragraphs (i), (j), (o), (s), (t), (u), and (v) of AD 2010–14–07, Amendment 39–16352 (75 FR 38001, July 1, 2010). Where Boeing Alert Service Bulletin 747–53A2427, Revision 7, dated July 19, 2013, specifies to contact Boeing for repair data, the repair data must be approved in accordance with the procedures specified in paragraph (q) of this AD. All provisions of AD 2010–14–07 that are not specifically referenced in this paragraph remain fully applicable and must be complied with.

(p) Retained Credit for Previous Actions With Change to Paragraph Reference

This paragraph restates the credit specified in paragraph (p) of AD 2014–07–01, Amendment 39–17815 (79 FR 23893, April 29, 2014), with a change to a paragraph reference. This paragraph provides credit for the actions required by paragraphs (g), (h), and (i) of this AD, if those actions were performed before June 3, 2014 (the effective date of AD 2014–07–01) using Boeing Alert Service Bulletin 747–53A2427, Revision 6, dated July 14, 2011, provided that the additional actions added in Boeing Alert Service Bulletin 747–53A2427, Revision 7, dated July 19, 2013, are done within the applicable compliance times specified in paragraphs (g), (h), and (i) of this AD. Boeing Alert Service Bulletin 747–53A2427, Revision 6, dated July 14, 2011, is not incorporated by reference in this AD.

(q) Alternative Methods of Compliance (AMOCs)

(1) The Manager, Seattle Aircraft Certification Office (ACO), FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the manager of the ACO, send it to the attention of the person identified in paragraph (r)(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 required by this AD if it is approved by the Boeing Commercial Airplanes Organization Designation Authorization (ODA) that has been authorized by the Manager, Seattle ACO, to make those findings. For a repair method to be approved, the repair must meet the certification basis of the airplane, and the approval must specifically refer to this AD.

(4) Related portions or applicable paragraphs of AMOCs approved previously for AD 2010–14–07, Amendment 39–16352 (75 FR 38001, July 1, 2010), are approved as AMOCs for the corresponding provisions of paragraphs (g), (h), (i), (j), (k), and (l) of this AD. All new actions specified in paragraphs

(g), (h), (i), (j), (k), and (l) of this AD that are not identified in a previously approved AMOC must still be done.

(5) AMOCs approved for AD 2014–07–01, Amendment 39–17815 (79 FR 23893, April 29, 2014), are approved as AMOCs for the corresponding provisions of this AD.

(r) Related Information

(1) For more information about this AD, contact Nathan Weigand, Aerospace Engineer, Airframe Branch, ANM–120S, FAA, Seattle ACO, 1601 Lind Avenue SW., Renton, WA 98057–3356; phone: 425–917–6428; fax: 425–917–6590; email: *nathan.p.weigand@faa.gov.*

(2) Service information identified in this AD that is not incorporated by reference in this AD may be viewed at the addresses specified in paragraphs (s)(4) and (s)(5) of this AD.

(s) 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 June 3, 2014 (79 FR 23893).

(i) Boeing Alert Service Bulletin 747–53A2427, Revision 7, dated July 19, 2013.

(ii) Boeing Service Bulletin 747–53A2473, Revision 4, dated December 1, 2011.

(iii) Boeing Alert Service Bulletin 747–53A2837, dated July 13, 2012.

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

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

(6) You may view this service information that is incorporated by reference at the National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202–741–6030, or go to: *http://www.archives.gov/federal-register/cfr/ibr-locations.html.*

Issued in Renton, Washington, on July 3, 2014.

Dionne Palermo,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2014–16381 Filed 7–14–14; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Parts 91 and 135

[Docket No. FAA–2010–0982; Amdt. No(s). 91–330A, 135–129A]

RIN 2120–AJ53

Helicopter Air Ambulance, Commercial Helicopter, and Part 91 Helicopter Operations; Correction

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule; Correction.

SUMMARY: The FAA is correcting a final rule published on February 21, 2014. In that rule, the FAA amended its regulations to revise the helicopter air ambulance, commercial helicopter, and general aviation helicopter operating requirements. This document corrects errors in the codified text of that document.

DATES: Effective April 22, 2015.

FOR FURTHER INFORMATION CONTACT: For technical questions concerning this action, contact Andrew C. Pierce, Air Transportation Division, 135 Air Carrier Operations Branch, AFS–250, Federal Aviation Administration, 800 Independence Avenue SW., Washington, DC 20591; telephone 202–267–8238; email *andy.pierce@faa.gov.*

For legal questions concerning this action, contact Nancy Sanchez, Attorney, AGC–220, Federal Aviation Administration, 800 Independence Avenue SW., Washington, DC 20591; telephone 202–267–3073; email *nancy.sanchez@faa.gov.*

SUPPLEMENTARY INFORMATION:

Background

On February 21, 2014, the FAA published a final rule entitled, ''Helicopter Air Ambulance, Commercial Helicopter, and part 91 Helicopter Operations'' (79 FR 9932) (effective date delayed on April 21, 2014, at 79 FR 22012). In that final rule, the FAA addressed helicopter air ambulance operations and all commercial helicopter operations conducted under part 135. The FAA also established new weather minimums for helicopters operating under part 91 in Class G airspace.

The FAA is correcting § 91.155 and removing duplicative flight visibility requirements for part 91 helicopter operations in Class G airspace. Also, the FAA is correcting the regulatory text in § 135.609 to delineate visual flight rule operations and instrument flight rules operations. Finally, the agency is correcting the regulatory text in § 135.621(b) and clarifying the intended list of topics that must be included in the certificate holder's FAA-approved medical personnel training program.

Corrections

In FR Doc. 35, beginning on page 9932, in the **Federal Register** of February 21, 2014, make the following corrections:

Corrections to Regulatory Text

■ 1. On page 9973, in § 91.155, revise the entry ''For helicopters: Day'' in the table in paragraph (a) to read as follows:

§ 91.155 Basic VFR weather minimums.

(a) * * *

Airspace	Flight visibility	Distance from clouds
* * * * * * *		
Class G.		
* * * * * * *		
For helicopters:		
Day	½ statute mile	Clear of clouds
* * * * * * *		

* * * * *

■ 2. On page 9975, in the third column, in § 135.609, revise paragraph (a) introductory text to read as follows:

§ 135.609 VFR ceiling and visibility requirements for Class G airspace.

(a) Unless otherwise specified in the certificate holder's operations specifications, when conducting VFR helicopter air ambulance operations in Class G airspace, the weather minimums in the following table apply:

* * * * *

■ 3. On page 9978, in the third column, in § 135.621, revise paragraph (b) to read as follows:

§ 135.621 Briefing of medical personnel.

* * * * *

(b) The briefing required in paragraphs (a)(2) through (9) of this section may be omitted if all medical personnel on board have satisfactorily completed the certificate holder's FAA-approved medical personnel training program within the preceding 24 calendar months. Each training program must include a minimum of 4 hours of ground training, and 4 hours of training in and around an air ambulance helicopter, on the topics set forth in paragraph (a)(2) through (9) of this section.

* * * * *

Issued under authority of 49 U.S.C. 106(f), 44701(a), and 44730 in Washington, DC, on July 9, 2014.

Brenda D. Courtney,

Acting Director, Office of Rulemaking.

[FR Doc. 2014–16523 Filed 7–14–14; 8:45 am]

BILLING CODE 4910–13–P

COMMODITY FUTURES TRADING COMMISSION

17 CFR Part 23

RIN 3038–AC96

Swap Dealer and Major Swap Participant Recordkeeping, Reporting, and Duties Rules; Futures Commission Merchant and Introducing Broker Conflicts of Interest Rules; and Chief Compliance Officer Rules for Swap Dealers, Major Swap Participants, and Futures Commission Merchants; Correction

AGENCY: Commodity Futures Trading Commission.

ACTION: Correcting amendments.

SUMMARY: This document contains corrections to final regulations, which were published in the **Federal Register** of Tuesday, April 3, 2012. The regulations are related to the risk management programs of swap dealers and major swap participants.

DATES: Effective July 15, 2014.

FOR FURTHER INFORMATION CONTACT: Frank Fisanich, Chief Counsel, 202–418–5949, *ffisanich@cftc.gov,* or Gregory Scopino, Special Counsel, 202–418–5175, *gscopino@cftc.gov,* Division of Swap Dealer and Intermediary Oversight, Commodity Futures Trading Commission, Three Lafayette Centre, 1155 21st Street NW., Washington, DC 20581.

SUPPLEMENTARY INFORMATION:

Background

The final regulations that are the subject of these corrections imposed certain requirements on swap dealers and major swap participants regarding risk management programs. The final regulations were promulgated pursuant to sections 4s(h)(1)(D), 4s(h)(3)(D), 4s(j), and 8a(5) of the Commodity Exchange Act, 7 U.S.C. 4s(h)(1)(D), 4s(h)(3)(D), 4s(j), and 8a(5).

Need for Correction

As published, the final regulations contain errors which may prove to be misleading and need to be clarified.

List of Subjects in 17 CFR Part 23

Antitrust, Commodity futures, Conduct standards, Conflict of interests, Major swap participants, Reporting and recordkeeping, Swap dealers, Swaps.

Accordingly, 17 CFR part 23 is corrected by making the following correcting amendment:

PART 23—SWAP DEALERS AND MAJOR SWAP PARTICIPANTS

■ 1. The authority citation for part 23 continues to read as follows:

Authority: 7 U.S.C. 1a, 2, 6, 6a, 6b, 6b–1, 6c, 6p, 6r, 6s, 6t, 9, 9a, 12, 12a, 13b, 13c, 16a, 18, 19, 21.

■ 2. In § 23.600, revise paragraph (e)(2) to read as follows:

§ 23.600 Risk Management Program for swap dealers and major swap participants.

* * * * *

(e) * * *

(2) The annual reviews of the Risk Management Program shall include an analysis of adherence to, and the effectiveness of, the risk management policies and procedures, and any recommendations for modifications to the Risk Management Program. The annual testing shall be performed by qualified internal audit staff that are independent of the business trading unit being audited or by a qualified third party audit service reporting to staff that are independent of the business trading unit. The results of the annual review of the Risk Management Program shall be promptly reported to, and reviewed by, the chief compliance officer, senior management, and governing body of the swap dealer or major swap participant.

* * * * *

Issued in Washington, DC, on July 10, 2014, by the Commission.

Christopher J. Kirkpatrick,

Acting Secretary of the Commission.

[FR Doc. 2014–16583 Filed 7–14–14; 8:45 am]

BILLING CODE 6351–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Parts 106 and 107

[Docket No. FDA–1995–N–0063 (formerly 95N–0309)]

RIN 0910–AF27

Current Good Manufacturing Practices, Quality Control Procedures, Quality Factors, Notification Requirements, and Records and Reports, for Infant Formula; Correction

AGENCY: Food and Drug Administration, HHS.

ACTION: Final rule; correction.

SUMMARY: The Food and Drug Administration (FDA or we) is correcting a final rule that appeared in the **Federal Register** of June 10, 2014. The final rule revised our infant formula regulations by establishing requirements for current good manufacturing practices, including audits; establishing requirements for quality factors; and amending our quality control procedures, notification, and record and reporting requirements for infant formula. We issued the final rule to provide greater protection of infants who consume infant formula products. In this document, we correct some errors that appeared in the preamble to the final rule.

DATES: Effective July 15, 2014.

FOR FURTHER INFORMATION CONTACT: Leila Beker, Office of Nutrition, Labeling, and Dietary Supplements (HFS–850), Center for Food Safety and Applied Nutrition, Food and Drug Administration, 5100 Paint Branch Pkwy., College Park, MD 20740, 240–402–1451.

SUPPLEMENTARY INFORMATION: In FR Doc. 2014–13384, appearing on page 33057 in the **Federal Register** of June 10, 2014 (79 FR 33057), we make the following corrections:

1. On pages 33057–33058, under **FOR FURTHER INFORMATION CONTACT** the contact information is changed to read, ''Leila Beker, Office of Nutrition, Labeling, and Dietary Supplements (HFS–850), Center for Food Safety and Applied Nutrition, Food and Drug Administration, 5100 Paint Branch Pkwy., College Park, MD 20740, 240–402–1451.''

2. On page 33062, in the third column, in Comment 9, ''45 °F (F)'' is corrected to read ''45 °F.''

3. On page 33063, in the third column, in Comment 13, the preamble stated, ''The comment requested that, with regard to the requirements of § 106.35, we announce the exercise of enforcement discretion or a formal delay for this provision to align with the compliance date for eligible infant formulas. Nonetheless, with the exception of the compliance date for certain requirements related to quality factors for eligible infant formulas, the final rule adopts a compliance date of September 8, 2014 to facilitate manufacturer compliance with all requirements of this final rule.'' We are correcting this passage to read, ''The comment requested that, with regard to the requirements of § 106.35, we announce the exercise of enforcement discretion, a delayed compliance date, or a formal delay for this provision to align with the compliance date for eligible infant formulas.''

4. On page 33063, in the third column, in the Response to Comment 13, the preamble stated, ''We therefore decline the request to announce the exercise of enforcement discretion, a delayed compliance date, or a formal delay for this provision to align with the compliance date for eligible infant formulas.'' We are correcting this passage to read, ''We therefore decline the request to announce the exercise of enforcement discretion or a formal delay for this provision to align with the compliance date for eligible infant formulas. Nonetheless, with the exception of the compliance date for certain requirements related to quality factors for eligible infant formulas, the final rule adopts a compliance date of September 8, 2014, to facilitate manufacturer compliance with all requirements of this final rule.''

Dated: July 9, 2014.

Leslie Kux,

Assistant Commissioner for Policy.

[FR Doc. 2014–16476 Filed 7–14–14; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Parts 1 and 301

[TD 9675]

RIN 1545–BJ16

IRS Truncated Taxpayer Identification Numbers

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final regulations.

SUMMARY: This document contains final regulations regarding an IRS truncated taxpayer identification number, or a TTIN. Where not prohibited by the Internal Revenue Code, applicable regulations, other guidance published in the Internal Revenue Bulletin, forms, or instructions, these regulations allow use of a TTIN in lieu of a taxpayer's social security number (SSN), IRS individual taxpayer identification number (ITIN), IRS adoption taxpayer identification number (ATIN), or employer identification number (EIN) on payee statements and certain other documents. The TTIN displays only the last four digits of a taxpayer identifying number; either asterisks (*) or Xs replace the first five digits of the identifying number. These regulations affect persons that furnish or receive payee statements and other documents that the Internal Revenue Code, regulations, or other published guidance requires to be furnished to another person to the extent that a TTIN may appear in lieu of the SSN, ITIN, ATIN, or EIN of the payee or document recipient.

DATES: *Effective Date:* These regulations are effective on July 15, 2014.

Applicability Date: For dates of applicability see §§ 1.6042–4(g), 1.6043–4(i), 1.6044–5(d), 1.6045–2(i), 1.6045–3(g), 1.6045–4(s), 1.6045–5(h), 1.6049–6(e)(5), 1.6050A–1(e), 1.6050E–1(m), 1.6050N–1(e), 1.6050P–1(h), 1.6050S–1(f), 1.6050S–3(g), and 301.6109–4(c).

FOR FURTHER INFORMATION CONTACT: Jacqueline K. Queener, (202) 317–6844 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

This document amends the Income Tax Regulations (26 CFR part 1) and the Procedure and Administration Regulations (26 CFR part 301) to authorize filers of information returns to truncate a payee's or other person's nine-digit identifying number on payee statements and certain other documents. The goal of these amendments is to reduce the risk of identity theft that may stem from the inclusion of a taxpayer's entire identifying number on a payee statement or other document.

Concerned about the risks of identity theft, including its effect on tax administration, the IRS established a pilot program allowing filers of information returns who met certain requirements to truncate an individual payee's identifying number on paper payee statements (Forms 1098, 1099, and 5498) for calendar years 2009 and 2010. See Notice 2009–93, 2009–51 IRB 863. The IRS subsequently extended the pilot program for payee statements for calendar years 2011 and 2012, and modified the program by removing the

Form 1098–C from the list of eligible documents on which a TTIN can be used because it is an acknowledgement under section 170(f)(12) rather than a payee statement. See Notice 2011–38, 2011–20 IRB 784.

On January 7, 2013, the Treasury Department and the IRS published a notice of proposed rulemaking (REG–148873–09) in the **Federal Register**, 78 FR 913, establishing an IRS truncated taxpayer identification number, a TTIN, and setting forth guidelines for its use. The scope of the proposed regulations mirrored that of the pilot project as reflected in Notice 2011–38 with one exception made in conformance with comments received in response to the pilot program: The proposed regulations permitted use of a TTIN on electronic payee statements in addition to paper payee statements. A public hearing was scheduled for March 12, 2013. One request to testify at the public hearing was received but later withdrawn, and the public hearing was cancelled. Eleven written comments responding to the NPRM were received and are available for public inspection at *http://www.regulations.gov* or upon request. After consideration of all the comments, the proposed regulations are adopted as amended by this Treasury decision. The amendments are discussed in the next section.

Summary of Comments and Explanation of Revisions

While comments received in response to the NPRM overwhelmingly supported the proposed regulations, one commenter recommended against finalizing the proposed regulations because he failed to see the benefit of a TTIN and believed issuance of a TTIN would use funds for a structure that already exists. As defined in § 301.6109–4(a) of the proposed regulations, a TTIN is simply a method for partially masking taxpayer identifying numbers that already exist. Use of a TTIN does not require issuance of a new number and no funds will be expended for that purpose. The Treasury Department and the IRS believe that the truncation of TINs will reduce the risk of identity theft. Therefore, the final regulations do not adopt this recommendation.

Almost all commenters recommended allowing use of a TTIN in place of an EIN. Some commenters stated that, due to technical constraints or incomplete data records, many filers could not segregate payees with EINs from payees with individual taxpayer identifying numbers (SSNs, ITINs, and ATINs) that could be truncated under the proposed regulations. Therefore, these filers were not able to use TTINs at all. Other commenters stated that small businesses and closely-held entities have the same privacy concerns that individuals have, and should be granted the same benefits in protecting their identifying information. In light of these comments, the Treasury Department and the IRS believe that allowing truncated EINs will encourage filers to use TTINs for all payees and will further reduce risk of identity theft. Accordingly, § 301.6109–4 of the final regulations permits truncation of EINs.

Most commenters recommended expanding the authorization to use a TTIN on more documents than just payee statements in the Forms 1098, 1099, and 5498 series. Commenters specifically recommended that the IRS consider allowing a TTIN to be used on a grantor trust letter as required by § 1.671–4(b); a widely held fixed investment trust (WHFIT) statement as required by § 1.671–5(e); a copy of a Schedule K–1 issued to a partner, shareholder, or beneficiary under section 6012(a)(4), 6031(a)–(b), 6034A, or 6037(b); any Form 1097 series return; a Form 2439 ''Notice to Shareholder of Undistributed Long-Term Capital Gains''; or any other payee statement.

Under the proposed regulations, use of a TTIN was permitted only if affirmatively authorized by the IRS. Commenters expressed concern that allowing TTINs to be used only when authorized unduly limits the documents on which TTINs may be used, which in turn reduces the effect of using TTINs to help combat identity theft. Continued use of this approach would impose an administrative burden on IRS to keep updated the list of documents on which TTINs are permitted. The commenters suggested that allowing TTINs to be used unless prohibited would address these concerns. The Treasury Department and the IRS agree that TTINs should be permitted on most documents that the internal revenue laws require to be provided to payees and other persons. Accordingly, the final regulations permit use of a TTIN on any federal tax-related payee statement or other document required to be furnished to another person unless prohibited by the Internal Revenue Code, regulations, other guidance published in the Internal Revenue Bulletin, forms, or instructions.

Under this modified approach, there is no need to amend every information reporting regulation to permit the use of a TTIN. However, it may be unclear whether language in certain regulations could be interpreted as requiring use of an unmasked SSN, ITIN, ATIN, or EIN, thereby prohibiting use of a TTIN. Accordingly, to avoid confusion, the final regulations retain the provisions in the proposed regulations that amend specific information reporting regulations that contained language that could be interpreted as specifically requiring use of an unmasked SSN, ITIN, ATIN, or EIN.

One commenter recommended allowing use of TTINs on Form 3520, Annual Return To Report Transactions With Foreign Trusts and Receipts of Certain Foreign Gifts, and Form 3520A, Annual Information Return of Foreign Trust With a U.S. Owner (Under Section 6048(b)). Taxpayer identifying numbers on returns and statements filed with the IRS are necessary for the IRS to determine compliance with the tax laws and to validate the information provided. Therefore, the final regulations retain the rule in the proposed regulations that TTINs may not be used on a return filed with the IRS. Accordingly, because Forms 3520 and 3520A are returns required to be filed with the IRS this recommendation is not adopted.

Consistent with the approach adopted in the final regulations, the regulations were revised to list the circumstances where use of a TTIN is not permitted. Under § 301.6109–4(b)(2), a TTIN may not be used (1) where prohibited by statute, regulation, other guidance published in the Internal Revenue Bulletin, form, or instructions; (2) where a statute, regulation, other guidance published in the Internal Revenue Bulletin, form, or instructions, specifically requires use of an SSN, ITIN, ATIN, or EIN; or (3) on any return or statement required to be filed with, or furnished to, the IRS. Further, a person may not truncate its own taxpayer identification number on any tax form, statement, or other document that person furnishes to another person. For example, an employer cannot use a TTIN in place of its EIN on a Form W–2, Wage and Tax Statement, that the employer furnishes to an employee; and a person may not use a TTIN in place of its TIN on a Form W–9, Request for Taxpayer Identification Number and Certification.

An example was added to § 301.6109–4 of the regulations to illustrate the operation of the revised rule. In addition, because use of a TTIN is not limited by type of form, the definitions set forth in § 301.6109–4(b) of the proposed regulations are no longer necessary and have been deleted from the final regulations.

Because a TTIN is a permissible method of displaying the taxpayer identifying number, use of a TTIN when permitted by § 301.6109–4 of the final

regulations satisfies the requirement to include a taxpayer identifying number on a document or statement. To eliminate any potential confusion, § 301.6109–4(b) of the final regulations is amended to state that use of a TTIN as permitted in these regulations will not result in application of any penalty (e.g., a penalty under section 6722 for failure to timely furnish a correct statement) for failure to include a taxpayer identifying number on any payee statement or other document.

Section 301.6109–4 of the final regulations is effective July 15, 2014. The amendments to the specific information reporting regulations are generally effective for payee statements due after December 31, 2014. As stated in the proposed TTIN regulations, taxpayers were allowed to rely on the rules in the proposed regulations prior to publication of these final regulations. Finally, modifications have been made to the effective date sections of some of these information reporting regulations to remove outdated references.

Special Analyses

It has been determined that these regulations are not a significant regulatory action as defined in Executive Order 12866, as supplemented by Executive Order 13563. Therefore, a regulatory assessment is not required. It also has been determined that section 553(b) of the Administrative Procedure Act (5 U.S.C. chapter 5) does not apply to these regulations, and, because the regulations do not impose a collection of information on small entities, the Regulatory Flexibility Act (5 U.S.C. chapter 6) does not apply. Pursuant to section 7805(f) of the Code, the notice of proposed rulemaking that preceded these final regulations was submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact on small business, and no comments were received.

Drafting Information

The principal author of the final regulations is Jacqueline Queener, Office of the Associate Chief Counsel (Procedure and Administration).

List of Subjects

26 CFR Part 1

Income taxes, Reporting and recordkeeping requirements.

26 CFR Part 301

Employment taxes, Estate taxes, Excise taxes, Gift taxes, Income taxes, Penalties, Reporting and recordkeeping requirements.

Adoption of Amendments to the Regulations

Accordingly, 26 CFR parts 1 and 301 are amended as follows:

PART 1—INCOME TAXES

■ **Paragraph 1.** The general authority citation for part 1 continues to read as follows:

Authority: 26 U.S.C. 7805 * * *

■ **Par. 2.** Section 1.6042–4 is amended by revising paragraphs (b) and (g) to read as follows:

§ 1.6042–4 Statements to recipients of dividend payments.

* * * * *

(b) *Form and content of the statement.* The statement required by paragraph (a) of this section must be either the official Form 1099 prescribed by the Internal Revenue Service for the respective calendar year or an acceptable substitute statement that contains provisions that are substantially similar to those of the official Form 1099 for the respective calendar year. For further guidance on how to prepare an acceptable substitute statement, see Rev. Proc. 2012–38, 2012–48 IRB 575, also published as Publication 1179, ''General Rules and Specifications for Substitute Forms 1096, 1098, 1099, 5498, and Certain Other Information Returns,'' or any successor guidance. An IRS truncated taxpayer identifying number (TTIN) may be used as the identifying number of the recipient. For provisions relating to the use of TTINs, see § 301.6109–4 of this chapter (Procedure and Administration Regulations).

* * * * *

(g) *Effective/applicability date.* This section is effective for payee statements due after December 31, 1995, without regard to extensions. The amendments to paragraph (b) are effective for payee statements due after December 31, 2014. For payee statements due before January 1, 2015, § 1.6042–4(b) (as contained in 26 CFR part 1, revised April 2013) shall apply.

■ **Par. 3.** Section 1.6043–4 is amended by:

■ 1. Adding two new sentences to the end of paragraph (b)(4).

■ 2. Revising the heading and adding two new sentences to the end of paragraph (i).

The revision and additions read as follows:

§ 1.6043–4 Information returns relating to certain acquisitions of control and changes in capital structure.

* * * * *

(b) * * *

(4) * * * An IRS truncated taxpayer identifying number (TTIN) may be used as the identifying number of the shareholder in lieu of the identifying number appearing on the Form 1099–CAP filed with the Internal Revenue Service. For provisions relating to the use of TTINs, see § 301.6109–4 of this chapter (Procedure and Administration Regulations).

* * * * *

(i) *Effective/applicability date.* * * * The amendments to paragraph (b)(4) are effective for any Form 1099–CAP required to be furnished after December 31, 2014. For any Form 1099–CAP required to be furnished before January 1, 2015, § 1.6043–4(b) (as contained in 26 CFR part 1, revised April 2013) shall apply.

■ **Par. 4.** Section 1.6044–5 is amended by:

■ 1. Adding two new sentences to the end of paragraph (b).

■ 2. Revising paragraph (d).

The addition and revision read as follows:

§ 1.6044–5 Statements to recipients of patronage dividends.

* * * * *

(b) * * * An IRS truncated taxpayer identifying number (TTIN) may be used as the identifying number of the recipient in lieu of the identifying number appearing on the corresponding information return filed with the Internal Revenue Service. For provisions relating to the use of TTINs, see § 301.6109–4 of this chapter (Procedure and Administration Regulations).

* * * * *

(d) *Effective/applicability date.* This section is effective for payee statements due after December 31, 1995, without regard to extensions. The amendments to paragraph (b) are effective for payee statements due after December 31, 2014. For payee statements due before January 1, 2015, § 1.6044–5(b) (as contained in 26 CFR part 1, revised April 2013) shall apply.

■ **Par. 5.** Section 1.6045–2 is amended by:

■ 1. Adding two new sentences to the end of paragraph (c).

■ 2. Revising the heading and adding two new sentences after the first sentence of paragraph (i).

The revision and additions read as follows:

§ 1.6045–2 Furnishing statement required with respect to certain substitute payments.

* * * * *

(c) * * * An IRS truncated taxpayer identifying number (TTIN) may be used

as the identifying number of the customer in lieu of the identifying number appearing on the information return filed with the Internal Revenue Service. For provisions relating to the use of TTINs, see § 301.6109–4 of this chapter (Procedure and Administration Regulations).

* * * * *

(i) *Effective/applicability date.* * * * The amendments to paragraph (c) apply to payee statements due after December 31, 2014. For payee statements due before January 1, 2015, § 1.6045–2(c) (as contained in 26 CFR part 1, revised April 2013) shall apply. * * *

■ **Par. 6.** Section 1.6045–3 is amended by:

■ 1. Adding two new sentences to the end of paragraph (e)(1).

■ 2. Revising the heading and adding two new sentences to the end of paragraph (g).

The revision and additions read as follows:

§ 1.6045–3 Information reporting for an acquisition of control or a substantial change in capital structure.

* * * * *

(e) * * *

(1) * * * An IRS truncated taxpayer identifying number (TTIN) may be used as the identifying number of the customer. For provisions relating to the use of TTINs, see § 301.6109–4 of this chapter (Procedure and Administration Regulations).

* * * * *

(g) *Effective/applicability date.* * * * The amendments to paragraph (e)(1) apply to payee statements due after December 31, 2014. For payee statements due before January 1, 2015, § 1.6045–3(e)(1) (as contained in 26 CFR part 1, revised April 2013) shall apply.

■ **Par. 7.** Section 1.6045–4 is amended by:

■ 1. Revising paragraph (m)(1).

■ 2. Adding two new sentences to the end of paragraph (s).

The revision and addition read as follows:

§ 1.6045–4 Information reporting on real estate transactions with dates of closing on or after January 1,1991.

* * * * *

(m) * * *

(1)(i) *Requirement of furnishing statements.* A reporting person who is required to make a return of information under paragraph (a) of this section shall furnish to the transferor whose TIN is required to be shown on the return a written statement of the information required to be shown on such return. The written statement must bear either the legend shown on the recipient copy of Form 1099 or the following: ''This is important tax information and is being furnished to the Internal Revenue Service. If you are required to file a return, a negligence penalty or other sanction may be imposed on you if this item is required to be reported and the IRS determines that it has not been reported.''

(ii) This requirement may be satisfied by furnishing to the transferor a copy of a completed Form 1099 (or substitute Form 1099 that complies with current revenue procedures). An IRS truncated taxpayer identifying number (TTIN) may be used as the identifying number of the transferor in lieu of the identifying number appearing on the information return filed with the Internal Revenue Service. For provisions relating to the use of TTINs, see § 301.6109–4 of this chapter (Procedure and Administration Regulations).

(iii) In the case of a real estate transaction for which a Uniform Settlement Statement is used, this requirement also may be satisfied by furnishing to the transferor a copy of a completed statement that is modified to comply with the requirements of this paragraph (m), and by designating on the Uniform Settlement Statement the items of information (such as gross proceeds or allocated gross proceeds) required to be set forth on the Form 1099. For purposes of this paragraph (m), a statement shall be considered furnished to a transferor if it is given to the transferor in person, either at the closing or thereafter, or is mailed to the transferor at the transferor's last known address.

* * * * *

(s) * * * The amendments to paragraph (m)(1) apply to payee statements due after December 31, 2014. For payee statements due before January 1, 2015, § 1.6045–4(m)(1) (as contained in 26 CFR part 1, revised April 2013) shall apply.

■ **Par. 8.** Section 1.6045–5 is amended by:

■ 1. Adding two new sentences before the last sentence of paragraph (a)(3)(i).

■ 2. Revising the heading and adding two new sentences to the end of paragraph (h).

The revision and additions read as follows:

§ 1.6045–5 Information reporting on payments to attorneys.

(a) * * *

(3) * * *

(i) * * * An IRS truncated taxpayer identifying number (TTIN) may be used as the identifying number of the attorney in lieu of the identifying number appearing on the information return filed with the Internal Revenue Service. For provisions relating to the use of TTINs, see § 301.6109–4 of this chapter (Procedure and Administration Regulations). * * *

* * * * *

(h) *Effective/applicability date.* * * * The amendments to paragraph (a)(3)(i) apply to payee statements due after December 31, 2014. For payee statements due before January 1, 2015, § 1.6045–5(a)(3)(i) (as contained in 26 CFR part 1, revised April 2013) shall apply.

■ **Par. 9.** Section 1.6049–6 is amended by:

■ 1. Adding paragraph (b)(3).

■ 2. Adding a new sentence at the beginning of paragraph (e)(5).

The additions read as follows:

§ 1.6049–6 Statements to recipients of interest payments and holders of obligations for attributed original issue discount.

* * * * *

(b) * * *

(3) With respect to both statements to persons receiving payments of interest and persons holding obligations, the statement shall include the name, address, and taxpayer identifying number of such person. An IRS truncated taxpayer identifying number (TTIN) may be used as the identifying number for the person. For provisions relating to the use of TTINs, see § 301.6109–4 of this chapter (Procedure and Administration Regulations).

* * * * *

(e) * * *

(5) *Effective/applicability date.* Paragraph (b)(3) applies to payee statements due after December 31, 2014. * * *

■ **Par. 10.** Section 1.6050A–1 is amended by:

■ 1. Adding two new sentences to the end of paragraph (c)(1).

■ 2. Adding paragraph (e).

The additions read as follows:

§ 1.6050A–1 Reporting requirements of certain fishing boat operators.

* * * * *

(c) * * *

(1) * * * An IRS truncated taxpayer identifying number (TTIN) may be used as the identifying number for the individual in lieu of the identifying number appearing on the information return filed with the Internal Revenue Service. For provisions relating to the use of TTINs, see § 301.6109–4 of this chapter (Procedure and Administration Regulations).

* * * * *

(e) *Effective/applicability date.* The rules in this section apply to information returns and payee statements due after December 31, 2014. For rules applicable for information returns and payee statements due before January 1, 2015, § 1.6050A–1(c)(1) (as contained in 26 CFR part 1, revised April 2013) shall apply.

■ **Par. 11.** Section 1.6050E–1 is amended by:

■ 1. Adding two new sentences to the end of paragraph (k)(1).

■ 2. Revising the heading and adding two new sentences to the end of paragraph (m).

The revision and additions read as follows:

§ 1.6050E–1 Reporting of State and local income tax refunds.

* * * * *

(k) * * *

(1) * * * An IRS truncated taxpayer identifying number (TTIN) may be used as the identifying number of the individual in lieu of the identifying number appearing on the information return filed with the Internal Revenue Service. For provisions relating to the use of TTINs, see § 301.6109–4 of this chapter (Procedure and Administration Regulations).

* * * * *

(m) *Effective/applicability date.** * * The amendments to paragraph (k)(1) apply to payee statements due after December 31, 2014. For payee statements due before January 1, 2015, § 1.6050E–5(k)(1) (as contained in 26 CFR part 1, revised April 2013) shall apply.

■ **Par. 12.** Section 1.6050N–1 is amended by:

■ 1. Adding two new sentences to the end of paragraph (b).

■ 2. Revising paragraph (e).

The addition and revision read as follows:

§ 1.6050N–1 Statements to recipients of royalties paid after December 31, 1986.

* * * * *

(b) * * * An IRS truncated taxpayer identifying number (TTIN) may be used as the identifying number of the recipient. For provisions relating to the use of TTINs, see § 301.6109–4 of this chapter (Procedure and Administration Regulations).

* * * * *

(e) *Effective/applicability date.* This section applies to payee statements due after December 31, 2014, without regard to extensions. For payee statements due before January 1, 2015, § 1.6050N–1 (as contained in 26 CFR part 1, revised April 2013) shall apply.

■ **Par. 13.** Section 1.6050P–1 is amended by:

■ 1. Removing ''section;'' from paragraph (f)(1)(i) and adding ''section.'' in its place.

■ 2. Adding two new sentences to the end of paragraph (f)(1)(i).

■ 3. Revising paragraph (h).

The addition and revisions read as follows:

§ 1.6050P–1 Information reporting for discharges of indebtedness by certain entities.

* * * * *

(f) * * *

(1) * * *

(i) * * * An IRS truncated taxpayer identifying number (TTIN) may be used as the TIN of the person for whom there was an identifiable event in lieu of the identifying number appearing on the information return filed with the Internal Revenue Service. For provisions relating to the use of TTINs, see § 301.6109–4 of this chapter (Procedure and Administration Regulations);

* * * * *

(h) *Effective/applicability date.* This section applies to discharges of indebtedness after December 31, 2013. For discharges of indebtedness before January 1, 2014, § 1.6050P–1 (as contained in 26 CFR part 1, revised April 2013) shall apply.

■ **Par. 14.** Section 1.6050S–1 is amended by:

■ 1. Removing ''section;'' from paragraph (c)(1)(i) and adding ''section.'' in its place.

■ 2. Adding two new sentences to the end of paragraph (c)(1)(i).

■ 3. Revising the heading and adding two new sentences to the end of paragraph (f).

The revision and additions read as follows:

§ 1.6050S–1 Information reporting for qualified tuition and related expenses.

* * * * *

(c) * * *

(1) * * *

(i) * * * An IRS truncated taxpayer identifying number (TTIN) may be used as the TIN of the individual in lieu of the identifying number appearing on the information return filed with the Internal Revenue Service. For provisions relating to the use of TTINs, see § 301.6109–4 of this chapter (Procedure and Administration Regulations);

* * * * *

(f) *Effective/applicability date.** * * Paragraph (c)(1)(i) applies to payee statements due after December 31, 2014. For payee statements due before January 1, 2015, § 1.6050S–1 (as contained in 26 CFR part 1, revised April 2013) shall apply.

■ **Par. 15.** Section 1.6050S–3 is amended by:

■ 1. Removing ''section;'' from paragraph (d)(1)(i) and adding ''section.'' in its place.

■ 2. Adding two new sentences to the end of paragraph (d)(1)(i).

■ 3. Revising paragraph (g).

The addition and revisions read as follows:

§ 1.6050S–3 Information reporting for payments of interest on qualified education loans.

* * * * *

(d) * * *

(1) * * *

(i) * * * An IRS truncated taxpayer identifying number (TTIN) may be used as the TIN of the payor in lieu of the identifying number appearing on the information return filed with the Internal Revenue Service. For provisions relating to the use of TTINs, see § 301.6109–4 of this chapter (Procedure and Administration Regulations).

* * * * *

(g) *Effective/applicability date.* The rules of this section apply to information returns required to be filed, and payee statements required to be furnished after December 31, 2014. For information returns required to be filed, and payee statements required to be furnished before January 1, 2015, § 1.6050S–3 (as contained in 26 CFR part 1, revised April 2013) shall apply.

PART 301—PROCEDURE AND ADMINISTRATION

■ **Par. 16.** The authority citation for part 301 continues to read as follows:

Authority: 26 U.S.C. 7805 * * *

■ **Par. 17.** Section 301.6109–4 is added to read as follows:

§ 301.6109–4 IRS truncated taxpayer identification numbers.

(a) *In general— Definition.* An IRS truncated taxpayer identification number (TTIN) is an individual's social security number (SSN), IRS individual taxpayer identification number (ITIN), IRS adoption taxpayer identification number (ATIN), or IRS employer identification number (EIN) in which the first five digits of the nine-digit number are replaced with Xs or asterisks. The TTIN takes the same format of the identifying number it replaces, for example XXX–XX–1234 when replacing an SSN, or XX–XXX1234 when replacing an EIN.

(b) *Use of a TTIN.* (1) *In general.* Except as provided in paragraph (b)(2) of this section, a TTIN may be used to identify any person on any statement or other document that the internal revenue laws require to be furnished to another person. Use of a TTIN is permissive and not mandatory. Use of a TTIN as permitted by this section will not result in application of any penalty for failure to include a correct taxpayer identifying number on any payee statement or other document. For example, the section 6722 penalty for failure to timely furnish a correct statement would not apply solely because the payor used a TTIN as permitted by this section.

(2) *TTIN not permitted.* Use of a TTIN is not permitted in the following circumstances:

(i) A TTIN may not be used on a statement or other document if such use is prohibited by statute, regulation, other guidance published in the Internal Revenue Bulletin, form, or instructions.

(ii) A TTIN may not be used on a statement or document if a statute, regulation, other guidance published in the Internal Revenue Bulletin, form, or instructions, specifically requires use of a SSN, ITIN, ATIN, or EIN. For example, a TTIN may not be used on a Form W–8ECI or Form W–8IMY because the forms and/or form instructions specifically prescribe use of an SSN, EIN, or ITIN for the U.S. taxpayer identification number.

(iii) A TTIN may not be used on any return, statement, or other document that is required to be filed with or furnished to the Internal Revenue Service.

(iv) A person may not truncate its own taxpayer identifying number on any statement or other document that it furnishes to another person. For example, an employer may not truncate its EIN on a Form W–2, Wage and Tax Statement, that the employer furnishes to an employee; and a person may not truncate its TIN on a Form W–9, Request for Taxpayer Identification Number and Certification.

(3) *Example.* The provisions of paragraph (a) are illustrated by the following example:

Example. On April 5, year 1, Donor contributes a used car with a blue book value of $1100 to Charitable Organization. On April 20, year 1, Charitable Organization sends Donor copies B and C of the Form 1098–C as a contemporaneous written acknowledgement of the $1100 contribution as required by section 170(f)(12). In late-February, year 2, Charitable Organization prepares and files copy A of Form 1098–C with the IRS, reporting Donor's donation of a qualified vehicle in year 1. The Charitable Organization may use a TTIN in lieu of Donor's complete SSN in the Donor's Identification Number box on copies B and C of the Form 1098–C because copies B and C of the Form 1098–C are documents required by the Internal Revenue Code and regulations to be furnished to another person, there are no applicable statutes, regulations, other published guidance, forms or instructions, that prohibit the use of a TTIN on those copies, and, there are no applicable statutes, regulations, other published guidance, forms, or instructions that specifically require use of an SSN or other identifying number on those copies. A TTIN cannot be used on copy A of the Form 1098–C, however, because copy A is required to be filed with the IRS.

(c) *Effective/applicability date.* This section applies on and after *July 15, 2014.*

John Dalrymple,

Deputy Commissioner for Services and Enforcement.

Approved: May 30, 2014.

Mark J. Mazur,

Assistant Secretary of the Treasury (Tax Policy).

[FR Doc. 2014–16464 Filed 7–14–14; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 301

[TD 9677]

RIN 1545–BL60

Disclosures of Return Information Reflected on Returns to Officers and Employees of the Department of Commerce for Certain Statistical Purposes and Related Activities

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Temporary regulations.

SUMMARY: This document contains temporary regulations that authorize the disclosure of certain items of return information to the Bureau of the Census (Bureau) pursuant to section 6103(j)(1) of the Internal Revenue Code (Code). The temporary regulations are made pursuant to a request from the Secretary of Commerce. These regulations require no action by taxpayers and have no effect on their tax liabilities. Thus, no taxpayers are likely to be affected by the disclosures authorized by this guidance. The text of the temporary regulations also serves as the text of the proposed regulations set forth in the Proposed Rules section in this issue of the **Federal Register**.

DATES: *Effective date:* These regulations are effective on July 15, 2014.

Applicability date: For dates of applicability, see § 301.6103(j)(1)–1T(e).

FOR FURTHER INFORMATION CONTACT: Melissa Avrutine, (202) 317–6833 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

This document contains amendments to 25 CFR part 301. Section 6103(j)(1)(A) authorizes the Secretary of Treasury to furnish, upon written request by the Secretary of Commerce, such return or return information as the Secretary of Treasury may prescribe by regulation to officers and employees of the Bureau for the purpose of, but only to the extent necessary in, the structuring of censuses and conducting related statistical activities authorized by law. Section 301.6103(j)(1)–1 of the existing regulations further defines such purposes by reference to 13 U.S.C. chapter 5 and provides an itemized description of the return information authorized to be disclosed for such purposes.

By letter dated May 10, 2013, the Secretary of Commerce requested that additional items of return information be disclosed to the Bureau for the structuring of the decennial census. Specifically, the Secretary of Commerce requested disclosure of the following additional items: (1) From Form 1040, ''U.S. Individual Income Tax Return,'' processing: Electronic Filing System Indicator, Return Processing Indicator, and Paid Preparer Code and (2) From Form 1098, ''Mortgage Interest Statement'': Payee/Payer/Employee Taxpayer Identification Number, Payee/Payer/Employee Name (First, Middle, Last, Suffix), Street Address, City, State, ZIP Code (9 digit), Posting Cycle Week, Posting Cycle Year, and Document Code.

The Secretary of Commerce determined that these items of return information are needed to design a decennial census that costs less per housing unit and still maintains high quality results. A major cost in previous decennial censuses was the high number of follow-up, in-person attempts to collect information from housing units that did not return a completed census form. The Bureau intends to conduct research and testing for the next decennial census using administrative data from federal agencies, state agencies, and commercial vendors to determine whether the number of non-response follow-up visits can be reduced through the strategic reuse of this data. Specifically, the

Bureau aims to achieve the following research initiatives: (1) Validating and enhancing the Master Address File; (2) Designing and assigning resources to carry out the next decennial census; (3) Un-duplicating public, private, and census lists; and (4) Imputing missing data. All administrative data from the above sources, including return information, will be integrated into the Bureau's data system that is used for the next decennial census and housing counts and will be done in a manner such that the source (for example, commercial vendor, IRS, or Social Security Administration) will not be associated with any data element in the final decennial person-level census records.

Thus, the Secretary of Commerce asserted that good cause exists to amend § 301.6103(j)(1)–1 of the regulations to add these items to the list of items of return information that may be disclosed to the Bureau. The Treasury Department and the IRS agree that amending existing regulations to permit disclosure of these items to the Bureau is appropriate to meet the needs of the Bureau.

The text of the temporary regulations also serves as the text of the proposed regulations set forth in the notice of proposed rulemaking on this subject in the Proposed Rules section of this issue of the **Federal Register**.

Explanation of Provisions

Section 6103(j)(1)–1T will authorize the disclosure of the following additional items of return information from income tax returns (Form 1040): (1) Electronic Filing System Indicator; (2) Return Processing Indicator; and (3) Paid Preparer Code. Section 6103(j)(1)–1T will authorize the disclosure of the following items of return information from Form 1098: (1) Payee/Payer/Employee Taxpayer Identification Number; (2) Payee/Payer/Employee Name (First, Middle, Last, Suffix); (3) Street Address; (4) City; (5) State; (6) ZIP Code (9 digit); (7) Posting Cycle Week; (8) Posting Cycle Year; and (9) Document Code.

Special Analyses

It has been determined that these temporary regulations are not a significant regulatory action as defined in Executive Order 12866, as supplemented by Executive Order 13563. Therefore, a regulatory assessment is not required. It also has been determined that section 553(b) of the Administrative Procedures Act (5 U.S.C. chapter 5) does not apply to these regulations and because the regulation does not impose a collection of information on small entities, the Regulatory Flexibility Act (5 U.S.C. chapter 6) does not apply. Pursuant to section 7805(f) of the Code, this regulation has been submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact on small business.

Drafting Information

The principal author of these regulations is Melissa Avrutine, Office of the Associate Chief Counsel (Procedure and Administration).

List of Subjects in 26 CFR Part 301

Employment taxes, Estate taxes, Excise taxes, Gift taxes, Income taxes, Penalties, Reporting and recordkeeping requirements.

Amendments to the Regulations

Accordingly, 26 CFR part 301 is amended as follows:

PART 301—PROCEDURE AND ADMINISTRATION

■ **Paragraph 1.** The authority citation for part 301 continues to read in part as follows:

Authority: 26 U.S.C. 7805 * * *

■ **Par. 2.** Section 301.6103(j)(1)–1T is added to read as follows:

§ 301.6103(j)(1)–1T Disclosures of return information reflected on returns to officers and employees of the Department of Commerce for certain statistical purposes and related activities (temporary).

(a) through (b)(1)(xvii) [Reserved]. For further guidance see § 301.6103(j)(1)–1(a) through (b)(1)(xvii).

(xviii) Electronic Filing System Indicator.

(xix) Return Processing Indicator.

(xx) Paid Preparer Code.

(b)(2) through (b)(6)(iii) [Reserved]. For further guidance see § 301.6103(j)(1)–1(b)(2) through (b)(6)(iii).

(b)(7) Officers or employees of the Internal Revenue Service will disclose the following return information reflected on Form 1098 ''Mortgage Interest Statement'' to officers and employees of the Bureau of the Census for purposes of, but only to the extent necessary in, conducting and preparing, as authorized by chapter 5 of title 13, United States Code, demographic statistics programs, censuses, and surveys—

(i) Payee/Payer/Employee Taxpayer Identification Number;

(ii) Payee/Payer/Employee Name (First, Middle, Last, Suffix);

(iii) Street Address;

(iv) City;

(v) State;

(vi) ZIP Code (9 digit);

(vii) Posting Cycle Week;

(viii) Posting Cycle Year; and

(ix) Document Code.

(c) through (d)(3)(ii) [Reserved]. For further guidance see § 301.6103(j)(1)–1(c) through (d)(3)(ii).

(e) *Effective/applicability date.* This section applies to disclosures to the Bureau of the Census made on or after July 15, 2014.

(f) *Expiration date.* The applicability of this section expires on or before July 14, 2017.

John Dalrymple,

Deputy Commissioner for Services and Enforcement.

Approved: June 9, 2014.

Mark J. Mazur,

Assistant Secretary of the Treasury (Tax Policy).

[FR Doc. 2014–16599 Filed 7–14–14; 8:45 am]

BILLING CODE 4830–01–P

PENSION BENEFIT GUARANTY CORPORATION

29 CFR Part 4022

Benefits Payable in Terminated Single-Employer Plans; Interest Assumptions for Paying Benefits

AGENCY: Pension Benefit Guaranty Corporation.

ACTION: Final rule.

SUMMARY: This final rule amends the Pension Benefit Guaranty Corporation's regulation on Benefits Payable in Terminated Single-Employer Plans to prescribe interest assumptions under the regulation for valuation dates in August 2014. The interest assumptions are used for paying benefits under terminating single-employer plans covered by the pension insurance system administered by PBGC.

DATES: Effective August 1, 2014.

FOR FURTHER INFORMATION CONTACT: Catherine B. Klion. (*Klion.Catherine@pbgc.gov*), Assistant General Counsel for Regulatory Affairs, Pension Benefit Guaranty Corporation, 1200 K Street NW., Washington, DC 20005, 202–326–4024. (TTY/TDD users may call the Federal relay service toll-free at 1–800–877–8339 and ask to be connected to 202–326–4024.)

SUPPLEMENTARY INFORMATION: PBGC's regulation on Benefits Payable in Terminated Single-Employer Plans (29 CFR Part 4022) prescribes actuarial assumptions—including interest assumptions—for paying plan benefits under terminating single-employer

plans covered by title IV of the Employee Retirement Income Security Act of 1974. The interest assumptions in the regulation are also published on PBGC's Web site (*http://www.pbgc.gov*).

PBGC uses the interest assumptions in Appendix B to Part 4022 to determine whether a benefit is payable as a lump sum and to determine the amount to pay. Appendix C to Part 4022 contains interest assumptions for private-sector pension practitioners to refer to if they wish to use lump-sum interest rates determined using PBGC's historical methodology. Currently, the rates in Appendices B and C of the benefit payment regulation are the same.

The interest assumptions are intended to reflect current conditions in the financial and annuity markets. Assumptions under the benefit payments regulation are updated monthly. This final rule updates the benefit payments interest assumptions for August 2014.[1]

The August 2014 interest assumptions under the benefit payments regulation will be 1.25 percent for the period during which a benefit is in pay status and 4.00 percent during any years preceding the benefit's placement in pay status. In comparison with the interest assumptions in effect for July 2014, these interest assumptions are unchanged.

PBGC has determined that notice and public comment on this amendment are impracticable and contrary to the public interest. This finding is based on the need to determine and issue new interest assumptions promptly so that the assumptions can reflect current market conditions as accurately as possible.

Because of the need to provide immediate guidance for the payment of benefits under plans with valuation dates during August 2014, PBGC finds that good cause exists for making the assumptions set forth in this amendment effective less than 30 days after publication.

PBGC has determined that this action is not a ''significant regulatory action'' under the criteria set forth in Executive Order 12866.

Because no general notice of proposed rulemaking is required for this amendment, the Regulatory Flexibility Act of 1980 does not apply. See 5 U.S.C. 601(2).

List of Subjects in 29 CFR Part 4022

Employee benefit plans, Pension insurance, Pensions, Reporting and recordkeeping requirements.

In consideration of the foregoing, 29 CFR part 4022 is amended as follows:

PART 4022—BENEFITS PAYABLE IN TERMINATED SINGLE-EMPLOYER PLANS

■ 1. The authority citation for part 4022 continues to read as follows:

Authority: 29 U.S.C. 1302, 1322, 1322b, 1341(c)(3)(D), and 1344.

■ 2. In appendix B to part 4022, Rate Set 250, as set forth below, is added to the table.

Appendix B to Part 4022—Lump Sum Interest Rates for PBGC Payments

* * * * *

Rate set	For plans with a valuation date		Immediate annuity rate (percent)	Deferred annuities (percent)				
	On or after	Before		i_1	i_2	i_3	n_1	n_2
*	*		*	*	*	*	*	
250	8–1–14	9–1–14	1.25	4.00	4.00	4.00	7	8

■ 3. In appendix C to part 4022, Rate Set 250, as set forth below, is added to the table.

Appendix C to Part 4022—Lump Sum Interest Rates for Private-Sector Payments

* * * * *

Rate set	For plans with a valuation date		Immediate annuity rate (percent)	Deferred annuities (percent)				
	On or after	Before		i_1	i_2	i_3	n_1	n_2
*	*		*	*	*	*	*	
250	8–1–14	9–1–14	1.25	4.00	4.00	4.00	7	8

[1] Appendix B to PBGC's regulation on Allocation of Assets in Single-Employer Plans (29 CFR Part 4044) prescribes interest assumptions for valuing benefits under terminating covered single-employer plans for purposes of allocation of assets under ERISA section 4044. Those assumptions are updated quarterly.

Issued in Washington, DC, on this 10th day of July 2014.

Judith Starr,

General Counsel, Pension Benefit Guaranty Corporation.

[FR Doc. 2014–16630 Filed 7–14–14; 8:45 am]

BILLING CODE 7709–02–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 117

[Docket No. USCG–2014–0560]

Drawbridge Operation Regulations; Narrow Bay, Smith Point, 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 Smith Point Bridge across Narrow Bay, mile 6.1, between Smith Point and Fire Island, New York. The deviation is necessary to facilitate the 5K Run for Literacy. This deviation allows the bridge to remain closed for one hour to facilitate public safety during a public event.

DATES: This deviation is effective between 9 a.m. and 10 a.m. on September 6, 2014.

ADDRESSES: The docket for this deviation, [USCG–2014–0560] 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. You may also visit the Docket Management Facility in Room W12–140, on the ground floor of the Department of Transportation West Building, 1200 New Jersey Avenue SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: If you have questions on this temporary deviation, call or email Ms. Judy Leung-Yee, Project Officer, First Coast Guard District, *judy.k.leung-yee@uscg.mil,* or (212) 668–7165. If you have questions on viewing the docket, call Cheryl Collins, Program Manager, Docket Operations, telephone 202–366–9826.

SUPPLEMENTARY INFORMATION: The Smith Point Bridge, mile 6.1, across Narrow Bay, between Smith Point and Fire Island, New York, has a vertical clearance in the closed position of 18 feet at mean high water and 19 feet at mean low water. The drawbridge operation regulations are listed at 33 CFR 117.799(d).

The waterway users are recreational vessels of various sizes.

The owner of the bridge, Suffolk County Department of Public Works, requested a temporary deviation from the regulations to allow the bridge to remain closed for one hour to facilitate public safety during a public event, the 5K Run for Literacy.

Under this temporary deviation the Smith Point Bridge across Narrow Bay, mile 6.1, between Smith Point and Fire Island, may remain in the closed position between 9 a.m. and 10 a.m. on September 6, 2014.

Vessels that can pass under the bridge in the closed position may do so at any time. There are no alternate routes; however, the bridge can open in an emergency. Vessel operators will be notified of the bridge closure through a Safety Marine Information Broadcast (SMIB) issued by the Coast Guard.

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: July 2, 2014.

C.J. Bisignano,

Supervisory Bridge Management Specialist, First Coast Guard District.

[FR Doc. 2014–16603 Filed 7–14–14; 8:45 am]

BILLING CODE 9110–04–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 117

[Docket No. USCG–2014–0566]

Drawbridge Operation Regulation; Grassy Sound Channel, Middle Township, NJ

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 Grassy Sound Channel Bridge (Ocean Drive), mile 1.0, at Middle Township, NJ. The deviation is necessary to accommodate the ''Tri the Wildwoods Triathlon and 5k'' event. This temporary deviation allows the bridge draw span to remain in the closed to navigation position for 4 hours during the event.

DATES: This deviation is effective from 6 a.m. until 10 a.m. on August 16, 2014.

ADDRESSES: The docket for this deviation, [USCG–2014–0566] 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. You may also visit the Docket Management Facility in Room W12–140 on the ground floor of the Department of Transportation West Building, 1200 New Jersey Avenue SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: If you have questions on this temporary deviation, call or email Mr. Jim Rousseau, Bridge Administration Branch Fifth District, Coast Guard; telephone (757) 398–6557, email *James.L.Rousseau2@uscg.mil.* If you have questions on reviewing the docket, call Cheryl Collins, Program Manager, Docket Operations, (202) 366–9826.

SUPPLEMENTARY INFORMATION: Cape May County Department of Public Works, owner of the drawbridge, has requested on behalf of DelMosports, Inc. a temporary deviation from the current operating schedule to accommodate the ''Tri the Wildwoods Triathlon and 5K'' event.

The existing drawbridge operation regulations are listed at 33 CFR 117.721. On the day of the event, the normal operating schedule for the Grassy Sound Channel Bridge (Ocean Drive), at mile 1.0, at Middle Township, NJ shall open on signal from 6 a.m. to 8 p.m. Two hours advance notice is required for all other openings by calling (609) 368–4591. The Grassy Sound Channel Bridge (Ocean Drive) across the Grassy Sound has a vertical clearance in the closed position of 15 feet above mean high water.

Under this temporary deviation, the drawbridge will be allowed to remain in the closed to navigation position from 6 a.m. to 10 a.m. on Saturday, August 16, 2014 to accommodate the ''Tri the Wildwoods Triathlon and 5K'' event. The bridge will operate under its normal operating schedule at all other times. Log books indicate there has only been one opening request for this yearly event in 9 years and waterway users are accustomed to the temporary closure.

Vessels able to pass under the bridge in the closed position may do so at any time and are advised to proceed with caution. The bridge will be able to open for emergencies. The New Jersey Intracoastal Waterway is an alternate route for vessels transiting this area and vessels may pass before and after the closure. The Coast Guard will also

inform additional waterway users through our Local and Broadcast Notices to Mariners of the closure periods for the bridge so that vessels can arrange their transits to minimize any impacts 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 designated time period. This deviation from the operating regulations is authorized under 33 CFR 117.35.

Dated: July 1, 2014.

Waverly W. Gregory, Jr.,

Bridge Program Manager, Fifth Coast Guard District.

[FR Doc. 2014–16598 Filed 7–14–14; 8:45 am]

BILLING CODE 9110–04–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 117

[Docket No. USCG–2014–0561]

Drawbridge Operation Regulation; Mill River, New Haven, CT

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 Chapel Street Bridge across the Mill River, mile 0.4, at New Haven, Connecticut. The deviation is necessary for inspection of the center pivot bearing at the bridge. This temporary deviation allows the bridge to remain in the closed position for twelve hours to perform bridge inspection operations.

DATES: This deviation is effective from 7 a.m. through 7 p.m. on August 18, 2014.

ADDRESSES: The docket for this deviation, [USCG–2014–0561] 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. You may also visit the Docket Management Facility in Room W12–140, on the ground floor of the Department of Transportation West Building, 1200 New Jersey Avenue SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: If you have questions on this temporary deviation, call or email Ms. Judy Leung-Yee, Project Officer, First Coast Guard District, *judy.k.leung-yee@uscg.mil,* or (212) 668–7165. If you have questions on viewing the docket, call Cheryl Collins, Program Manager, Docket Operations, telephone 202–366–9826.

SUPPLEMENTARY INFORMATION: The Chapel Street Bridge has a vertical clearance of 7 feet at mean high water and 13 feet at mean low water. The existing drawbridge operating regulations are found at 33 CFR 117.213(d).

The Mill River has seasonal recreational and commercial vessels of various sizes.

The owner of the bridge, the City of New Haven, requested a bridge closure to facilitate inspection of the pivot bearing at the bridge.

Under this temporary deviation, the Chapel Street Bridge may remain in the closed position from 7 a.m. through 7 p.m. on August 6, 2014.

Vessels that can pass under the bridge in the closed position may do so at all times. There are no alternate routes. The bridge can be opened in the event of an emergency during this bridge inspection.

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: July 2, 2014.

C.J. Bisignano,

Supervisory Bridge Management Specialist, First Coast Guard District.

[FR Doc. 2014–16602 Filed 7–14–14; 8:45 am]

BILLING CODE 9110–04–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 117

[Docket No. USCG–2014–0552]

Drawbridge Operation Regulation; Harlem River, New York City, 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 operation of the Park Avenue Bridge across the Harlem River, mile 2.1, at New York City, New York. The deviation is necessary for replacement of the lift cables and rehabilitation of the operating system at the bridge. This temporary deviation allows the bridge to remain in the closed position for 179 days to perform major rehabilitation repairs.

DATES: This deviation is effective from September 15, 2014 through March 12, 2015.

ADDRESSES: The docket for this deviation, [USCG–2014–0552] 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. You may also visit the Docket Management Facility in Room W12–140, on the ground floor of the Department of Transportation West Building, 1200 New Jersey Avenue SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: If you have questions on this temporary deviation, call or email Mr. Joe Arca, Project Officer, First Coast Guard District, *joe.m.arca@uscg.mil,* or (212) 668–7165. If you have questions on viewing the docket, call Cheryl Collins, Program Manager, Docket Operations, telephone 202–366–9826.

SUPPLEMENTARY INFORMATION: The Park Avenue Bridge has a vertical clearance of 25 feet at mean high water and 30 feet at mean low water. The existing drawbridge operating regulations are found at 33 CFR 117.789(c).

The Harlem River has predominantly commercial vessel traffic that can pass under the Park Avenue Bridge in the closed position without a bridge opening.

The owner of the bridge, Metro North Railroad, requested a bridge closure to facilitate a major bridge rehabilitation project, the replacement of the bridge lift cables and replacement of the electrical and mechanical operating system at the bridge.

Under this temporary deviation, the Park Avenue Bridge may remain in the closed position from September 15, 2014 through March 12, 2015.

Vessels that can pass under the bridge in the closed position may do so at all times. There are no alternate routes. The bridge can't be opened in the event of an emergency during this rehabilitation construction.

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: June 27, 2014.

C.J. Bisignano,

Supervisory Bridge Management Specialist, First Coast Guard District.

[FR Doc. 2014–16604 Filed 7–14–14; 8:45 am]

BILLING CODE 9110–04–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 165

[Docket No. USCG–2011–0228]

RIN 1625–AA00

Safety Zone, Brandon Road Lock and Dam to Lake Michigan Including Des Plaines River, Chicago Sanitary and Ship Canal, Chicago River, and Calumet-Saganashkee Channel, Chicago, IL

AGENCY: Coast Guard, DHS.

ACTION: Notice of enforcement of regulation.

SUMMARY: The Coast Guard will enforce a segment of the Safety Zone; Brandon Road Lock and Dam to Lake Michigan including Des Plaines River, Chicago Sanitary and Ship Canal, Chicago River, Calumet-Saganashkee Channel on all waters of the Chicago Sanitary and Ship Canal from Mile Marker 296.1 to Mile Marker 296.7 at specified times from June 30 to September 26, 2014. This action is necessary to protect the waterway, waterway users, and vessels from the hazards associated with the U.S. Army Corps of Engineers' installation of a new permanent fish barrier.

During the enforcement periods listed below, entry into, transiting, mooring, laying-up or anchoring within the enforced area of this safety zone by any person or vessel is prohibited unless authorized by the Captain of the Port, Lake Michigan, or her designated representative.

DATES: The regulations in 33 CFR 165.930 will be enforced from 7 a.m. to 4 p.m. daily from June 30 to July 3, July 7 to July 11, and July 14 to July 18, and intermittently between 7 a.m. and 4 p.m. daily from July 21 to July 25, July 28 to August 1, August 4 to August 8, August 11 to August 15, August 18 to 22, August 25 to August 29, September 2 to September 5, September 8 to September 12, September 15 to September 19, and September 22 to September 26, 2014.

FOR FURTHER INFORMATION CONTACT: If you have questions on this document, call or email MST1 John Ng, Waterways Department, Coast Guard Marine Safety Unit Chicago, telephone 630–986–2155, email address *john.h.ng@uscg.mil.*

SUPPLEMENTARY INFORMATION: The schedule in this document supercedes previously published schedules for enforcement of 33 CFR 165.930 (79 FR 28434, May 16, 2014, USCG–2011–0228–0024; and 79 FR 34231, June 16, 2014, USCG–2011–0228–0025) due to the installation of a new permanent fish barrier. The Captain of the Port suspends these previously issued schedules.

The Coast Guard will enforce a segment of the Safety Zone; Brandon Road Lock and Dam to Lake Michigan including Des Plaines River, Chicago Sanitary and Ship Canal, Chicago River, Calumet-Saganashkee Channel, Chicago, IL, listed in 33 CFR 165.930. Specifically, the Coast Guard will enforce this safety zone on all waters of the Chicago Sanitary and Ship Canal between Mile Marker 296.1 to Mile Marker 296.7. Enforcement will occur from 7 a.m. to 4 p.m. daily from June 30 to July 3, July 7 to July 11, July 14 to July 18, and intermittently between 7 a.m. and 4 p.m. daily from July 21 to July 25, July 28 to August 1, August 4 to August 8, August 11 to August 15, August 18 to 22, August 25 to August 29, September 2 to September 5, September 8 to September 12, September 15 to September 19, September 22 to September 26, 2014. This enforcement action is necessary because the Captain of the Port, Lake Michigan, has determined that the U.S. Army Corps of Engineers' installation of a new permanent fish barrier poses risks to life and property. Because of these risks, it is necessary to control vessel movement during the operations to prevent injury and property loss.

In accordance with the general regulations in 33 CFR 165.23, entry into, transiting, mooring, laying up, or anchoring within the enforced area of this safety zone by any person or vessel is prohibited unless authorized by the Captain of the Port, Lake Michigan or her designated representative.

Vessels that wish to transit through the safety zone may request permission from the Captain of the Port, Lake Michigan. Requests must be made in advance and approved by the Captain of the Port before transits will be authorized. Approvals will be granted on a case by case basis. The Captain of the Port representative may be contacted via U.S. Coast Guard Sector Lake Michigan on VHF channel 16.

This document is issued under authority of 33 CFR 165.930 and 5 U.S.C. 552(a). In addition to this publication in the **Federal Register**, the Captain of the Port, Lake Michigan, will also provide notice through other means, which may include Broadcast Notice to Mariners, Local Notice to Mariners, local news media, distribution in leaflet form, and on-scene oral notice.

Additionally, the Captain of the Port Lake Michigan may notify representatives from the maritime industry through telephonic and email notifications.

Dated: June 27, 2014.

A.B. Cocanour,

Captain, U.S. Coast Guard, Captain of the Port, Lake Michigan.

[FR Doc. 2014–16338 Filed 7–14–14; 8:45 am]

BILLING CODE 9110–04–P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

49 CFR Part 1002

[Docket No. EP 542 (Sub-No. 22)]

Regulations Governing Fees for Services Performed in Connection With Licensing and Related Services—2014 Update

AGENCY: Surface Transportation Board, DOT.

ACTION: Final rules.

SUMMARY: The Board updates for 2014 the fees that the public must pay to file certain cases and pleadings with the Board. The update will increase 13 fees by $50 or less, decrease 39 fees by $100 or less, decrease 27 fees by more than $100, and keep the remaining 46 fees at their existing level. The Board also clarifies its fee-rounding regulation to reflect existing policy.

DATES: These rules are effective August 13, 2014.

FOR FURTHER INFORMATION CONTACT: David T. Groves, (202) 245–0327, or Andrea Pope-Matheson (202) 245–0363. [TDD for the hearing impaired: 1–800–877–8339.]

SUPPLEMENTARY INFORMATION: The Board's regulations at 49 CFR 1002.3 provide for an annual update of the Board's user-fee schedule. Fees are generally revised based on the cost study formula set forth at 49 CFR 1002.3(d). As compared with the 2013 fee update, the 2014 fees reflect a combination of a 1% across-the-board increase in salary costs, no change in publication costs or fringe benefits, increases in two of the three applicable overhead cost factors, and a fairly significant decrease in the third overhead cost factor. As a result of the

Board's 2014 analysis, 66 fee items decrease from their 2013 levels, 46 fee items remain unchanged, and 13 fee items increase. The Board also is clarifying its fee-rounding regulation at 49 CFR 1002.3(e) to add the words ''all'' and ''downward,'' to more accurately reflect the longstanding and consistently-applied policy established by published decision in 1984.

The fee changes adopted here generally are a product of the mechanical application of the current update formula at 49 CFR 1002.3(d), which was adopted through notice and comment procedures in *Regulations Governing Fees for Services Performed in Connection With Licensing & Related Activities—1987 Update,* 4 I.C.C. 2d 137 (1987), as well as existing Board policy regarding capped fees. Additionally, the Board's decision does not contain any new proposed fee items, and the amendment to the rounding regulation codifies a long-established and consistently applied formula adopted via published agency decision. Therefore, the Board finds that notice and comment are unnecessary to adopt these changes. *See* 5 U.S.C. 553(b).

Additional information is contained in the Board's decision. To obtain a free copy of the full decision, visit the Board's Web site at *http://www.stb.dot.gov* or call the Board's Information Officer at (202) 245–0245. [Assistance for the hearing impaired is available through Federal Information Relay Services (FIRS): (800) 877–8339.]

List of Subjects in 49 CFR Part 1002

Administrative practice and procedure, Common carriers, and Freedom of information.

Decided: July 8, 2014.

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

Derrick A. Gardner,

Clearance Clerk.

For the reasons set forth in the preamble, title 49, chapter X, part 1002, of the Code of Federal Regulations is amended as follows:

PART 1002—FEES

■ 1. The authority citation for part 1002 continues to read as follows:

Authority: 5 U.S.C. 552(a)(4)(A) and 553; 31 U.S.C. 9701 and 49 U.S.C. 721(a).

■ 2. Section 1002.1 is amended by revising paragraphs (a) and (f)(1), and the table in paragraph (g)(6), to read as follows:

§ 1002.1 Fees for records search, review, copying, certification, and related services.

* * * * *

(a) Certificate of the Records Officer, $17.00.

* * * * *

(f) * * *

(1) A fee of $72.00 per hour for professional staff time will be charged when it is required to fulfill a request for ADP data.

* * * * *

(g) * * *

(6) * * *

Grade	Rate	Grade	Rate
GS–1	$12.13	GS–9	$28.32
GS–2	13.20	GS–10	31.18
GS–3	14.88	GS–11	34.26
GS–4	16.70	GS–12	41.07
GS–5	18.69	GS–13	48.83
GS–6	20.83	GS–14	57.70
GS–7	23.15	GS–15 and over	67.88
GS–8	25.64		

* * * * *

■ 3. In 1002.2, paragraph (f) is revised to read as follows:

1002.2 Filing fees.

* * * * *

(f) *Schedule of filing fees.*

Type of proceeding	Fee
PART I: Non-Rail Applications or Proceedings to Enter Into a Particular Financial Transaction or Joint Arrangement:	
(1) An application for the pooling or division of traffic	$4,600.
(2) (i) An application involving the purchase, lease, consolidation, merger, or acquisition of control of a motor carrier of passengers under 49 U.S.C. 14303.	$2,100.
(ii) A petition for exemption under 49 U.S.C. 13541 (other than a rulemaking) filed by a non-rail carrier not otherwise covered.	$3,300.
(iii) A petition to revoke an exemption filed under 49 U.S.C. 13541(d)	$2,800.
(3) An application for approval of a non-rail rate association agreement. 49 U.S.C. 13703.	$29,000.
(4) An application for approval of an amendment to a non-rail rate association agreement:	
(i) Significant amendment	$4,800.
(ii) Minor amendment	$100.
(5) An application for temporary authority to operate a motor carrier of passengers. 49 U.S.C. 14303(i)	$500.
(6) A notice of exemption for transaction within a motor passenger corporate family that does not result in adverse changes in service levels, significant operational changes, or a change in the competitive balance with motor passenger carriers outside the corporate family.	$1,700.
(7)–(10) [Reserved].	
PART II: Rail Licensing Proceedings other than Abandonment or Discontinuance Proceedings:	
(11) (i) An application for a certificate authorizing the extension, acquisition, or operation of lines of railroad. 49 U.S.C. 10901.	$7,600.
(ii) Notice of exemption under 49 CFR 1150.31–1150.35	$1,800.
(iii) Petition for exemption under 49 U.S.C. 10502	$13,200.
(12) (i) An application involving the construction of a rail line	$78,400.
(ii) A notice of exemption involving construction of a rail line under 49 CFR 1150.36	$1,800.
(iii) A petition for exemption under 49 U.S.C. 10502 involving construction of a rail line	$78,400.
(iv) A request for determination of a dispute involving a rail construction that crosses the line of another carrier under 49 U.S.C. 10902(d).	$300.

Type of proceeding	Fee
(13) A Feeder Line Development Program application filed under 49 U.S.C. 10907(b)(1)(A)(i) or 10907(b)(1)(A)(ii)	$2,600.
(14) (i) An application of a class II or class III carrier to acquire an extended or additional rail line under 49 U.S.C. 10902.	$6,500.
(ii) Notice of exemption under 49 CFR 1150.41–1150.45	$1,800.
(iii) Petition for exemption under 49 U.S.C. 10502 relating to an exemption from the provisions of 49 U.S.C. 10902	$6,900.
(15) A notice of a modified certificate of public convenience and necessity under 49 CFR 1150.21–1150.24	$1,700.
(16) An application for a land-use-exemption permit for a facility existing as of October 16, 2008 under 49 U.S.C. 10909.	$6,300.
(17) An application for a land-use-exemption permit for a facility not existing as of October 16, 2008 under 49 U.S.C. 10909.	$22,200.
(18)–(20) [Reserved]	
PART III: Rail Abandonment or Discontinuance of Transportation Services Proceedings:	
(21) (i) An application for authority to abandon all or a portion of a line of railroad or discontinue operation thereof filed by a railroad (except applications filed by Consolidated Rail Corporation pursuant to the Northeast Rail Service Act [Subtitle E of Title XI of Pub. L. 97–35], bankrupt railroads, or exempt abandonments).	$23,300.
(ii) Notice of an exempt abandonment or discontinuance under 49 CFR 1152.50	$3,800.
(iii) A petition for exemption under 49 U.S.C. 10502	$6,600.
(22) An application for authority to abandon all or a portion of a line of a railroad or operation thereof filed by Consolidated Rail Corporation pursuant to Northeast Rail Service Act.	$500.
(23) Abandonments filed by bankrupt railroads	$1,900.
(24) A request for waiver of filing requirements for abandonment application proceedings	$1,900.
(25) An offer of financial assistance under 49 U.S.C. 10904 relating to the purchase of or subsidy for a rail line proposed for abandonment.	$1,600.
(26) A request to set terms and conditions for the sale of or subsidy for a rail line proposed to be abandoned	$23,800.
(27) (i) A request for a trail use condition in an abandonment proceeding under 16 U.S.C.1247(d)	$300.
(ii) A request to extend the period to negotiate a trail use agreement	$450.
(28)–(35) [Reserved]	
PART IV: Rail Applications to Enter Into a Particular Financial Transaction or Joint Arrangement:	
(36) An application for use of terminal facilities or other applications under 49 U.S.C. 11102	$19,900.
(37) An application for the pooling or division of traffic. 49 U.S.C. 11322	$10,700.
(38) An application for two or more carriers to consolidate or merge their properties or franchises (or a part thereof) into one corporation for ownership, management, and operation of the properties previously in separate ownership. 49 U.S.C. 11324:	
(i) Major transaction	$1,567,300.
(ii) Significant transaction	$313,400.
(iii) Minor transaction	$7,800.
(iv) Notice of an exempt transaction under 49 CFR 1180.2(d)	$1,700.
(v) Responsive application	$7,800.
(vi) Petition for exemption under 49 U.S.C. 10502	$9,800.
(vii) A request for waiver or clarification of regulations filed in a major financial proceeding as defined at 49 CFR 1180.2(a).	$5,800.
(39) An application of a non-carrier to acquire control of two or more carriers through ownership of stock or otherwise. 49 U.S.C. 11324:	
(i) Major transaction	$1,567,300.
(ii) Significant transaction	$313,400.
(iii) Minor transaction	$7,800.
(iv) A notice of an exempt transaction under 49 CFR 1180.2(d)	$1,300.
(v) Responsive application	$7,800.
(vi) Petition for exemption under 49 U.S.C. 10502	$9,800.
(vii) A request for waiver or clarification of regulations filed in a major financial proceeding as defined at 49 CFR 1180.2(a).	$5,800.
(40) An application to acquire trackage rights over, joint ownership in, or joint use of any railroad lines owned and operated by any other carrier and terminals incidental thereto. 49 U.S.C. 11324:	
(i) Major transaction	$1,567,300.
(ii) Significant transaction	$313,400.
(iii) Minor transaction	$7,800.
(iv) Notice of an exempt transaction under 49 CFR 1180.2(d)	$1,200.
(v) Responsive application	$7,800.
(vi) Petition for exemption under 49 U.S.C. 10502	$9,800.
(vii) A request for waiver or clarification of regulations filed in a major financial proceeding as defined at 49 CFR 1180.2(a).	$5,800.
(41) An application of a carrier or carriers to purchase, lease, or contract to operate the properties of another, or to acquire control of another by purchase of stock or otherwise. 49 U.S.C. 11324:	
(i) Major transaction	$1,567,300.
(ii) Significant transaction	$313,400.
(iii) Minor transaction	$7,800.
(iv) Notice of an exempt transaction under 49 CFR 1180.2(d)	$1,400.
(v) Responsive application	$7,800.
(vi) Petition for exemption under 49 U.S.C. 10502	$6,900.
(vii) A request for waiver or clarification of regulations filed in a major financial proceeding as defined at 49 CFR 1180.2(a).	$5,800.
(42) Notice of a joint project involving relocation of a rail line under 49 CFR 1180.2(d)(5)	$2,500.
(43) An application for approval of a rail rate association agreement. 49 U.S.C. 10706	$73,400.
(44) An application for approval of an amendment to a rail rate association agreement. 49 U.S.C. 10706:	

Type of proceeding	Fee
(i) Significant amendment	$13,600.
(ii) Minor amendment	$100.
(45) An application for authority to hold a position as officer or director under 49 U.S.C. 11328	$800.
(46) A petition for exemption under 49 U.S.C. 10502 (other than a rulemaking) filed by rail carrier not otherwise covered.	$8,400.
(47) National Railroad Passenger Corporation (Amtrak) conveyance proceeding under 45 U.S.C. 562	$300.
(48) National Railroad Passenger Corporation (Amtrak) compensation proceeding under Section 402(a) of the Rail Passenger Service Act.	$300.
(49)–(55) [Reserved]	
PART V: Formal Proceedings:	
(56) A formal complaint alleging unlawful rates or practices of carriers:	
(i) A formal complaint filed under the coal rate guidelines (Stand-Alone Cost Methodology) alleging unlawful rates and/or practices of rail carriers under 49 U.S.C. 10704(c)(1).	$350.
(ii) A formal complaint involving rail maximum rates filed under the Simplified-SAC methodology	$350.
(iii) A formal complaint involving rail maximum rates filed under the Three Benchmark methodology	$150.
(iv) All other formal complaints (except competitive access complaints)	$350.
(v) Competitive access complaints	$150.
(vi) A request for an order compelling a rail carrier to establish a common carrier rate	$300.
(57) A complaint seeking or a petition requesting institution of an investigation seeking the prescription or division of joint rates or charges. 49 U.S.C. 10705.	$9,300.
(58) A petition for declaratory order:	
(i) A petition for declaratory order involving a dispute over an existing rate or practice which is comparable to a complaint proceeding.	$1,000.
(ii) All other petitions for declaratory order	$1,400.
(59) An application for shipper antitrust immunity. 49 U.S.C. 10706(a)(5)(A)	$7,400.
(60) Labor arbitration proceedings	$300.
(61) (i) An appeal of a Surface Transportation Board decision on the merits or petition to revoke an exemption pursuant to 49 U.S.C. 10502(d).	$300.
(ii) An appeal of a Surface Transportation Board decision on procedural matters except discovery rulings	$350.
(62) Motor carrier undercharge proceedings	$300.
(63) (i) Expedited relief for service inadequacies: A request for expedited relief under 49 U.S.C. 11123 and 49 CFR part 1146 for service emergency.	$300.
(ii) Expedited relief for service inadequacies: A request for temporary relief under 49 U.S.C. 10705 and 11102, and 49 CFR part 1147 for service inadequacy.	$300.
(64) A request for waiver or clarification of regulations except one filed in an abandonment or discontinuance proceeding, or in a major financial proceeding as defined at 49 CFR 1180.2(a).	$600.
(65)–(75) [Reserved]	
PART VI: Informal Proceedings:	
(76) An application for authority to establish released value rates or ratings for motor carriers and freight forwarders of household goods under 49 U.S.C. 14706.	$1,300.
(77) An application for special permission for short notice or the waiver of other tariff publishing requirements	$100.
(78) The filing of tariffs, including supplements, or contract summaries	$1 per page. ($26 min. charge.)
(79) Special docket applications from rail and water carriers:	
(i) Applications involving $25,000 or less	$75.
(ii) Applications involving over $25,000	$150.
(80) Informal complaint about rail rate applications	$600.
(81) Tariff reconciliation petitions from motor common carriers:	
(i) Petitions involving $25,000 or less	$75.
(ii) Petitions involving over $25,000	$150.
(82) Request for a determination of the applicability or reasonableness of motor carrier rates under 49 U.S.C. 13710(a)(2) and (3).	$250.
(83) Filing of documents for recordation. 49 U.S.C. 11301 and 49 CFR 1177.3(c)	$43 per document.
(84) Informal opinions about rate applications (all modes)	$250.
(85) A railroad accounting interpretation	$1,200.
(86) (i) A request for an informal opinion not otherwise covered	$1,500.
(ii) A proposal to use a voting trust agreement pursuant to 49 CFR 1013 and 49 CFR 1180.4(b)(4)(iv) in connection with a major control proceeding as defined at 49 CFR 1180.2(a).	$5,300.
(iii) A request for an informal opinion on a voting trust agreement pursuant to 49 CFR 1013.3(a) not otherwise covered.	$550.
(87) Arbitration of Certain Disputes Subject to the Statutory Jurisdiction of the Surface Transportation Board under 49 CFR 1108:	
(i) Complaint	$75.
(ii) Answer (per defendant), Unless Declining to Submit to Any Arbitration	$75.
(iii) Third Party Complaint	$75.
(iv) Third Party Answer (per defendant), Unless Declining to Submit to Any Arbitration	$75.
(v) Appeals of Arbitration Decisions or Petitions to Modify or Vacate an Arbitration Award	$150.
(88) Basic fee for STB adjudicatory services not otherwise covered	$300.
(89)–(95) [Reserved]	
PART VII: Services:	
(96) Messenger delivery of decision to a railroad carrier's Washington, DC, agent	$33 per delivery.
(97) Request for service or pleading list for proceedings	$25 per list.
(98) Processing the paperwork related to a request for the Carload Waybill Sample to be used in a Surface Transportation Board or State proceeding that:	

Type of proceeding	Fee
(i) Does not require a **Federal Register** notice:	
(a) Set cost portion	$150.
(b) Sliding cost portion	$49 per party.
(ii) Does require a **Federal Register** notice:	
(a) Set cost portion	$400.
(b) Sliding cost portion	$49 per party.
(99) (i) Application fee for the Surface Transportation Board's Practitioners' Exam	$200.
(ii) Practitioners' Exam Information Package	$25.
(100) Carload Waybill Sample data:	
(i) Requests for Public Use File for all years prior to the most current year Carload Waybill Sample data available, provided on CD–R.	$250 per year.
(ii) Specialized programming for Waybill requests to the Board	$113 per hour.

* * * * *

■ 4. In 1002.3, paragraph (e) is revised to read as follows:

§ 1002.3 Updating user fees.

* * * * *

(e) All updated fees shall be rounded downward in the following manner:

(1) Fees between $1–$30 will be rounded to the nearest $1;

(2) Fees between $30–$100 will be rounded to the nearest $10;

(3) Fees between $100–$999 will be rounded to the nearest $50; and

(4) Fees above $1,000 will be rounded to the nearest $100. (This rounding procedure excludes copying, printing and search fees.)

[FR Doc. 2014–16467 Filed 7–14–14; 8:45 am]

BILLING CODE 4915–01–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 648

[Docket No. 130103003–4550–02]

RIN 0648–BC77

Fisheries of the Northeastern United States; Spiny Dogfish Fishery; Amendment 3

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

ACTION: Final rule.

SUMMARY: NMFS approves and implements measures in Amendment 3 to the Spiny Dogfish Fishery Management Plan, which was developed by the Mid-Atlantic and New England Fishery Management Councils. The approved management measures include implementing a research set-aside program, updating essential fish habitat definitions, allowing rollover of specifications, and eliminating the seasonal allocation of the commercial quota. These administrative measures are intended to improve the implementation of the Spiny Dogfish Fishery Management Plan and provide benefits to the spiny dogfish fishery.

DATES: This rule is effective August 14, 2014.

ADDRESSES: Copies of the amendment, including the Environmental Assessment and Initial Regulatory Flexibility Analysis (EA/IRFA) and other supporting documents for the action are available from Dr. Christopher M. Moore, Executive Director, Mid-Atlantic Fishery Management Council, Suite 201, 800 N. State Street, Dover, DE 19901. The amendment is also accessible via the Internet at: *http://www.nero.noaa.gov.*

NMFS prepared a Final Regulatory Flexibility Analysis (FRFA), which is contained in the Classification section of this rule. Copies of the FRFA and the Small Entity Compliance Guide are available from the Regional Administrator, Greater Atlantic Regional Fisheries Office, NMFS, 55 Great Republic Drive, Gloucester, MA 01930, and are available via the Internet at: *http://www.nero.noaa.gov.*

FOR FURTHER INFORMATION CONTACT: Tobey Curtis, Fishery Policy Analyst, (978) 281–9273.

SUPPLEMENTARY INFORMATION:

Background

This final rule approves and implements measures contained in Amendment 3 to the Spiny Dogfish Fishery Management Plan (FMP), which was approved by NMFS on behalf of the Secretary of Commerce on June 20, 2014. Amendment 3 was developed and submitted to NMFS by the Mid-Atlantic and New England Fishery Management Councils, who jointly manage the spiny dogfish fishery. A Notice of Availability of the amendment published in the **Federal Register** on March 26, 2014 (79 FR 16752), with public comments accepted through May 27, 2014. A proposed rule to implement the measures contained in Amendment 3 published in the **Federal Register** on April 10, 2014 (79 FR 19861), with public comments accepted through May 12, 2014. The Councils recommended, and NMFS proposed, the following measures: (1) Adding an option for allocation of a small percentage (up to 3 percent) of the commercial quota for use in the Research Set-Aside (RSA) Program; (2) updating the definitions of essential fish habitat (EFH) for all life stages of spiny dogfish; (3) maintaining existing annual management measures until replaced via rulemaking (i.e., specifications rollover); and (4) eliminating the seasonal allocation of the commercial quota in order to minimize conflicts with spiny dogfish fishing operations that occur in both state and Federal waters. Details concerning the development of Amendment 3 and the proposed measures were contained in the preamble of the proposed rule and are not repeated here.

Approved Measures

Research Set-Aside

NMFS has approved a new RSA program under the Spiny Dogfish FMP. A number of FMPs include an RSA program, in which a percentage of the quota may be set aside each year to fund research. In the annual specifications process, the Councils may set aside up to 3 percent of the spiny dogfish commercial quota as RSA quota. The revenues generated by those landings will be used for scientific research aimed at improving our understanding of the spiny dogfish stock and its related fisheries, consistent with the Councils' research priorities.

Essential Fish Habitat

NMFS has approved the updated spiny dogfish EFH definitions and descriptions contained in Amendment 3. The Magnuson-Stevens Fishery Conservation and Management Act requires that EFH be defined for all managed stocks, and that it should be periodically reviewed and updated. The

updated EFH information includes updated text and maps, using the most recent fishery-independent data, to describe EFH for the following spiny dogfish size and sex categories: Recruits (juvenile males and females < 36 cm); sub-adult females (36–79 cm); sub-adult males (36–59 cm); adult females (>79 cm); and adult males (>59 cm). Detailed EFH maps and text descriptions are provided in the supporting documents (see **ADDRESSES**).

Rollover of Specifications

The specifications (annual catch limit, commercial quota, etc.) of the current fishing year will carry forward to the subsequent fishing year, in the event that rulemaking and implementation of revised specifications are delayed. If the implementation of new final specifications is delayed beyond the start of the new fishing year (May 1), the previous year's specifications would apply to the new fishing year until replaced by the final rule.

Commercial Quota Allocation

The Spiny Dogfish FMP's seasonal quota allocation is removed, and replaced with a single, annual coastwide commercial quota. The Federal spiny dogfish fishery will now only be closed when 100 percent of the coastwide commercial quota is projected to be landed. The states, through the Atlantic States Marine Fisheries Commission's Interstate Spiny Dogfish FMP, will be responsible for controlling their spiny dogfish allocations to ensure the participation of all states.

Comments and Responses

A total of five comments were collectively received on the Notice of Availability and proposed rule for Amendment 3. One comment was submitted by the Commission, and four comments were submitted by members of the general public. One of the public commenters did not provide comments relevant to the proposed measures, so no response is given. This section summarizes the comments contained in the remaining individual comment letters and NMFS' response to those comments. No changes were made to the final rule as a result of the comments received.

Comment 1: The Commission expressed support for all of the measures in Amendment 3. Specifically, they commented that the measure removing the seasonal allocation of the Federal commercial quota would improve alignment with the Commission's Spiny Dogfish FMP, and reduce confusion within the fishing industry over differing regulations in Federal and state waters. They stated that the other measures in Amendment 3 would not negatively impact state management of spiny dogfish.

Response: NMFS agrees with the Commission's assessment of the amendment's potential impacts on state management of the spiny dogfish fishery. Part of the purpose of Amendment 3 was to improve alignment with the Commission's Interstate Spiny Dogfish FMP.

Comment 2: Three public commenters opposed the preferred alternative of allowing up to 3 percent of the commercial quota to be specified as RSA quota. They favored an alternative that would allow up to 5 percent of the quota to be used for RSA, citing the comparatively low value of spiny dogfish, and a high need for more research.

Response: NMFS acknowledges that there are research priorities for spiny dogfish and the 5-percent RSA alternative would potentially allocate more funds for spiny dogfish research. However, NMFS disagrees that a 3-percent RSA quota would be limiting given the commercial quotas currently in place. For example, the spiny dogfish commercial quota for fishing year 2014 is currently specified at 41.784 million lb (18,953 mt), 3 percent of which would equal 1.254 million lb (569 mt) worth approximately US$250,000. The proposed RSA program is an appropriate balance between providing adequate research opportunities and maximizing optimum yield and, therefore, is consistent with the goals of the Spiny Dogfish FMP, other FMPs with an RSA component, and the Magnuson-Stevens Act.

Comment 3: One public commenter opposed the proposed measure that would allow the rollover of specifications, arguing that it could provide incentives for managers to deliberately delay the rulemaking progress, particularly if new specification measures would result in negative economic impacts.

Response: The specification rollover provision exists in many of the Councils' FMPs, and this measure was included in Amendment 3 to make the Spiny Dogfish FMP more consistent with those other FMPs. This measure is intended to help control fishing mortality on the stock in the event that rulemaking for updated specifications is delayed beyond the start of the new fishing year. Currently, under the status quo alternative, if rulemaking is delayed, the spiny dogfish fishery operates without any effective quota, and NMFS has no authority to close the fishery. The provision does not excuse the Councils or NMFS from their responsibilities to recommend annual management measures consistent with the requirements of the Spiny Dogfish FMP and the Magnuson-Stevens Act.

Classification

Pursuant to section 304(b)(1)(A) of the Magnuson-Stevens Act, the NMFS Assistant Administrator determined that this rule is consistent with the Spiny Dogfish FMP, other provisions of the Magnuson-Stevens Act, and other applicable law.

This action has been determined to be not significant for purposes of Executive Order (E.O.) 12866.

Pursuant to section 604 of the Regulatory Flexibility Act (RFA), NMFS has prepared a Final Regulatory Flexibility Analysis (FRFA) in support of this action. The FRFA incorporates the Initial Regulatory Flexibility Analysis (IRFA), a summary of the significant issues raised by the public comments in response to the IRFA, NMFS' response to those comments, relevant analyses contained in the action and its EA, and a summary of the analyses completed to support the action in this rule. A copy of the analyses and the EA are available from the Council (see **ADDRESSES**). A summary of the IRFA was published in the proposed rule for this action and is not repeated here. A description of why this action was considered, the objectives of, and the legal basis for this rule is contained in the preamble to the proposed rule and this final rule and is not repeated here.

A Summary of the Significant Issues Raised by the Public in Response to the IRFA, a Summary of the Agency's Assessment of Such Issues, and Statement of Any Changes Made in the Proposed Rule as a Result of Such Comments

Five comments were received on the proposed rule. For a summary of the comments, and NMFS' responses, see the Comments and Responses section above. The comments did not raise any issues or concerns related to the IRFA or the economic impacts of the rule more generally, and no changes were made to the rule as a result of the comments.

Description and Estimate of Number of Small Entities to Which the Rule Would Apply

This rule will impact fishing vessels, including commercial fishing entities. In 2012, 2,666 vessels held spiny dogfish permits. However, not all of those vessels are active participants in

the fishery; only 489 vessels landed spiny dogfish in 2012. If two or more vessels have identical owners, these vessels should be considered to be part of the same firm, because they may be the same entity. When permit ownership data is considered, in 2012, 1,976 fishing firms held at least one spiny dogfish permit. According to the Small Business Administration (SBA), firms are classified as finfish or shellfish firms based on the activity from which they derive the most revenue. Using the $5M cutoff for shellfish firms (NAICS 114112) and the $19M cutoff for finfish firms (NAICS 114111), there are 1,953 directly regulated small entities and 23 directly regulated large entities. There are 488 active fishing firms, of which 482 are small entities and 6 are large entities. On average, for small entities, spiny dogfish is responsible for a small fraction of landings, and active participants derive a small share of gross receipts from the spiny dogfish fishery. While all 1,953 directly regulated small entities will be affected by Amendment 3, many of these small entities do not currently participate in this fishery and would be likely to experience only negligible economic impacts, if any.

Description of Projected Reporting, Recordkeeping, and Other Compliance Requirements

This action does not introduce any new reporting, recordkeeping, or other compliance requirements. This rule does not duplicate, overlap, or conflict with other Federal rules.

Description of the Steps the Agency Has Taken To Minimize the Significant Economic Impact on Small Entities Consistent With the Stated Objectives of Applicable Statutes

According to the Councils' analysis in the EA, Amendment 3 is not expected to result in any direct negative or positive economic impacts. The management measures and alternatives included in this action are administrative in nature, and have no inherent direct economic costs or benefits. Possible indirect, minor positive economic impacts are anticipated from the RSA and EFH alternatives. Under the RSA alternatives, the preferred alternative (Alternative 1b) of allowing an RSA quota of up to 3 percent of the commercial quota, and Alternative 1c, which would have allowed up to 5 percent of the commercial quota for RSA, are expected to result in minor positive economic impacts relative to no action (i.e., no RSA; Alternative 1a). This conclusion was based on cases where research funded by RSA would result in improved management of the spiny dogfish fishery. Both the no action (i.e., no update to EFH; Alternative 2a) and preferred (i.e., updated EFH; Alternative 2b) EFH alternatives may result in indirect, minor positive economic impacts, as the designation of EFH can inform Federal activities and help minimize potentially negative habitat impacts. Under the commercial quota allocation alternatives, the no action alternative (i.e., maintain current seasonal allocation of the quota; Alternative 4a) was expected to result in indirect minor negative economic impacts in situations where misalignment in Federal (Council) vs. state (Commission) fishery closures could result in lost revenues. The preferred alternative (i.e., remove allocation of the quota; Alternative 4b) is anticipated to alleviate the potential negative economic impacts associated with the current management misalignment. Both the no action alternative (i.e., no rollover of specifications; Alternative 3a) and the preferred alternative (i.e., allow rollover of specifications; Alternative 3b) associated with the rollover of specifications from one year to the next in the event of delayed implementation of specifications are expected to have no economic impact (positive or negative).

Small Entity Compliance Guide

Section 212 of the Small Business Regulatory Enforcement Fairness Act of 1996 states that, for each rule or group of related rules for which an agency is required to prepare a FRFA, the agency shall publish one or more guides to assist small entities in complying with the rule, and shall designate such publications as ''small entity compliance guides.'' The agency shall explain the actions a small entity is required to take to comply with a rule or group of rules. As part of this rulemaking process, a letter to permit holders that also serves as small entity compliance guide was prepared. Copies of this final rule are available from the Greater Atlantic Regional Fisheries Office, and the guide, i.e., permit holder letter, will be sent to all holders of permits for the spiny dogfish fishery. The guide and this final rule will be available upon request, and posted on the Greater Atlantic Regional Fisheries Office's Web site at *www.nero.noaa.gov.*

List of Subjects in 50 CFR Part 648

Fisheries, Fishing, Reporting and recordkeeping requirements.

Dated: July 9, 2014.

Samuel D. Rauch III,

Deputy Assistant Administrator for Regulatory Programs, National Marine Fisheries Service.

For the reasons set out in the preamble, 50 CFR part 648 is amended as follows:

PART 648—FISHERIES OF THE NORTHEASTERN UNITED STATES

■ 1. The authority citation for part 648 continues to read as follows:

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

■ 2. In § 648.232, revise paragraphs (a), (b), and (e); and add paragraphs (c)(3) and (f) to read as follows:

§ 648.232 Spiny dogfish specifications.

(a) *Commercial quota and other specification measures.* The Spiny Dogfish Monitoring Committee shall recommend to the Joint Spiny Dogfish Committee a TAL (i.e., annual coastwide commercial quota) and any other measures, including those in paragraphs (a)(1) through (8) of this section, that are necessary to ensure that the commercial ACL will not be exceeded in any fishing year (May 1–April 30), for a period of 1–5 fishing years. If research quota is specified as described in paragraph (f) of this section, the effective commercial quota will be those commercial landings available after the deduction for the research quota. The measures that may be recommended include, but are not limited to:

(1) Minimum or maximum fish sizes;

(2) Seasons;

(3) Mesh size restrictions;

(4) Trip limits;

(5) Research quota set from a range of 0 to 3 percent of the commercial quota;

(6) [Reserved]

(7) Other gear restrictions; and

(8) Changes to AMs and ACT control rules.

(b) *Joint Spiny Dogfish Committee recommendation.* The Councils' Joint Spiny Dogfish Committee shall review the recommendations of the Spiny Dogfish Monitoring Committee. Based on these recommendations, requests for research quota, and any public comments, the Joint Spiny Dogfish Committee shall recommend to the Councils a TAL, and possibly other measures, including those specified in paragraphs (a)(1) through (8) of this section, necessary to ensure that the ACL specified in § 648.230 will not be exceeded in any fishing year (May 1–April 30), for a period of 1–5 fishing years.

(c) * * *

(3) If the annual specifications are not published in the **Federal Register** prior to the start of the fishing year, the previous year's annual specifications will remain in effect. The previous year's specifications will be replaced by the current year's specifications as of the effective date of the final rule implementing the current year's specifications.

* * * * *

(e) *Landings applied against the commercial quota.* All spiny dogfish landed for a commercial purpose in the states from Maine through Florida shall be applied against the annual coastwide commercial quota, regardless of where the spiny dogfish were harvested.

(f) *Research quota.* See § 648.22(g).

■ 3. In § 648.233, revise paragraph (a) to read as follows:

§ 648.233 Spiny dogfish accountability measures (AMs).

(a) *Commercial EEZ closure.* The Regional Administrator shall determine the date by which the annual coastwide quota described in § 648.232 will be harvested and shall close the EEZ to fishing for spiny dogfish on that date for the remainder of the fishing year by publishing notification in the **Federal Register**. Upon the closure date, and for the remainder of the fishing year, no vessel may fish for or possess spiny dogfish in the EEZ, nor may vessels issued a spiny dogfish permit under this part land spiny dogfish, nor may dealers issued a Federal permit purchase spiny dogfish from vessels issued a spiny dogfish permit under this part.

* * * * *

■ 4. In § 648.235, remove paragraph (c) and revise paragraph (a) introductory text and paragraph (b) to read as follows:

§ 648.235 Spiny dogfish possession and landing restrictions.

(a) *Possession limit.* Vessels issued a valid Federal spiny dogfish permit under § 648.4(a)(11) may:

* * * * *

(b) Regulations governing the harvest, possession, landing, purchase, and sale of shark fins are found at part 600, subpart N, of this chapter.

[FR Doc. 2014–16477 Filed 7–14–14; 8:45 am]

BILLING CODE 3510–22–P

Proposed Rules

Federal Register
Vol. 79, No. 135
Tuesday, July 15, 2014

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–2014–0446; Directorate Identifier 2013–NM–077–AD]

RIN 2120–AA64

Airworthiness Directives; Bombardier, Inc. Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: We propose to adopt a new airworthiness directive (AD) for certain Bombardier, Inc. Model CL–215–6B11 (CL–215T Variant), and CL–215–6B11 (CL–415 Variant) airplanes. This proposed AD was prompted by a report that during a routine inspection, corrosion was discovered on the lower bearing of the rudder upper torque tube. This proposed AD would require applying grease to the bearing; doing a general visual inspection of the expelled old grease for any contaminants, metal wear, and indication of corrosion, and replacing the bearing if necessary; revising the maintenance or inspection program, as applicable, to incorporate the rudder spring tab operational test and a check of the rudder spring tab operation into the daily inspection. We are proposing this AD to prevent corroded bearings, which could result in a partial or total loss of axial support.

DATES: We must receive comments on this proposed AD by August 29, 2014.

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

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

For service information identified in this proposed AD, contact Bombardier, Inc., 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 Airplane Directorate, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425–227–1221.

Examining the AD Docket

You may examine the AD docket on the Internet at *http://www.regulations.gov* by searching for and locating Docket No. FAA–2014–0446; or in person at the Docket Management Facility between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this proposed AD, the regulatory evaluation, any comments received, and other information. The street address for the Docket Operations office (telephone 800–647–5527) is in the **ADDRESSES** section. Comments will be available in the AD docket shortly after receipt.

FOR FURTHER INFORMATION CONTACT: Ricardo Garcia, Aerospace Engineer, Airframe and Mechanical Systems Branch, ANE–171, FAA, New York Aircraft Certification Office, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone 516–228–7331; fax 516–794–5531.

SUPPLEMENTARY INFORMATION:

Comments Invited

We invite you to send any written relevant data, views, or arguments about this proposed AD. Send your comments to an address listed under the **ADDRESSES** section. Include ''Docket No. FAA–2014–0446; Directorate Identifier 2013–NM–077–AD'' at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of this proposed AD. We will consider all comments received by the closing date and may amend this proposed AD based on those comments.

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

Discussion

Transport Canada Civil Aviation (TCCA), which is the aviation authority for Canada, has issued Canadian Airworthiness Directive CF–2013–08, dated March 12, 2013 (referred to after this as the Mandatory Continuing Airworthiness Information, or ''the MCAI''), to correct an unsafe condition for certain Bombardier, Inc. Model CL–215–6B11 (CL–215T Variant), and CL–215–6B11 (CL–415 Variant) airplanes. The MCAI states:

> During a routine inspection, corrosion was discovered on the Rudder Upper Torque Tube Lower bearing, part number (P/N) DAT48–64A. Corroded bearings may eventually result in a partial or total loss of axial support. As such, Bombardier has issued Service Bulletin (SB) 215–A3171 Rev. 1 and SB 215–A4452 Rev. 1, which provide instructions to refresh the lubrication in the bearing in order to inspect for corrosion and/or contaminants in the existing grease. These SBs will also incorporate an operational check to the 50 hour maintenance scheduled tasks, and a test of the Rudder Spring Tab operation into the Daily inspection or the aircrew Preflight Check.

Required actions include applying grease to the bearing, doing a general visual inspection of the expelled old grease for any contaminants, metal wear, and indication of corrosion, and replacing the bearing if necessary; revising the maintenance or inspection program, as applicable, to incorporate the rudder spring tab operational test; and revising the maintenance or inspection program, as applicable, to incorporate a check of the rudder spring tab operation into the daily inspection.

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–2014–0446.

Relevant Service Information

Bombardier, Inc. has issued Service Bulletin 215–A3171, Revision 1, dated January 25, 2012; and Service Bulletin 215–A4452, Revision 1, dated January 3,

2012. The actions described in this service information are intended to correct the unsafe condition identified in the MCAI.

FAA's Determination and Requirements of This Proposed AD

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

''Contacting the Manufacturer'' Paragraph in This Proposed AD

Since late 2006, we have included a standard paragraph titled ''Airworthy Product'' in all MCAI ADs in which the FAA develops an AD based on a foreign authority's AD.

The MCAI or referenced service information in an FAA AD often directs the owner/operator to contact the manufacturer for corrective actions, such as a repair. Briefly, the Airworthy Product paragraph allowed owners/operators to use corrective actions provided by the manufacturer if those actions were FAA-approved. In addition, the paragraph stated that any actions approved by the State of Design Authority (or its delegated agent) are considered to be FAA-approved.

In another NPRM, Directorate Identifier 2012–NM–101–AD (78 FR 78285, December 26, 2013), we proposed to prevent the use of repairs that were not specifically developed to correct the unsafe condition, by requiring that the repair approval provided by the State of Design Authority or its delegated agent specifically refer to the FAA AD. This change was intended to clarify the method of compliance and to provide operators with better visibility of repairs that are specifically developed and approved to correct the unsafe condition. In addition, we proposed to change the phrase ''its delegated agent'' to include a design approval holder (DAH) with State of Design Authority design organization approval (DOA), as applicable, to refer to a DAH authorized to approve required repairs for the proposed AD.

One commenter to the other NPRM, Directorate Identifier 2012–NM–101–AD (78 FR 78285, December 26, 2013), stated the following: ''The proposed wording, being specific to repairs, eliminates the interpretation that Airbus messages are acceptable for approving minor deviations (corrective actions) needed during accomplishment of an AD mandated Airbus service bulletin.''

This comment has made the FAA aware that some operators have misunderstood or misinterpreted the Airworthy Product paragraph to allow the owner/operator to use messages provided by the manufacturer as approval of deviations during the accomplishment of an AD-mandated action. The Airworthy Product paragraph does not approve messages or other information provided by the manufacturer for deviations to the requirements of the AD-mandated actions. The Airworthy Product paragraph only addresses the requirement to contact the manufacturer for corrective actions for the identified unsafe condition and does not cover deviations from other AD requirements. However, deviations to AD-required actions are addressed in 14 CFR 39.17, and anyone may request the approval for an alternative method of compliance to the AD-required actions using the procedures found in 14 CFR 39.19.

To address this misunderstanding and misinterpretation of the Airworthy Product paragraph, we have changed that paragraph and retitled it ''Contacting the Manufacturer.'' This paragraph now clarifies that for any requirement in this proposed AD to obtain corrective actions from a manufacturer, the action must be accomplished using a method approved by the FAA, TCCA, or Bombardier's TCCA Design Approval Organization (DAO).

The Contacting the Manufacturer paragraph also clarifies that, if approved by the DAO, the approval must include the DAO-authorized signature. The DAO signature indicates that the data and information contained in the document are TCCA-approved, which is also FAA-approved. Messages and other information provided by the manufacturer that do not contain the DAO-authorized signature approval are not TCCA-approved, unless TCCA directly approves the manufacturer's message or other information.

This clarification does not remove flexibility previously afforded by the Airworthy Product paragraph. Consistent with long-standing FAA policy, such flexibility was never intended for required actions. This is also consistent with the recommendation of the Airworthiness Directive Implementation Aviation Rulemaking Committee to increase flexibility in complying with ADs by identifying those actions in manufacturers' service instructions that are ''Required for Compliance'' with ADs. We continue to work with manufacturers to implement this recommendation. But once we determine that an action is required, any deviation from the requirement must be approved as an alternative method of compliance.

Costs of Compliance

We estimate that this proposed AD affects 5 airplanes of U.S. registry.

We also estimate that it would take about 2 work-hours per product to comply with the basic requirements of this proposed AD. The average labor rate is $85 per work-hour. Required parts would be negligible. Based on these figures, we estimate the cost of this proposed AD on U.S. operators to be $850, or $170 per product.

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.

Regulatory Findings

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

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

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

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

3. Will not affect intrastate aviation in Alaska; and

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

List of Subjects in 14 CFR Part 39

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

The Proposed Amendment

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

PART 39—AIRWORTHINESS DIRECTIVES

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

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

§ 39.13 [Amended]

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

Bombardier, Inc.: Docket No. FAA–2014–0446; Directorate Identifier 2013–NM–077–AD.

(a) Comments Due Date

We must receive comments by August 29, 2014.

(b) Affected ADs

None.

(c) Applicability

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

(1) Model CL–215–6B11 (CL–215T Variant) airplanes, serial numbers 1056 through 1125 inclusive.

(2) Model CL–215–6B11 (CL–415 Variant) airplanes, serial numbers 2001 through 2990 inclusive.

(d) Subject

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

(e) Reason

This AD was prompted by report that during a routine inspection, corrosion was discovered on the lower bearing of the rudder upper torque tube. We are issuing this AD to prevent corroded bearings, which could result in a partial or total loss of axial support.

(f) Compliance

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

(g) Lubrication of the Rudder Upper Torque Tube Bearing

Within 3 months after the effective date of this AD, apply grease to the bearing, and do a general visual inspection of the expelled old grease for any contaminants (i.e. ashes, dust, and algae), metal wear, and indication of corrosion, in accordance with the Accomplishment Instructions of Bombardier Service Bulletin 215–A3171, Revision 1, dated January 25, 2012 (for Model CL–215–6B11 (CL–215T Variant) airplanes); or Bombardier Service Bulletin 215–A4452, Revision 1, dated January 3, 2012 (for Model CL–215–6B11 (CL–415 Variant) airplanes). If any contaminants (i.e., ashes, dust, and algae), metal wear, or indication of corrosion are found, before further flight, replace the bearing with a new bearing, in accordance with the Accomplishment Instructions of Bombardier Service Bulletin 215–A3171, Revision 1, dated January 25, 2012 (for Model CL- 215–6B11 (CL–215T Variant) airplanes); or Bombardier Service Bulletin 215–A4452, Revision 1, dated January 3, 2012 (for Model CL–215–6B11 (CL–415 Variant) airplanes). Repeat the inspection, thereafter, before and after each fire season or at intervals not to exceed 6 months, whichever occurs first.

Note 1 to paragraph (g) of this AD: It is suggested that paragraph (g) of this AD be carried out in conjunction with AD 2009–05–04, Amendment 39–15828 (74 FR 8860, February 27, 2009), as the task and task intervals are in the same general area.

(h) Operational Test

Within 30 days after the effective date of this AD: Revise the maintenance or inspection program, as applicable, to incorporate the rudder spring tab operational test, in accordance with the Accomplishment Instructions of Bombardier Service Bulletin 215–A3171, Revision 1, dated January 25, 2012 (for Model CL–215–6B11 (CL–215T Variant) airplanes); or Bombardier Service Bulletin 215–A4452, Revision 1, dated January 3, 2012 (for Model CL–215–6B11 (CL–415 Variant) airplanes).

(i) Daily Maintenance Procedure Check

Within 30 days after the effective date of this AD: Revise the maintenance or inspection program, as applicable, to incorporate a check of the rudder spring tab operation into the daily inspection, in accordance with the Accomplishment Instructions of Bombardier Service Bulletin 215–A3171, Revision 1, dated January 25, 2012 (for Model CL–215–6B11 (CL–215T Variant) airplanes); or Bombardier Service Bulletin 215–A4452, Revision 1, dated January 3, 2012 (for Model CL–215–6B11 (CL–415 Variant) airplanes).

(j) No Alternative Actions and Intervals

After accomplishment of the maintenance or inspection program revision required by paragraphs (h) and (i) 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 (k)(1) of this AD.

(k) Other FAA AD Provisions

The following provisions also apply to this AD:

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

(2) *Contacting the Manufacturer:* For any requirement in this AD to obtain corrective actions from a manufacturer, the action must be accomplished using a method approved by the Manager, New York ACO, ANE–170, Engine and Propeller Directorate, 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.

(l) Related Information

(1) Refer to Mandatory Continuing Airworthiness Information (MCAI) Canadian Airworthiness Directive CF–2013–08, dated March 12, 2013, 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 it in Docket No. FAA–2014–0446.

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

Issued in Renton, Washington, on July 3, 2014.

Dionne Palermo,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2014–16539 Filed 7–14–14; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Docket No. FAA–2014–0305; Airspace Docket No. 14–AWP–2]

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

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This action proposes to establish Class E airspace and modify Class D and E airspace at Charles M. Shultz-Sonoma County Airport, Santa Rosa, CA. This action, initiated by the FAAs biennial review of the airspace area, would enhance the safety and management of instrument flight rules (IFR) operations at the airport. Class D airspace would be amended to reflect the airport's name change.

DATES: Comments must be received on or before August 29, 2014.

ADDRESSES: Send comments on this proposal to the U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC 20590; telephone (202) 366–9826. You must identify FAA Docket No. FAA–2014–0305; Airspace Docket No. 14–AWP–2, at the beginning of your comments. You may also submit comments through the Internet at *http://www.regulations.gov.*

FOR FURTHER INFORMATION CONTACT: Richard Roberts, Federal Aviation Administration, Operations Support Group, Western Service Center, 1601 Lind Avenue SW., Renton, WA 98057; telephone (425) 203–4517.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested parties are invited to participate in this proposed rulemaking by submitting such written data, views, or arguments, as they may desire. Comments that provide the factual basis supporting the views and suggestions presented are particularly helpful in developing reasoned regulatory decisions on the proposal. Comments are specifically invited on the overall regulatory, aeronautical, economic, environmental, and energy-related aspects of the proposal.

Communications should identify both docket numbers (FAA Docket No. FAA–2014–0305 and Airspace Docket No. 14–AWP–2) and be submitted in triplicate to the Docket Management System (see ''**ADDRESSES**'' section for address and phone number). You may also submit comments through the Internet at *http://www.regulations.gov.*

Commenters wishing the FAA to acknowledge receipt of their comments on this action must submit with those comments a self-addressed stamped postcard on which the following statement is made: ''Comments to FAA Docket No. FAA–2014–0305 and Airspace Docket No. 14–AWP–2''. The postcard will be date/time stamped and returned to the commenter.

All communications received on or before the specified closing date for comments will be considered before taking action on the proposed rule. The proposal contained in this action may be changed in light of comments received. All comments submitted will be available for examination in the public docket both before and after the closing date for comments. A report summarizing each substantive public contact with FAA personnel concerned with this rulemaking will be filed in the docket.

Availability of NPRMs

An electronic copy of this document may be downloaded through the Internet at *http://www.regulations.gov.* Recently published rulemaking documents can also be accessed through the FAA's Web page at *http://www.faa.gov/airports_airtraffic/air_traffic/publications/airspace_amendments/.*

You may review the public docket containing the proposal, any comments received, and any final disposition in person in the Dockets Office (see the ''**ADDRESSES**'' section for the address and phone number) between 9:00 a.m. and 5:00 p.m., Monday through Friday, except federal holidays. An informal docket may also be examined during normal business hours at the Northwest Mountain Regional Office of the Federal Aviation Administration, Air Traffic Organization, Western Service Center, Operations Support Group, 1601 Lind Avenue SW., Renton, WA 98057.

Persons interested in being placed on a mailing list for future NPRMs should contact the FAA's Office of Rulemaking, (202) 267–9677, for a copy of Advisory Circular No. 11–2A, Notice of Proposed Rulemaking Distribution System, which describes the application procedure.

The Proposal

The FAA is proposing an amendment to Title 14 Code of Federal Regulations (14 CFR) Part 71 by establishing Class E airspace designated as an extension and modifying Class E airspace extending upward from 700 feet above the surface at Charles M. Schultz-Sonoma County Airport, Santa Rosa, CA. After a biennial review of the airspace, the FAA found modification of the airspace necessary for the safety and management of aircraft departing and arriving under IFR operations at the airport. Class E airspace designated as an extension to the Class D and Class E surface area would be established from the 4.3-mile radius of the airport to 14 miles northwest of the airport. Class E airspace extending upward from 700 feet above the surface would be modified with segments extending 23 miles northwest, 28 miles southeast, and 13 miles southwest of the airport. The description for the Class D airspace would reflect the airport name change from Santa Rosa/Sonoma County Airport to Charles M. Schultz-Sonoma County Airport.

Class D and E airspace designations are published in paragraph 5000, 6004, and 6005, respectively, of FAA Order 7400.9X, dated August 7, 2013, and effective September 15, 2013, which is incorporated by reference in 14 CFR 71.1. The Class D and E airspace designations listed in this document will be published subsequently in this Order.

The FAA has determined this proposed regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. Therefore, this proposed 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 will only affect air traffic procedures and air navigation, it is certified this proposed rule, when promulgated, would not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

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 for the FAA Administrator. Subtitle VII, Aviation Programs, describes in more detail the scope of the agency's authority. This rulemaking is promulgated under the authority described in Subtitle VII, Part A, Subpart I, Section 40103. Under that section, the FAA is charged with

prescribing regulations to assign the use of the airspace necessary to ensure the safety of aircraft and the efficient use of airspace. This regulation is within the scope of that authority as it would amend controlled airspace at Charles M. Schultz-Sonoma County Airport, Santa Rosa, CA.

This proposal will be subject to an environmental analysis in accordance with FAA Order 1050.1E, ''Environmental Impacts: Policies and Procedures'' prior to any FAA final regulatory action.

List of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me, the Federal Aviation Administration proposes to amend 14 CFR Part 71 as follows:

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

■ 1. The authority citation for 14 CFR Part 71 continues to read as follows:

Authority: 49 U.S.C. 106(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 the Federal Aviation Administration Order 7400.9X, Airspace Designations and Reporting Points, dated August 7, 2013, and effective September 15, 2013, is amended as follows:

Paragraph 5000 Class D Airspace

* * * * *

AWP CA D Santa Rosa, CA [Amended]

Charles M. Schultz-Sonoma County Airport, CA

(Lat. 38°30′33″ N., long. 122°48′46″ W.)

That airspace extending upward from the surface to and including 2,600 feet MSL within a 4.3-mile radius of Santa Rosa/Sonoma County Airport. This Class D 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 Airport/Facility Directory.

Paragraph 6004 Class E Airspace Areas Designated As An Extension to Class D or Class E Surface Area

* * * * *

AWP CA E4 Santa Rosa, CA [New]

Charles M. Shultz-Sonoma County Airport, CA

(Lat. 38°30′33″ N., long. 122°48′46″ W.)

That airspace extending upward from the surface within 2 miles either side of the 342° bearing from the Charles M. Shultz-Sonoma County Airport, CA, extending from the 4.3 mile radius of the airport to 14 miles northwest of the airport.

Paragraph 6005 Class E Airspace Areas Extending Upward From 700 Feet or More Above the Surface of the Earth

* * * * *

AWP CA E5 Santa Rosa, CA [Modified]

Charles M. Shultz-Sonoma County Airport, CA

(Lat. 38°30′33″ N., long. 122°48′46″ W.)

That airspace extending upward from 700 feet above the surface bounded by a line beginning at lat. 38°53′25″ N., long. 122°52′34″ W.; to lat. 38°37′07″ N., long. 122°46′02.00″ W.; to 38°22′08″ N., long. 122°38′28″ W.; lat. 38°06′41″ N., long. 122°29′59″ W.; lat. 38°02′10″ N., long. 122°44′09″ W.; lat. 38°17′57″ N., long. 122°54′37″ W.; lat. 38°22′58″ N., long. 123°02′34″ W.; lat. 38°29′12″ N., long. 122°56′32″ W.; lat. 38°33′48″ N., long. 123°00′47″ W.; lat. 38°50′14″ N., long. 123°07′20″ W. thence to the point of origin; that airspace extending upward from 1,200 feet above the surface bounded by a line beginning at lat. 45°49′00″ N., long. 118°00′00″ W.; to lat. 45°49′00″ N., long. 119°45′00″ W.; to lat. 47°00′00″ N., long. 119°45′00″ W., to lat. 47°00′00″ N., long. 118°00′00″ W.; thence to the point of origin.

Issued in Seattle, Washington, on July 2, 2014.

Clark Desing,

Manager, Operations Support Group, Western Service Center.

[FR Doc. 2014–16636 Filed 7–14–14; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Part 15

[Docket No. FDA–2014–N–0824]

Confidentiality of Interim Results in Cardiovascular Outcome Safety Trials; Public Hearing; Request for Comments

AGENCY: Food and Drug Administration, HHS.

ACTION: Notification of public hearing; request for comments.

SUMMARY: The Food and Drug Administration (FDA) is announcing a public hearing that will provide a forum to discuss confidentiality of interim results for certain cardiovascular outcomes trials (CVOTs) submitted to the Agency while the trials are still ongoing. The purpose of the public hearing is to initiate constructive discussion among regulators, researchers, health care providers, representatives from the pharmaceutical industry and health care organizations, and the general public, about appropriate handling of interim analysis results of these ongoing CVOTs. FDA is also opening a public docket to receive comments on this topic.

DATES: The public hearing will be held on August 11, 2014, from 8 a.m. to 5 p.m. Individuals who wish to present at the public hearing must register by July 28, 2014. Section IV provides attendance and registration information. To ensure consideration, submit comments by July 28, 2014. Electronic or written comments will be accepted after the public hearing until October 10, 2014.

ADDRESSES: The public hearing will be held at the FDA White Oak Campus, 10903 New Hampshire Ave., Bldg. 31 Conference Center, the Great Room (rm. 1503), Silver Spring, MD 20993–0002. Entrance for the public hearing participants (non-FDA employees) is through Building 1 where routine security check procedures will be performed. For parking and security information, please refer to *http://www.fda.gov/AboutFDA/WorkingatFDA/BuildingsandFacilities/WhiteOakCampusInformation/ucm241740.htm.*

Submit electronic comments to *http://www.regulations.gov.* Submit written comments to the Division of Dockets Management (HFA–305), Food and Drug Administration, 5630 Fishers Lane, rm. 1061, Rockville, MD 20852. Identify comments with the docket number found in brackets in the heading of this document.

FOR FURTHER INFORMATION CONTACT: Indira Hills, Food and Drug Administration, Center for Drug Evaluation and Research, 10903 New Hampshire Ave., Bldg. 21, rm. 4508, Silver Spring, MD 20993, 301–796–9686, FAX: 301–796–9907, email: *indira.hills@fda.hhs.gov.*

SUPPLEMENTARY INFORMATION:

I. Background

A. The Requirement for Postmarketing Studies To Assess the Risk of a New Drug

In some cases, studies submitted to FDA as part of a new drug application or biologics license application will demonstrate that a drug is safe and effective for its intended use (i.e., that its benefits outweigh its identified risks), but the Agency will nevertheless require a sponsor to conduct additional postmarketing studies or trials under section 505(o)(3) of the Federal Food, Drug, and Cosmetic Act (the FD&C Act)

(21 U.S.C. 355(*o*)(3)) for the following reasons: To assess a known serious risk related to use of the drug, to assess signals of a serious risk related to use of the drug, or to identify an unexpected risk when available data indicate the potential for a serious risk.

B. FDA's Approach to the Approval of Drugs To Treat Type II Diabetes

For most drugs, clinical trials of reasonable size can establish a favorable relationship of benefit to relatively common risks, but they are not large enough to assess the risk of rare serious events such as heart attacks, strokes, or death. Where there is concern about these risks (e.g., concern about drugs to treat Type II diabetes mellitus (T2DM) or to promote weight loss), development programs include CVOTs to help assess the risk to meet the requirements for drug approval. In some cases, applicants have conducted a metaanalysis of cardiovascular (CV) risk from Phase 2/3 trials to help establish the safety of a drug and a separate larger CVOT as a postmarketing requirement under section 505(o)(3) of the FD&C Act. In other cases, analyses of interim data from a single CVOT will demonstrate that a drug is safe with regard to CV risk for its intended use, and, if the overall risk-benefit analysis supports approval, the applicant will further assess the CV risks by continuing the trial as a postmarketing requirement.

The Agency has described its expectations for CV outcome data for drugs to treat T2DM in the guidance for industry ''Diabetes Mellitus Evaluating Cardiovascular Risk in New Antidiabetic Therapies to Treat Type 2'' (available at Diabetes'' (*http://www.fda.gov/downloads/Drugs/Guidance ComplianceRegulatoryInformation/Guidances/UCM071627.pdf*), which was issued based on the discussion at an advisory committee meeting,[1] as well as in other available data and information. The guidance makes recommendations about how to demonstrate that a new therapy to treat T2DM is not associated with an unacceptable increase in CV risk.

The guidance states that before submission of a new drug application (NDA) or biologics license application, the premarketing CV outcome data should show that the incidence of important CV events occurring with the investigational agent is not more than 80 percent increase compared to the control group (i.e., that the upper bound of the 2-sided 95 percent confidence interval for the estimated risk ratio for CV events is less than 1.8). The guidance also states that if the risk ratio is between 1.3 and 1.8 and the overall risk-benefit analysis supports approval, a postmarketing trial will generally be necessary to show that the upper bound of the 2-sided 95 percent confidence interval for the estimated risk ratio is less than 1.3. This showing can be achieved by conducting an adequately powered new postmarketing trial, by combining results of separate premarketing and postmarketing trials, or by continuing a large CVOT in which a planned interim analysis is the basis for concluding that the risk ratio is less than 1.8. If the risk ratio of 1.3 is ruled out based on premarket data, then a postmarketing requirement may not be necessary.

C. Interim Analyses, the Importance of Their Confidentiality, and the Role of the Data Monitoring Committee

Interim analyses are analyses of study data conducted partway through an ongoing clinical trial. They can play an integral role in clinical trials by allowing for the safety of enrolled patients to be monitored at various intervals in the study and also by allowing for the possibility of stopping the trial early for safety concerns, for futility, or for early evidence of efficacy that would make it unethical for the trial to proceed. Confidentiality of interim data is a paramount concern: The 1998 International Conference on Harmonization (ICH) guidance for industry ''E9 Statistical Principles for Clinical Trials'' (ICH E9 guidance) (available at *http://www.fda.gov/downloads/Drugs/Guidance ComplianceRegulatoryInformation/Guidances/ucm073137.pdf*) reflects a collective view across regulatory agencies in the European Union, Japan, and the United States when it states that ''All staff involved in the conduct of the trial should remain blind to the results of such analyses, because of the possibility that their attitudes to the trial will be modified and cause changes in the characteristics of patients to be recruited or biases in treatment comparisons.''

An independent Data Monitoring Committee (DMC) is usually established to review the interim analysis results and make recommendations to the sponsor about any action needed based on those results, allowing the sponsor and other personnel associated with the trial to remain masked to interim results. In 2006, FDA issued the guidance for clinical trial sponsors ''Establishment and Operation of Clinical Trial Data Monitoring Committees'' (DMC guidance) (available at *http://www.fda.gov/downloads/RegulatoryInformation/Guidances/UCM127073.pdf*) that reiterated many of the best practices for interim analyses and DMCs outlined in the ICH E9 guidance. Specifically, the guidance states that ''[p]rocedures should be established to safeguard confidential interim data from the project team, investigators, sponsor representatives, or anyone else outside the DMC and the statistician(s) performing the interim analyses (see 21 CFR 314.126(b)(5) (drugs) and 21 CFR 860.7(f)(1) (devices)).'' An exception is made in considering the need to disseminate safety data to allow for appropriate monitoring of patients' safety.

D. Potential Adverse Consequences of Disclosure of Interim Results

The concern with widespread disclosure of interim results in an ongoing trial, as described in the DMC guidance, stems from the potential of the disclosure to negatively affect the conduct of the remaining portion of the trial. The impact could include unanticipated changes in recruitment, treatment administration, or other aspects of trial conduct, as well as loss of objectivity in safety event reporting. Sponsors and other interested parties with access to interim data may have difficulty managing the remainder of the trial in an objective manner, particularly if changes to the trial protocol are needed for other reasons. Knowledge of interim data may influence decisions about the trial going forward, and it is nearly impossible to assess the impact of that influence on the trial's final results. To ensure the integrity of the trial and the validity of its findings, the DMC guidance strongly recommends maintaining the confidentiality of interim data until the trial completion.

E. Partial Disclosure of Interim Trial Results by FDA and the Purpose of This Hearing

Once FDA sends an approval letter for a new drug, the FD&C Act and FDA regulations require that a summary or summaries of the safety and effectiveness data and information submitted with or incorporated by reference in the application be made available immediately for public disclosure, with certain limited redactions. FDA's analyses of the safety and effectiveness data and information from clinical studies that support the approval of a new drug are typically disclosed with little or no redaction. However, data relied on to make approval decisions are ordinarily

[1] On July 1 and 2, 2008, the Endocrinologic and Metabolic Drug Advisory Committee met to discuss the role of CV assessment in the premarketing and postmarketing settings (*http://www.fda.gov/ohrms/dockets/ac/cder08.html#endocrinologicmetabolic*).

derived from fully completed clinical trials. In the case of T2DM therapies where a single, large CVOT to rule out CV risk was designed to meet both the requirement for approval and the postmarketing requirements, approval would indicate that the study had indeed ruled out the risk ratio of 1.8, so this aspect of the interim results would be known. But that fact would not reveal the detailed result, e.g., a finding that CV events were actually reduced by the drug in the interim analysis. Disclosure of detailed and more extensive information or analyses from an ongoing trial, that is, the results of an interim analysis, could undermine the integrity of the trial and jeopardize its continuation, which could delay or even prevent obtaining the safety data about serious risks that were required to be assessed at the time of approval.

For example, in connection with a recent approval decision of a drug to treat T2DM (see MEMORANDA: Disclosure of Interim Cardiovascular Risk Study Data, NDA 22271, Nesina (alogliptin) tablets, and Its Fixed-Dose Combination Product NDAs 22426 and 203414, dated March 12, 2013, and Disclosure of Interim Cardiovascular Risk Study Data and Information Relied on to Approve, NDA 22271, Nesina (alogliptin) tablets, and Its Fixed-Dose Combination Product NDAs 22426 and 203414, dated March 12, 2013, available at *http://www.fda.gov/Drugs/NewsEvents/ucm398454.htm*), FDA released information at the time of approval that was considered not likely to undermine the integrity of the ongoing trial, including (1) general background and study information; (2) high-level summary conclusions that the trial ruled out the prespecified risk margin recommended by FDA guidance; and (3) other data and information from the trial unrelated to CV risk. FDA decided, however, to delay disclosure of other information that it determined could jeopardize successful completion of the trial, specifically point estimates of hazard ratios and associated confidence intervals for CV risk and detailed data on CV events and rates. Based on the circumstances of this case, FDA determined that delaying disclosure of these data was appropriate for a limited time. This information would become available when FDA completed its review of the final CV risk study report and had taken any related regulatory action based on the final results.

The Agency is holding this hearing to solicit input from stakeholders on the effects of disclosing information or analyses, at various levels of detail, from an ongoing trial, and whether general information about the trial can be disclosed without significant risk to the integrity of the trial or its completion. Making a determination about the effect of disclosure on a particular trial requires consideration of the details of that trial and relevant context.

II. Scope of Public Input Requested

FDA is seeking input from the various stakeholders on the following issues:

- When a trial to evaluate CV safety of a new treatment is ongoing at the time a drug is approved, do stakeholders agree that disclosure of detailed analyses (such as point estimates of hazard ratios and the associated confidence intervals) could undermine the integrity of an ongoing trial and jeopardize its continuation, potentially eliminating or substantially delaying the Agency's ability to obtain needed long-term safety information?
  - What interim findings, if disclosed, would represent the greatest risk to trial integrity or jeopardize trial continuation?
  - Can partial disclosure of interim findings at the time of approval, essentially disclosing only that the standard for approval has been met, offer protection of trial integrity and also provide health care practitioners with the essential scientific information needed to inform their use of the drug?
  - If the detailed interim results were disclosed at the time of approval, and the ongoing study was discontinued at that time, would it be feasible to conduct a new large trial as a postmarketing requirement that would fulfill the original study objective?
- Are there other, alternative trial designs that would allow for disclosure of interim results on safety risks at the time of product approval while also allowing for further information to be obtained postmarket?

III. Notice of Hearing Under 21 CFR Part 15

The Commissioner of Food and Drugs is announcing that the public hearing will be held in accordance with part 15 (21 CFR part 15). The hearing will be conducted by a presiding officer, who will be accompanied by FDA senior management from the Office of the Commissioner and the Center for Drug Evaluation and Research.

Under § 15.30(f), the hearing is informal and the rules of evidence do not apply. No participant may interrupt the presentation of another participant. Only the presiding officer and panel members may question any person during or at the conclusion of each presentation.

Public hearings under part 15 are subject to FDA's policy and procedures for electronic media coverage of FDA's public administrative proceedings (part 10, subpart C (21 CFR part 10, subpart C)). Under § 10.205, representatives of the electronic media may be permitted, subject to certain limitations, to videotape, film, or otherwise record FDA's public administrative proceedings, including presentations by participants. The hearing will be transcribed as stipulated in § 15.30(b) (see section VI for more details). To the extent that the conditions for the hearing, as described in this notice, conflict with any provisions set out in part 15, this notice acts as a waiver of those provisions as specified in § 15.30(h).

IV. Attendance and Registration

The FDA Conference Center at the White Oak location is a Federal facility with security procedures and limited seating. Individuals who wish to attend the public hearing must register on or before July 28, 2014, by visiting *https://www.surveymonkey.com/s/7L8Z66Q* and contacting Indira Hills (see **FOR FURTHER INFORMATION CONTACT**). Early registration is recommended. Registration is free and will be on a first-come, first-served basis. However, FDA may limit the number of participants from each organization based on space limitations. Onsite registration on the day of the hearing will be based on space availability.

FDA will provide additional background information at the time the **Federal Register** notice is published and an agenda approximately 2 weeks before the hearing at FDA Meeting Information page, which is available online at *http://www.fda.gov/Drugs/NewsEvents/ucm398454.htm*.

Time will be reserved during the hearing for planned presentations from the audience. If you would like to present at the hearing, please indicate this in your hearing registration. Time for audience presentations is limited and will be assigned on a first-come, first-served basis. Note also that time will be designated throughout the day for general comments and questions from the audience following the panel discussions.

In this **Federal Register** notice, FDA has included specific issues that will be addressed by the panel. If you wish to address one or more of these issues in your presentation, please indicate this at the time you register so that FDA can consider that in organizing the

presentations. FDA will do its best to accommodate requests to speak, and will determine the amount of time allotted to each presenter and the approximate time that each oral presentation is scheduled to begin.

If you need special accommodations because of disability, please contact Indira Hills (see **FOR FURTHER INFORMATION CONTACT**) at least 7 days before the hearing.

A live webcast of this hearing will be viewable at *https://collaboration.fda.gov/dmcidcvtpart15/* on the day of the hearing. A video record of the hearing will be available at the same Web address for 1 year.

V. Comments

Regardless of attendance at the public hearing, interested persons may submit either electronic comments regarding this document to *http://www.regulations.gov* or written comments to the Division of Dockets Management (see **ADDRESSES**). It is only necessary to send one set of comments. Identify comments with the docket number found in brackets in the heading of this document. Received comments may be seen in the Division of Dockets Management between 9 a.m. and 4 p.m., Monday through Friday, and will be posted to the docket at *http://www.regulations.gov*.

VI. Transcripts

As soon as a transcript is available, it will be accessible at *http://www.regulations.gov*. It may be viewed at the Division of Dockets Management (see **ADDRESSES**). A transcript will also be available in either hard copy or on CD–ROM, after submission of a Freedom of Information request. Written requests are to be sent to Division of Freedom of Information (ELEM–1029), Food and Drug Administration, 12420 Parklawn Dr., Element Bldg., Rockville, MD 20857.

Dated: July 8, 2014.

Leslie Kux,

Assistant Commissioner for Policy.

[FR Doc. 2014–16374 Filed 7–14–14; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 301

RIN 1545–BL59

[REG–120756–13]

Disclosures of Return Information Reflected on Returns to Officers and Employees of the Department of Commerce for Certain Statistical Purposes and Related Activities

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking by cross-reference to temporary regulation.

SUMMARY: In the Rules and Regulations section of this **Federal Register** the IRS is issuing temporary regulations authorizing the disclosure of specified return information to the Bureau of the Census (Bureau) for the design of a decennial census that costs less per housing unit and still maintains high quality results. The temporary regulations are made pursuant to a request from the Secretary of Commerce. These regulations require no action by taxpayers and have no effect on their tax liabilities. Thus, no taxpayers are likely to be affected by the disclosures authorized by this guidance. The text of the temporary regulations published in the Rules and Regulations section of the **Federal Register** serves as the text of these proposed regulations.

DATES: Written and electronic comments and requests for a public hearing must be received by *October 14, 2014.*

ADDRESSES: Send submissions to: CC:PA:LPD:PR (REG–120756–13), Room 5203, Internal Revenue Service, Post Office Box 7604, Ben Franklin Station, Washington, DC 20044. Submissions may be hand-delivered Monday through Friday between the hours of 8 a.m. and 4 p.m. to CC:PA:LPD:PR (REG–120756–13), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC 20224, or sent electronically, via the Federal eRulemaking Portal at *www.regulations.gov* (IRS REG–120756–13).

FOR FURTHER INFORMATION CONTACT: Concerning the proposed regulations, Melissa Avrutine, (202) 317–6833; concerning submissions of comments, Oluwafunmilayo Taylor, (202) 317–5179 (not toll-free numbers).

SUPPLEMENTARY INFORMATION:

Background

This document contains proposed amendments to 26 CFR Part 301 relating to section 6103(j)(1)(A) of the Internal Revenue Code (Code). Section 6103(j)(1)(A) authorizes the Secretary of the Treasury to furnish, upon written request by the Secretary of Commerce, such return or return information as the Secretary of Treasury may prescribe by regulation to officers and employees of the Bureau for the purpose of, but only to the extent necessary in, the structuring of censuses and conducting related statistical activities authorized by law. Section 301.6103(j)(1)–1 of the regulations further defines such purposes by reference to 13 U.S.C. chapter 5 and provides an itemized description of the return information authorized to be disclosed for such purposes. This document contains proposed regulations authorizing the disclosure of additional items of return information requested by the Secretary of Commerce. Temporary regulations in the Rules and Regulations section of this issue of the **Federal Register** amend 26 CFR part 301. The text of those temporary regulations serves as the text of these proposed regulations. The preamble to the temporary regulations explains the temporary regulations and these proposed regulations.

Special Analyses

It has been determined that this notice of proposed rulemaking is not a significant regulatory action as defined in Executive Order 12866, as supplemented by Executive Order 13563. Therefore, a regulatory assessment is not required. It also has been determined that section 553(b) of the Administrative Procedures Act (5 U.S.C. chapter 5) does not apply to these regulations, and because the regulation does not impose a collection of information on small entities, the Regulatory Flexibility Act (5 U.S.C. chapter 6) does not apply. Pursuant to section 7805(f) of the Code, this regulation has been submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact on small business.

Comments and Requests for Public Hearing

Before these proposed regulations are adopted as final regulations, consideration will be given to any comments that are submitted timely to the IRS as prescribed in this preamble under the **ADDRESSES** heading. The IRS and Treasury Department request comments on all aspects of the proposed regulations. All comments that are

submitted will be available for public inspection and copying at *www.regulations.gov* or upon request. A public hearing may be scheduled if requested in writing by any person that timely submits written or electronic comments. If a public hearing is scheduled, notice of the date, time, and place for the public hearing will be published in the **Federal Register**.

Drafting Information

The principal author of these proposed regulations is Melissa Avrutine, Office of the Associate Chief Counsel (Procedure and Administration).

List of Subjects in 26 CFR Part 301

Employment taxes, Estate taxes, Excise taxes, Gift taxes, Income taxes, Penalties, Reporting and recordkeeping requirements.

Proposed Amendments to the Regulations

Accordingly, 26 CFR part 301 is proposed to be amended as follows:

PART 301—PROCEDURE AND ADMINISTRATION.

■ **Paragraph 1.** The authority for part 301 continues to read in part as follows:

Authority: 26 U.S.C. 7805 * * *

■ **Par. 2.** Section 301.6103(j)(1)–1 is amended by adding paragraphs (b)(1)(xviii) through (xx) and (b)(7)(i) through (ix) and revising paragraph (e) to read as follows:

§ 301.6103(j)(1)–1 Disclosures of return information reflected on returns to officers and employees of the Department of Commerce, for certain statistical purposes and related activities.

* * * * *

(b) * * *

(1) * * *

(xviii) through (xx) [The text of proposed amendments to § 301.6103(j)(1)–1(b)(1)(xviii) through (b)(1)(xx) are the same as the text of § 301.6103(j)(1)–1T(b)(1)(xviii) through (b)(1)(xx) published elsewhere in this issue of the **Federal Register**].

* * * * *

(7) * * *

(i) through (ix) [The text of proposed amendments to § 301.6103(j)(1)–1(b)(7)(i) through (b)(7)(ix) are the same as the text of § 301.6103(j)(1)–1T(b)(7)(i) through (b)(7)(ix) published elsewhere in this issue of the **Federal Register**].

* * * * *

(e) *Effective/applicability date.* Paragraphs (b)(1)(xviii) through (b)(1)(xx) and (b)(7)(i) through (b)(7)(ix) of this section apply to disclosures to the Bureau of the Census made on or after *July 15, 2014.* For rules that apply to disclosures to the Bureau of the Census before that date, see 26 CFR 301.6103(j)(1)–1 (revised as of April 1, 2013).

John Dalrymple,

Deputy Commissioner for Services and Enforcement.

[FR Doc. 2014–16597 Filed 7–14–14; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF VETERANS AFFAIRS

38 CFR Parts 17, 51, 52 and 59

RIN 2900–AO90

Update to NFPA Standards, Incorporation by Reference

AGENCY: Department of Veterans Affairs.

ACTION: Proposed rule.

SUMMARY: The Department of Veterans Affairs (VA) proposes to amend its regulations incorporating by reference the National Fire Protection Association (NFPA) codes and standards. These codes and standards are referenced in VA regulations concerning community residential care facilities, contract facilities for certain outpatient and residential services, Medical Foster Homes, and State home facilities. To ensure the continued safety of veterans in these facilities, VA would continue to rely upon NFPA codes and standards for VA approval of such facilities. This proposed rulemaking would update our regulations to adhere to more recent NFPA codes and standards.

DATES: Comments must be received by VA on or before September 15, 2014.

ADDRESSES: Written comments may be submitted through *http://www.regulations.gov*; by mail or hand-delivery to the Director, Regulation Policy and Management (02REG), Department of Veterans Affairs, 810 Vermont Avenue NW., Room 1068, Washington, DC 20420; or by fax to (202) 273–9026. Comments should indicate that they are submitted in response to ''RIN 2900–AO90—Update to NFPA Standards, Incorporation by Reference.'' Copies of comments received will be available for public inspection in the Office of Regulation Policy and Management, Room 1068, between the hours of 8:00 a.m. and 4:30 p.m. Monday through Friday (except holidays). Please call (202) 461–4902 for an appointment. (This is not a toll-free number.) In addition, during the comment period, comments may be viewed online through the Federal Docket Management System (FDMS) at *http://www.regulations.gov*.

FOR FURTHER INFORMATION CONTACT: David Klein, Fire Protection Engineer, Department of Veterans Affairs, 810 Vermont Avenue NW., Washington, DC 20420, (202) 632–7888. (This is not a toll-free number.)

SUPPLEMENTARY INFORMATION: VA proposes to update its regulations incorporating NFPA codes and standards applicable to community residential care facilities, contract facilities for outpatient and residential treatment services for veterans with alcohol or drug dependence or abuse disabilities, Medical Foster Homes, and State home facilities. VA's regulations that govern these facilities require that these facilities meet certain provisions of the codes and standards published by NFPA. These codes and standards are reviewed and updated by NFPA on a 3-year cycle. In 38 CFR 17.1, VA currently incorporates by reference the NFPA codes and standards cited in §§ 17.63, 17.74, 17.81, and 17.82. VA also relies on NFPA codes and standards in 38 CFR 51.200, 52.200, and 59.130.

The NFPA is a leading advocate for fire prevention and is an authoritative source on public safety and emergency management. The NFPA codes and standards are developed in a process accredited by the American National Standards Institute (ANSI) and conform to the Office of Management and Budget (OMB) Circular A–119. It is important that VA rely upon the most current fire and life safety codes and standards to ensure a safe environment is provided and maintained for veterans. VA has elected to rely upon the codes and standards established by NFPA to provide consistency across the country. By adopting the most current editions of these codes and standards, VA works to ensure veterans reside and receive care in facilities that are safe; ensure there is one set of codes and standards for the design, renovation, and inspection of these facilities; and help maintain high levels of safety by following these codes and standards for community facilities used or approved by VA.

NFPA 101, Life Safety Code, is the primary source document that establishes the safety requirements for newly constructed and existing facilities. NFPA 101 is unique in that it provides a different set of requirements for the same type of facility based on whether the facility is to be newly constructed or already exists.

Chapter 2 of NFPA 101 references other ANSI-accredited, consensus-based codes and standards, including other NFPA Codes and Standards. The

documents listed in Chapter 2 of NFPA 101 are considered part of the requirements of NFPA 101 only to the extent called for in other chapters of NFPA 101. For example, the inclusion of NFPA 13, Standard for the Installation of Sprinkler Systems, in Chapter 2 does not mean that all buildings must have sprinklers. Rather, where NFPA 101 requires buildings to be sprinkler protected, NFPA 13 is to be used for sprinkler installation.

NFPA 101 provides different requirements for new and existing construction because it recognizes that it may be impractical to continually upgrade existing installations as new editions of the codes and standards referenced in Chapter 2 are adopted. Accordingly, NFPA 101 includes a provision that existing facilities can continue in service even if they do not conform to an updated code or standard that is referenced in Chapter 2 as long as the lack of conformity does not present a serious hazard to the occupants. However, since some NFPA codes and standards are referenced within VA regulations that do not also reference this provision in Chapter 2, we propose to add a new paragraph (c) to § 17.1 that contains similar language to permit fire and safety specialists to determine when upgrades to existing facilities are necessary on a case-by-case basis.

NFPA 101 is updated on a 3-year cycle, and the citations to the codes and standards referenced in Chapter 2 are updated the same time. This proposed rulemaking would amend § 17.1 to reflect the current edition of NFPA 101, Life Safety Code, and the editions of the NFPA codes and standards that are cited in Chapter 2 of NFPA 101.

VA likewise relies on NFPA codes and standards in 38 CFR 51.200, 52.200, and 59.130, and we propose to amend these sections to reflect the current editions of NFPA 101, Life Safety Code, and NFPA 99, Health Care Facilities Code.

The NFPA codes and standards that have been updated since we published the current 38 CFR 17.1 are NFPA 101, Life Safety Code (2009 edition); NFPA 25, Standard for the Inspection, Testing, and Maintenance of Water-Based Fire Protection Systems (2008 edition); NFPA 30, Flammable and Combustible Liquids Code (2008 edition); and NFPA 720, Standard for the Installation of Carbon Monoxide (CO) Detection and Warning Equipment (2009 edition). The NFPA codes and standards updated from the editions referenced in current §§ 51.200 and 59.130 are NFPA 101 (2009 edition) and NFPA 99, Standard for Health Care Facilities (2005). The NFPA codes and standards updated from the edition referenced in current 38 CFR 52.200 is NFPA 101, Life Safety Code (2000 edition). This proposed rulemaking would update the references to these NFPA codes and standards in the cited VA regulations to reflect the most recent editions cited in NFPA 101, Life Safety Code (2012 edition). We would also update cited references within VA regulations to be consistent with the current NFPA codes and standards. In some cases reorganization of material in the NFPA codes and standards, without change in substance, has affected the citation within VA regulations, and we make minor amendments to reflect these changes. Regarding the citations to the NFPA codes in 38 CFR 17.74(g)(1), NFPA has moved the information previously in paragraph 24.3.4.1 to paragraph 24.3.4.1.1, the information previously in paragraph 24.3.4.2 to paragraph 24.3.4.1.2, and the information previously in paragraph 24.3.4.3 to paragraph 24.3.4.1.3. Similarly, paragraph 3.3.32.5 of NFPA 101, as referenced in 38 CFR 59.130, has been relocated to paragraph 3.3.36.5. As the NFPA codes and standards are updated in the future, we will consider their adoption by VA and, if we decide to adopt the newer version, we will publish a rulemaking amending VA's regulations to reference the new version.

The provisions of NFPA 25 and 720 used in VA's regulations are generally relied on to establish the requirements for the inspection, testing, and maintenance of already installed existing systems, and the majority of the changes in the updated editions are relatively minor with respect to inspection, testing, and maintenance. We believe that compliance with these minor revisions would not be difficult for the affected facilities.

NFPA 99 went through a major revision from the 2005 edition and was re-written to be more consistent with other NFPA standards, establishing requirements based on risk, rather than occupancy for the new 2012 edition. Revising fire safety standards to provide for safety standards based on the risk of a critical condition rather than earlier models that looked at the probability of such conditions has become the international standard. However, the requirements of NFPA 99 that are to be applied to existing health care facilities were effectively unchanged from the previous edition.

The revisions to NFPA 101, Life Safety Code, contain changes that VA believes would allow health care facilities to make desirable alterations (previously not permitted by NFPA 101) to benefit veterans. Other changes are not significant and we do not believe that it would be difficult for affected facilities to comply with these changes. Twenty changes to the Life Safety Code are highlighted below for health care facilities as well as other types of facilities to alert affected entities to them.

New one- and two-family dwellings containing fuel-burning appliances (such as gas stoves, gas heaters, gas clothes dryers or gas hot water heaters, fireplaces, and wood or oil stoves) and new one- and two-family dwellings with communicating attached garages that meet certain criteria, are now required to have carbon monoxide detectors installed on each occupiable level and near sleeping rooms (NFPA 101, Life Safety Code, Chapter 24, One- and Two-Family Dwellings, section 24.3.4.2).

Roofed porches, decks, and balconies in new, small residential board and care facilities (defined in NFPA 101 (section 32.2.1.1.1) as occupancies providing sleeping accommodations for not more than 16 residents) must now be sprinkler protected when sprinkler protection is provided in accordance with either NFPA 13R, Standard for the Installation of Sprinkler Systems in Residential Occupancies up to and Including Four Stories in Height, or in accordance with NFPA 13D, Standard for the Installation of Sprinkler Systems in One- and Two-Family Dwellings and Manufactured Homes (NFPA 101, Life Safety Code, Chapter 32, New Residential Board and Care Occupancies, sections 32.2.3.5.3.1 and 32.2.3.5.3.2).

When automatic sprinklers are installed, there are also new requirements for protecting attics of existing board and care facilities that include the option of either heat detection, sprinkler protection, non- or limited-combustible construction, or fire-retardant treated wood (NFPA 101, Life Safety Code, Chapter 33, Existing Residential Board and Care Occupancies, sections 33.2.3.5.7 and 33.3.3.5.4). VA would accept the installation of heat alarm(s) connected to the existing smoke alarms to meet the intent of the requirement for heat detection in the attic, based on the NFPA Board and Care Technical Committee proposed revisions to these requirements for the 2015 edition of NFPA 101.

If an existing fire alarm system, in existing large board and care facilities (defined in NFPA 101 (section 33.3.1.1.2) as those having sleeping accommodations for more than 16 residents), does not automatically notify the fire department, provisions must be

made for such immediate notification. Further, when an existing fire alarm system is replaced or a new system is installed, automatic notification of emergency services must be included (NFPA 101, Life Safety Code, Chapter 33, Existing Residential Board and Care Occupancies, section 33.3.3.4.6).

New draperies, curtains, and other loosely hanging furnishing or decorations other than in common areas (e.g., dining rooms, activity rooms, and other areas outside of resident sleeping rooms or suites) are no longer regulated when located in a space that is sprinkler protected in existing board and care facilities, (NFPA 101, Life Safety Code, Chapter 33, Existing Residential Board and Care Occupancies, section 33.7.5.1.2).

If a facility elects to change to a slower evacuation capability, the facility is required to have sprinkler protection throughout and comply with the standards for the slower evacuation, or comply with the requirements for new construction (NFPA 101, Life Safety Code, Chapter 33, Existing Residential Board and Care Occupancies, section 33.1.8). To accommodate the limited mobility of an increasing population of patients who, because of physical or mental disabilities, have become more feeble and are unable to cooperate in an emergency evacuation, large residential board and care facilities may choose to adopt revised safety standards and change the facility's current evacuation standards of prompt or slow to the impractical standard or comply with the standards for limited care facilities in Chapter 19 of NFPA 101. In existing large board and care facilities where evacuation capability is classified as impractical, hazardous areas must be separated with smoke partitions (NFPA 101, Life Safety Code, Chapter 33, Existing Residential Board and Care Occupancies, section 33.3.3.2.3), a minimum exit corridor width of 44 inches is required (section 33.3.2.3.3), emergency lighting is required (section 33.3.2.9), and the building must be protected throughout by an automatic sprinkler system (section 33.3.3.5.2).

NFPA 101 has been revised to clarify that the treatment of inpatients that are capable of self-preservation is permitted in facilities classified as other than a health care occupancy that are contiguous to health care occupancies. (NFPA 101, Life Safety Code, Chapter 19, Existing Health Care Occupancies, section 19.1.3.4.2). When safety conditions identified in the standards are met to manage emergencies, preserve safe egress and allow for access to building service and fire protection equipment in the event of emergency, items such as crash carts, emergency supply carts, patient lifts, transportation equipment, and, certain wheeled items may be placed in corridors of health care facilities (NFPA 101, Life Safety Code, Chapter 19, Existing Health Care Occupancies, section 19.2.3.4). Patient suites requiring two exit doors may now have a door that leads directly to an exit stair, exit passageway, or to the exterior (NFPA 101, Life Safety Code, Chapter 19, Existing Health Care Occupancies, section 19.2.5.7.2.1). Allowable sleeping suite sizes have been increased from 7,500 to 10,000 square feet when certain requirements are met (NFPA 101, Life Safety Code, Chapter 19, Existing Health Care Occupancies, section 19.2.5.7.2.3). There are new rules for the use of cooking equipment to prepare meals for 30 persons or less within a smoke compartment (NFPA 101, Life Safety Code, Chapter 19, Existing Health Care Occupancies, section 19.3.2.5.3), and direct-vent gas fireplaces are now permitted inside a smoke compartment containing sleeping areas when certain requirements are met (NFPA 101, Life Safety Code, Chapter 19, Existing Health Care Occupancies, section 19.5.2.3).

Other Changes to 38 CFR 17.74

Current 38 CFR 17.74(o)(2) reads where, within NFPA 30, the definition of a safety can is found. The NFPA codes and standards have not changed the information or requirements for a safety can, however, the paragraph that contains the definition of a safety can has changed from 3.3.44 to 3.3.48. It is not uncommon for NFPA to make minor reorganization changes to their guidance documents. In order to avoid the necessity of revising our regulations each time a non-significant change of this nature is made to the underlying codes and standards, we propose eliminating the specific section reference while retaining the safety requirements to which the guidance refers. We do not anticipate this would be burdensome as the document itself is indexed and searchable.

Approval of Incorporations by Reference

The Office of the Federal Register, in accordance with 5 U.S.C. 552(a) and 1 CFR part 51, approved our incorporation by reference of previous editions of NFPA codes and standards into current regulations. We propose to amend our regulations to require facilities seeking VA approval to meet the applicable requirements of the 2012 edition of NFPA 101, Life Safety Code, and the editions of the NFPA codes and standards that are cited in Chapter 2 of NFPA 101. These changes merely reflect updates to the standards that are currently incorporated by reference. This proposed action is necessary to ensure that facilities meet current industry-wide standards regarding fire safety. We are not aware of any significant changes from the previous editions to the current editions. Therefore, we are requesting that the Office of the Federal Register approve our incorporation by reference of updated NFPA 101.

Additionally, we are requesting that the Office of the Federal Register approve the following standards published by the National Fire Protection Association: NFPA 25, Standard for the Inspection, Testing, and Maintenance of Water-Based Fire Protection Systems (2011 edition); NFPA 30, Flammable and Combustible Liquids Code (2012 edition); NFPA 720, Standard for the Installation of Carbon Monoxide (CO) Detection and Warning Equipment (2012 edition); and NFPA 99, Health Care Facilities Code (2012 edition). Earlier editions of NFPA 25, NFPA 30, and NFPA 720 are incorporated by reference in current part 17. Current references in parts 51 and 59 incorporate by reference the 2005 edition of NFPA 99. VA believes that it is in the best interest of veterans to apply the most up to date fire safety codes to the greatest extent practicable, and this proposed rule addresses that objective. The materials for which we are seeking incorporation by reference are available for inspection at the ANSI Incorporation by Reference (IBR) Portal, *http://ibr.ansi.org.* These materials are also available at the National Archives and Records Administration (NARA). For information on the availability of these materials at NARA, call (202) 741–6030, or go to: *https://standards.gov/sibr/query/index.cfm?fuseaction=rsibr.regulatory_sibr.* Copies may be obtained from the National Fire Protection Association, 1 Batterymarch Park, Quincy, MA 02269. (For ordering information, call toll-free 1–800–344–3555.)

Effect of Rulemaking

The Code of Federal Regulations, as proposed to be revised by this proposed rulemaking, would represent the exclusive legal authority on this subject. No contrary rules or procedures would be authorized. All VA guidance would be read to conform with this proposed rulemaking if possible or, if not possible, such guidance would be superseded by this rulemaking.

Paperwork Reduction Act

This proposed rule contains no provisions constituting a collection of

information under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3521).

Regulatory Flexibility Act

The Acting Secretary hereby certifies that this proposed rule would not have a significant economic impact on a substantial number of small entities as they are defined in the Regulatory Flexibility Act, 5 U.S.C. 601–612. This proposed rule would update current fire safety standards and would not require more than a modest capital investment on the part of affected entities. The changes to § 17.1 would likely affect between 50 and 100 of the 1,293 community residential care facilities approved for referral of veterans under the regulations. Medical Foster Homes are small entities, providing between 1 and 3 resident beds to veterans in each Medical Foster Home. The changes to § 17.74 would likely affect fewer than 10 of the 561 Medical Foster Homes approved by VA for referral under the regulations. Any additional costs for compliance with the proposed rule incurred by either community residential care facilities or Medical Foster Homes would constitute an inconsequential amount of the operational costs of such facilities. Where modification is anticipated, such as adding heat detection to unused attic space, the impact would be minimal because the costs to comply with the new requirements range from $100.00 to $500.00 dollars, which includes labor costs. In many cases, the adoption of the current NFPA codes and standards would provide options that are less restrictive than the prior NFPA codes and standards. The changes to §§ 17.81 and 17.82 would affect only small entities; however, most, if not all, of these entities are already in compliance with the current NFPA codes and therefore should not be significantly impacted by this rule. The changes to parts 51, 52, and 59 would affect State homes. The State homes that would be subject to this rulemaking are State government entities under the control of State governments. All State homes are owned, operated and managed by State governments except for a small number operated by entities under contract with State governments. These contractors are not small entities. On this basis, the Acting Secretary certifies that the adoption of this proposed rule would not have a significant economic impact on a substantial number of small entities as they are defined in the Regulatory Flexibility Act, 5 U.S.C. 601–612. Therefore, under 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.

Executive Orders 12866 and 13563

Executive Orders 12866 and 13563 direct agencies to assess all costs and benefits of available regulatory alternatives and, when regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, and other advantages; distributive impacts; and equity). Executive Order 13563 (Improving Regulation and Regulatory Review) emphasizes the importance of quantifying both costs and benefits, reducing costs, harmonizing rules, and promoting flexibility. Executive Order 12866 (Regulatory Planning and Review) defines a ''significant regulatory action,'' requiring review by OMB unless OMB waives such review as ''any regulatory action that is likely to result in a rule that may: (1) Have an annual effect on the economy of $100 million or more or adversely affect in a material way the economy, a sector 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 the Executive Order.''

The economic, interagency, budgetary, legal, and policy implications of this regulatory action have been examined, and it has been determined not to be a significant regulatory action under Executive Order 12866. VA's impact analysis can be found as a supporting document at *http://www.regulations.gov,* usually within 48 hours after the rulemaking document is published. Additionally, a copy of the rulemaking and its impact analysis are available on VA's Web site at *http://www1.va.gov/orpm/,* by following the link for ''VA Regulations Published.''

Unfunded Mandates

The Unfunded Mandates Reform Act of 1995 requires, at 2 U.S.C. 1532, that agencies prepare an assessment of anticipated costs and benefits before issuing any rule that may result in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of $100 million or more (adjusted annually for inflation) in any one year. This proposed rule would have no such effect on State, local, and tribal governments, or on the private sector.

Catalog of Federal Domestic Assistance

The Catalog of Federal Domestic Assistance numbers and titles for the programs affected by this document are 64.005, Grants to States for Construction of State Home Facilities; 64.007, Blind Rehabilitation Centers; 64.008, Veterans Domiciliary Care; 64.009, Veterans Medical Care Benefits; 64.010, Veterans Nursing Home Care; 64.011, Veterans Dental Care; 64.012, Veterans Prescription Service; 64.013, Veterans Prosthetic Appliances; 64.014, Veterans State Domiciliary Care; 64.015, Veterans State Nursing Home Care; 64.016, Veterans State Hospital Care; 64.018, Sharing Specialized Medical Resources; 64.019, Veterans Rehabilitation Alcohol and Drug Dependence; 64.022, Veterans Home Based Primary Care.

Signing Authority

The Acting Secretary of Veterans Affairs, or designee, approved this document and authorized the undersigned to sign and submit the document to the Office of the Federal Register for publication electronically as an official document of the Department of Veterans Affairs. Jose D. Riojas, Chief of Staff, Department of Veterans Affairs, approved this document on June 17, 2014, for publication.

List of Subjects

38 CFR Part 17

Administrative practice and procedure, Alcohol abuse, Alcoholism, Claims, Day care, Dental health, Drug abuse, Foreign relations, Government contracts, Grant programs—health, Grant programs—veterans, Health care, Health facilities, Health professions, Health records, Homeless, Medical and dental schools, Medical devices, Medical research, Mental health programs, Nursing homes, Philippines, Reporting and recordkeeping requirements, Scholarships and fellowships, Travel and transportation expenses, Veterans.

38 CFR Part 51

Administrative practice and procedure, Claims, Day care, Dental health, Government contracts, Grant programs—health, Grant programs—veterans, Health care, Health facilities, Health professions, Health records, Mental health programs, Nursing homes, Reporting and recordkeeping

requirements, Travel and transportation expenses, Veterans.

38 CFR Part 52

Administrative practice and procedure, Claims, Day care, Dental health, Government contracts, Grant programs—health, Grant programs—veterans, Health care, Health facilities, Health professions, Health records, Mental health programs, Nursing homes, Reporting and recordkeeping requirements, Travel and transportation expenses, Veterans.

38 CFR Part 59

Administrative practice and procedure, Alcohol abuse, Alcoholism, Claims, Day care, Dental health, Drug abuse, Foreign relations, Government contracts, Grant programs—health, Grant programs—veterans, Health care, Health facilities, Health professions, Health records, Homeless, Medical and dental schools, Medical devices, Medical research, Mental health programs, Nursing homes, Reporting and recordkeeping requirements, Travel and transportation expenses, Veterans.

Dated: July 9, 2014.

William F. Russo,

Deputy Director, Office of Regulation Policy & Management, Office of the General Counsel, U.S. Department of Veterans Affairs.

For the reasons set forth in this rulemaking, VA proposes to amend 38 CFR parts 17, 51, 52, and 59 as follows:

PART 17—MEDICAL

■ 1. The authority citation for part 17 continues to read as follows:

Authority: 38 U.S.C. 501, and as noted in specific sections.

■ 2. Amend § 17.1 as follows:

■ a. In paragraph (b)(2), remove ''NFPA 101, Life Safety Code (2009 edition)'' and add in its place ''NFPA 101, Life Safety Code (2012 edition)''.

■ b. In paragraph (b)(7), remove ''NFPA 25, Standard for the Inspection, Testing, and Maintenance of Water-Based Fire Protection Systems (2008 edition)'' and add in its place ''NFPA 25, Standard for the Inspection, Testing, and Maintenance of Water-Based Fire Protection Systems (2011 edition)''.

■ c. In paragraph (b)(8), remove ''NFPA 30, Flammable and Combustible Liquids Code (2008 edition)'' and add in its place ''NFPA 30, Flammable and Combustible Liquids Code (2012 edition)''.

■ d. In paragraph (b)(10), remove ''NFPA 720, Standard for the Installation of Carbon Monoxide (CO) Detection and Warning Equipment (2009 edition)'' and add in its place ''NFPA 720, Standard for the Installation of Carbon Monoxide (CO) Detection and Warning Equipment (2012 edition)''.

■ e. Add paragraph (c).

The addition reads as follows:

§ 17.1 Incorporation by reference.

* * * * *

(c) Existing buildings or installations that do not comply with the installation provisions of the codes or standards referenced in (b)(1), and (b)(3) through (b)(10) of this section shall be permitted to be continued in service, provided that the lack of conformity with these codes and standards does not present a serious hazard to the occupants.

§ 17.74 [Amended]

■ 3. Amend § 17.74 as follows:

■ a. In paragraph (g)(1), remove ''sections 24.3.4.1 or 24.3.4.2 of NFPA 101 (incorporated by reference, see § 17.1); section 24.3.4.3 of NFPA 101'' and add in its place ''sections 24.3.4.1.1 or 24.3.4.1.2 of NFPA 101 (incorporated by reference, see § 17.1); section 24.3.4.1.3 of NFPA 101''.

■ b. In paragraph (o)(2), remove ''section 3.3.44 of NFPA 30'' and add in its place ''NFPA 30''.

PART 51—PER DIEM FOR NURSING HOME CARE OF VETERANS IN STATE HOMES

■ 4. The authority citation for part 51 continues to read as follows:

Authority: 38 U.S.C. 101, 501, 1710, 1720, 1741–1743, and as stated in specific sections.

§ 51.200 [Amended]

■ 5. Amend § 51.200 as follows:

■ a. Remove all references to ''NFPA 101, Life Safety Code (2009 edition)'' and add, in each place, ''NFPA 101, Life Safety Code (2012 edition)''.

■ b. Remove all references to ''NFPA 99, Standard for Health Care Facilities (2005 edition)'' and add, in each place, ''Health Care Facilities Code (2012 edition)''.

PART 52—PER DIEM FOR ADULT DAY HEALTH CARE OF VETERANS IN STATE HOMES

■ 6. The authority citation for part 52 continues to read as follows:

Authority: 38 U.S.C. 101, 501, 1741–1743, unless otherwise noted.

§ 52.200 [Amended]

■ 7. Amend paragraph § 52.200(a) by removing ''NFPA 101, Life Safety Code (2000 edition)'' and add in its place ''NFPA 101, Life Safety Code (2012 edition)''.

PART 59—GRANTS TO STATES FOR CONSTRUCTION OR ACQUISITION OF STATE HOMES

■ 8. The authority citation for part 59 continues to read as follows:

Authority: 38 U.S.C. 101, 501, 1710, 1742, 8105, 8131–8137.

§ 59.130 [Amended]

■ 9. Amend § 59.130, in paragraph (d)(1), by removing ''NFPA 101, Life Safety Code (2009 edition)'' and adding in its place ''NFPA 101, Life Safety Code (2012 edition)'', by removing ''paragraph 3.3.32.5'' and adding in its place ''paragraph 3.3.36.5'', and by removing ''NFPA 99, Standard for Health Care Facilities (2005 edition)'' and adding in its place ''Health Care Facilities Code (2012 edition)''.

[FR Doc. 2014–16414 Filed 7–14–14; 8:45 am]

BILLING CODE 8320–01–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 51

[EPA–HQ–OAR–2009–0897; FRL–9913–69–OAR]

RIN 2060–AQ07

Withdrawal of the Prior Determination or Presumption That Compliance With the CAIR or the NO_X SIP Call Constitutes RACT or RACM for the 1997 8-Hour Ozone and 1997 Fine Particle NAAQS: Reopening of Public Comment Period

AGENCY: Environmental Protection Agency (EPA).

ACTION: Reopening of the public comment period.

SUMMARY: The Environmental Protection Agency (EPA) is announcing the reopening of the public comment period for its proposed rule titled, ''Withdrawal of the Prior Determination or Presumption that Compliance with the CAIR or the NO_X SIP Call Constitutes RACT or RACM for the 1997 8-Hour Ozone and 1997 Fine Particle NAAQS,'' which published in the **Federal Register** on June 9, 2014. The EPA has received a request to extend the comment period beyond July 9, 2014, and in response to that request, the EPA is reopening the comment period for an additional 30 days.

DATES: Comments on the proposed rule published June 9, 2014 (79 FR 32892) must be received on or before August 14, 2014.

ADDRESSES: Submit your comments, identified by Docket ID No. EPA–HQ–

OAR–2009–0897, by one of the following methods:

• *www.regulations.gov.* Follow the online instructions for submitting comments. Attention Docket ID No. EPA–HQ–OAR–2009–0897.

• *Email: a-and-r-docket@epa.gov.* Attention Docket ID No. EPA–HQ–OAR–2009–0897.

• *Fax:* (202) 566–9744. Attention Docket ID No. EPA–HQ–OAR–2009–0897.

• *Mail:* EPA Docket Center, EPA West (Air Docket), Attention Docket ID No. EPA–HQ–OAR 2009–0897, U.S. Environmental Protection Agency, Mailcode: 28221T, 1200 Pennsylvania Avenue NW., Washington, DC 20460. Please include a total of two copies.

• *Hand Delivery:* U.S. Environmental Protection Agency, William Jefferson Clinton West Building (Air Docket), 1301 Constitution Avenue NW, Room 3334, Washington, DC 20004, Attention Docket ID No. EPA–HQ–OAR–2009–0897. Such deliveries are only accepted during the Docket's normal hours of operation, and special arrangements should be made for deliveries of boxed information.

Instructions. Direct your comments to Docket ID No. EPA–HQ–OAR–2009–0897. The EPA's policy is that all comments received will be included in the public docket without change and may be made available online at *www.regulations.gov,* including any personal information provided, unless the comment includes information claimed to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Do not submit information that you consider to be CBI or otherwise protected through *www.regulations.gov* or email. The *www.regulations.gov* Web site is an ''anonymous access'' system, which means the EPA will not know your identity or contact information unless you provide it in the body of your comment. If you send an email comment directly to the EPA without going through *www.regulations.gov,* your email address will be automatically captured and included as part of the comment that is placed in the public docket and made available on the Internet. If you submit an electronic comment, the EPA recommends that you include your name and other contact information in the body of your comment and with any disk or CD–ROM you submit. If the EPA cannot read your comment due to technical difficulties and cannot contact you for clarification, the EPA may not be able to consider your comment. Electronic files should avoid the use of special characters, avoid any form of encryption, and be free of any defects or viruses. For additional information about the EPA's public docket, visit the EPA Docket Center homepage at *www.epa.gov/epahome/dockets.htm.*

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 the Air and Radiation Docket and Information Center, EPA/DC, William Jefferson Clinton West Building, Room 3334, 1301 Constitution Ave., NW., Washington, DC The Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Public Reading Room is (202) 566–1744, and the telephone number for the Air Docket is (202) 566–1742.

FOR FURTHER INFORMATION CONTACT: Ms. Kristin Riha, Office of Air Quality Planning and Standards, Air Quality Policy Division, Mailcode C539–01, Research Triangle Park, NC 27711, telephone: (919) 541–2031; fax number: (919) 541–5315; email address: *riha.kristin@epa.gov.*

SUPPLEMENTARY INFORMATION:

I. Background

On June 9, 2014, the EPA published in the **Federal Register** a rule proposing to withdraw any prior determination or presumption that, for the 1997 8-hour ozone national ambient air quality standard (NAAQS) and the 1997 fine particle NAAQS, compliance with the Clean Air Interstate Rule or the NO_X SIP Call automatically constitutes reasonably available control technology or reasonably available control measures for oxides of nitrogen or sulfur dioxide emissions from electric generating unit sources participating in these regional cap-and trade programs. The public comment period for the rulemaking closed on July 9, 2014. In response to a request from a commenter for additional time to submit comments, the EPA is reopening the comment period for an additional 30 days.

II. General Information

A. What should I consider as I prepare my comments for the EPA?

1. Submitting CBI. Do not submit this information to the EPA through *www.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 the 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 to be 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 submitting comments, remember to:

• Identify the rulemaking by docket number and other identifying information (subject heading, **Federal Register** date and page number).

• Follow directions—The agency may ask you to respond to specific questions or organize comments by referencing a Code of Federal Regulations (CFR) part or section number.

• Explain why you agree or disagree; suggest alternatives and substitute language for your requested changes.

• Describe any assumptions and provide any technical information and/or data that you used.

• If you estimate potential costs or burdens, explain how you arrived at your estimate in sufficient detail to allow for it to be reproduced.

• Provide specific examples to illustrate your concerns, and suggest alternatives.

• Explain your views as clearly as possible, avoiding the use of profanity or personal threats.

• Make sure to submit your comments by the comment period deadline identified.

C. Where can I get a copy of this document and other related information?

In addition to being available in the docket, an electronic copy of this notice will be posted at *http://www.epa.gov/airquality/ozonepollution/actions.html.*

Dated: July 7, 2014.

Mary E. Henigin,

Acting Director, Office of Air Quality Planning and Standards.

[FR Doc. 2014–16571 Filed 7–14–14; 8:45 am]

BILLING CODE 6560–50–P

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 11

[EB Docket No. 04–296; FCC 14–93]

Review of the Emergency Alert System

AGENCY: Federal Communications Commission.

ACTION: Notice of proposed rulemaking.

SUMMARY: In this document, the Federal Communications Commission (Commission) seeks comment on proposed changes to its rules governing the Emergency Alert System (EAS) to establish a national location code for EAS alerts issued by the President amend the Commission's rules governing a national EAS test code for future nationwide tests require broadcasters, cable service providers, and other entities required to comply with the Commission's EAS rules (EAS Participants) to file test result data electronically and require EAS Participants to meet minimal standards to ensure that EAS alerts are accessible to all members of the public, including those with disabilities.

DATES: Comments are due on or before August 14, 2014 and reply comments are due on or before August 29, 2014.

ADDRESSES: Commenters may submit comments, identified by EB Docket No. 04–296 by any of the following methods:

- Federal eRulemaking Portal: *http://www.regulations.gov.* Follow the instructions for submitting comments.
- Federal Communications Commission's Web site: *http://www.fcc.gov/cgb/ecfs/.* Follow the instructions for submitting comments.
- Mail: Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although the Commission continues to experience delays in receiving U.S. Postal Service mail). All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.
- People with Disabilities: Contact the Commission to request reasonable accommodations (accessible format documents, sign language interpreters, CART, *etc.*) by email: *FCC504@fcc.gov* or phone: 202–418–0530 or TTY: 202–418–0432.

For detailed instructions for submitting comments and additional information on the rulemaking process, see the **SUPPLEMENTARY INFORMATION** section of this document.

FOR FURTHER INFORMATION CONTACT: Lisa Fowlkes, Deputy Bureau Chief, Public Safety and Homeland Security Bureau, at (202) 418–7452, or by email at *Lisa.Fowlkes@fcc.gov.* For additional information concerning the Paperwork Reduction Act information collection requirements contained in this document, contact Benish Shah at (202) 418–7866 or send an email to *PRA@fcc.gov.*

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Notice of Proposed Rulemaking (*NPRM*) in EB Docket No. 04–296, FCC 14–93, adopted on June 25, 2014, and released on June 26, 2014. The full text of this document is available for inspection and copying during normal business hours in the FCC Reference Center (Room CY–A257), 445 12th Street SW., Washington, DC 20554. The complete text of this document also may be purchased from the Commission's copy contractor, Best Copy and Printing, Inc., 445 12th Street SW., Room CY–B402, Washington, DC 20554. The full text may also be downloaded at: *www.fcc.gov.*

Initial Paperwork Reduction Act of 1995 Analysis

This document contains proposed information collection requirements. It will be submitted to the Office of Management and Budget (OMB) for review under section 3507(d) of the Paperwork Reduction Act of 1995 (PRA), Public Law 104–13, 109 Stat 163 (1995). The Commission, as part of its continuing effort to reduce paperwork burdens, invites the general public and OMB to comment on the information collection requirements contained in this document, as required by the PRA. Public and agency comments on the PRA proposed information collection requirements are due September 15, 2014. Comments should address: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) the accuracy of the Commission's burden estimates; (c) ways to enhance the quality, utility, and clarity of the information collected; (d) ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology. In addition, pursuant to the Small Business Paperwork Relief Act of 2002, Public Law 107–198, *see* 44 U.S.C. 3506(c)(4), the Commission seeks specific comment on how it might ''further reduce the information collection burden for small business concerns with fewer than 25 employees.''

OMB Control Number: 3060–0207.

Title: Emergency Alert System Information Collection.

Form Number: Not applicable.

Type of Review: Revision of a currently approved collection.

Respondents: Business or other for–profit entities; Non-profit entities.

Number of Respondents: 27,468.

Estimated Time per Response: 3.28 hours.

Frequency of Response: Recordkeeping requirements; Reporting requirements; Third party disclosure requirement.

Obligation to Respond: Mandatory.

Total Annual Burden: 90,095 hours.

Total Annual Cost: $3,423,611.52.

Privacy Impact Assessment: No impact(s).

Nature and Extent of Confidentiality: The Commission will treat submissions pursuant to 47 CFR 11.61(a)(3) as confidential. *See* Review of the Emergency Alert System, EB Docket No. 04–296, *Third Report and Order,* 26 FCC Rcd 1460, 1485, paragraph 65 (2011).

Initial Regulatory Flexibility Analysis

1. As required by the Regulatory Flexibility Act of 1980, as amended (RFA), the Commission has prepared this present Initial Regulatory Flexibility Analysis (IRFA) of the possible significant economic impact of the proposals described in the attached *NPRM* on small entities. Written public comments are requested on this IRFA. Comments must be identified as responses to the IRFA and must be filed by the deadlines for comments in the *NPRM.* The Commission will send a copy of the *NPRM,* including this IRFA, to the Chief Counsel for Advocacy of the Small Business Administration (SBA). In addition, the *NPRM* and IRFA (or summaries thereof) will be published in the **Federal Register.**

A. Need for, and Objectives of, the Proposed Rules

2. The *NPRM* proposes rules to resolve problems with the EAS uncovered in the first nationwide Emergency Alert System (EAS) test conducted on November 9, 2011, and proposes further rules to evolve the paradigm for the future testing, exercise and use of the EAS to enhance the effectiveness of the EAS as an alerting tool for the public. In this *NPRM,* the Commission proposes that a national location code be adopted, that ''six zeroes'' should be that code; and that the National Periodic Test code be used to evaluate the readiness of the EAS for a live EAN. The Commission also proposes to establish a reporting

requirement using an updated, online EAS test reporting system (ETRS). Finally, the Commission proposes to establish minimum standards for visual crawl speed, completeness and placement that will improve the accessibility of EAS alerts. These proposed rules will help to ensure that the EAS better protects the life and property of all Americans.

3. Specifically, the *NPRM* contains the following proposed rule changes, and seeks comment on each:

- Proposes to establish a national location code for EAS alerts issued by the President;
- Proposes to adopt the National Periodic Test (NPT) code that emulates the functionality of the EAN for future nationwide EAS tests;
- Proposes to require EAS Participants to file test result data electronically using a new EAS Test Reporting System (ETRS);
- Proposes to require EAS Participants to meet minimal accessibility and comprehensibility standards.

B. Legal Basis

- Authority for the actions proposed in this *NPRM* may be found in sections 1, 2, 4(i), 4(o), 301, 303(r), 303(v), 307, 309, 335, 403, 624(g), 706, and 715 of the Communications Act of 1934, as amended, 47 U.S.C. 151, 152, 154(i), 154(o), 301, 303(r), 303(v), 307, 309, 335, 403, 544(g), 606, and 615.

C. Description and Estimate of the Number of Small Entities To Which Rules Will Apply

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

2. *Small Businesses, Small Organizations, and Small Governmental Jurisdictions.* The rules proposed in the attached *NPRM* may, over time, affect small entities that are not easily categorized at present, beyond the list of representative entities listed in the subsequent paragraphs. The Commission therefore describes here, at the outset, three comprehensive, statutory small entity size standards. First, nationwide, there are a total of approximately 27.9 million small businesses, according to the SBA. In addition, a ''small organization'' is generally ''any not-for-profit enterprise which is independently owned and operated and is not dominant in its field.'' Nationwide, as of 2007, there were approximately 1,621,315 small organizations. Finally, the term ''small governmental jurisdiction'' is defined generally as ''governments of cities, towns, townships, villages, school districts, or special districts, with a population of less than fifty thousand.'' Census Bureau data for 2011 indicate that there were 89,476 local governmental jurisdictions in the United States. The Commission estimates that, of this total, as many as 88,506 entities may qualify as ''small governmental jurisdictions.'' Thus, the Commission estimates that most governmental jurisdictions are small.

3. *Television Broadcasting.* The SBA has developed a small business sized standard for television broadcasting, which consists of all such firms having $13 million or less in annual receipts. Business concerns included in this industry are those ''primarily engaged in broadcasting images together with sound.'' According to Commission staff review of BIA Publications, Inc. Master Access Television Analyzer Database, as of May 16, 2003, about 814 of the 1,220 commercial television stations in the United States had revenues of $12 million or less. The Commission notes, however, that, in assessing whether a business concern qualifies as small under the above definition, business (control) affiliations must be included. The Commission's estimate, therefore, likely overstates the number of small entities that might be affected by the Commission's action, because the revenue figure on which it is based does not include or aggregate revenues from affiliated companies. There are also 2,127 low power television stations (''LPTV''). Given the local nature and power limits of this service, the Commission will presume that all LPTV licensees qualify as small entities under the SBA size standard.

4. *Radio Stations.* The revised rules and policies potentially will apply to all AM and commercial FM radio broadcasting licensees and potential licensees. The SBA defines a radio broadcasting station that has $6.5 million or less in annual receipts as a small business. A radio broadcasting station is an establishment primarily engaged in broadcasting aural programs by radio to the public. Included in this industry are commercial, religious, educational, and other radio stations. Radio broadcasting stations which primarily are engaged in radio broadcasting and which produce radio program materials are similarly included. However, radio stations that are separate establishments and are primarily engaged in producing radio program material are classified under another NAICS number. According to Commission staff review of BIA Publications, Inc. Master Access Radio Analyzer Database on March 31, 2005, about 10,840 (95 percent) of 11,410 commercial radio stations have revenue of $6 million or less. The Commission notes, however, that many radio stations are affiliated with much larger corporations having much higher revenue. The Commission's estimate, therefore, likely overstates the number of small entities that might be affected by the Commission's action.

5. *Cable and Other Program Distribution.* The SBA has developed a small business size standard for cable and other program distribution, which consists of all such firms having $12.5 million or less in annual receipts. According to Census Bureau data for 1997, in this category there was a total of 1,311 firms that operated for the entire year. Of this total, 1,180 firms had annual receipts of under $10 million, and an additional 52 firms had receipts of $10 million to $24,999,999. Thus, under this size standard, the majority of firms can be considered small. In addition, limited preliminary census data for 2002 indicate that the total number of cable and other program distribution companies increased approximately 46 percent from 1997 to 2002.

6. *Cable System Operators (Rate Regulation Standard).* The Commission has developed its own small business size standard for cable system operators, for purposes of rate regulation. Under the Commission's Rules, a ''small cable company'' is one serving 400,000 or fewer subscribers nationwide. The Commission has estimated that there were 1,065 cable operators who qualified as small cable system operators at the end of 2005. Since then, some of those companies may have grown to serve over 400,000 subscribers, and others may have been involved in transactions that caused them to be combined with other cable operators. Consequently, the Commission estimates that there are fewer than 1,065 small entity cable system operators that may be affected by the rules and policies proposed herein.

7. *Cable System Operator (Telecom Act Standard).* The Communications Act of 1934, as amended, also contains a size standard for small cable system operators, which is ''a cable operator that, directly or through an affiliate, serves in the aggregate fewer than 1 percent of all subscribers in the United States and is not affiliated with any entity or entities whose gross annual revenues in the aggregate exceed $250,000,000.'' The Commission has determined that an operator serving fewer than 677,000 subscribers shall be deemed a small operator, if its annual revenues, when combined with the total annual revenues of all its affiliates, do not exceed $250 million in the aggregate. Industry data indicate that, of 1,076 cable operators nationwide, all but ten are small under this size standard. The Commission notes that the Commission neither requests nor collects information on whether cable system operators are affiliated with entities whose gross annual revenues exceed $250 million, and therefore the Commission is unable to estimate more accurately the number of cable system operators that would qualify as small under this size standard.

8. *Broadband Radio Service (BRS).* The proposed rules apply to Broadband Radio Service (BRS), operated as part of a wireless cable system. The Commission has defined ''small entity'' for purposes of the auction of BRS frequencies as an entity that, together with its affiliates, has average gross annual revenues that are not more than $40 million for the preceding three calendar years. This definition of small entity in the context of BRS auctions has been approved by the SBA. The Commission completed its BRS auction in March 1996 for authorizations in 493 basic trading areas. Of 67 winning bidders, 61 qualified as small entities. At this time, the Commission estimates that of the 61 small business BRS auction winners, 48 remain small business licensees.

9. *Cable and Other Subscription Programming.* This industry comprises establishments primarily engaged in operating studios and facilities for the broadcasting of programs on a subscription or fee basis. The broadcast programming is typically narrowcast in nature (*e.g.,* limited format, such as news, sports, education, or youth-oriented). These establishments produce programming in their own facilities or acquire programming from. The programming material is usually delivered to a third party, such as cable systems or direct-to-home satellite systems, for transmission to viewers. The SBA size standard for this industry establishes as small any company in this category which receives annual receipts of $15 million or less. Based on U.S. Census data for 2007, in that year 659 establishments operated for the entire year. Of that 659,197 operated with annual receipts of $10 million a year or more. The remaining 462 establishments operated with annual receipts of less than $10 million. Based on this data, the Commission estimates that the majority of establishments operating in this industry are small.

10. *The Educational Broadband Service (EBS).* The proposed rules would also apply to The Educational Broadband Service (EBS) facilities operated as part of a wireless cable system. The SBA definition of small entities for pay television services also appears to apply to EBS. There are presently 2,032 ITFS licensees. All but 100 of these licenses are held by educational institutions. Educational institutions are included in the definition of a small business. However, the Commission does not collect annual revenue data for EBS licensees, and are not able to ascertain how many of the 100 non-educational licensees would be categorized as small under the SBA definition. Thus, the Commission tentatively concludes that at least 1,932 are small businesses and may be affected by the established rules.

11. *Incumbent Local Exchange Carriers (''LECs'').* The Commission has included small incumbent LECs in this present IRFA analysis. As noted above, a ''small business'' under the RFA is one that, *inter alia,* meets the pertinent small business size standard (*e.g.,* a telephone communications business having 1,500 or fewer employees), and ''is not dominant in its field of operation.'' The SBA's Office of Advocacy contends that, for RFA purposes, small incumbent LECs are not dominant in their field of operation because any such dominance is not ''national'' in scope. The Commission has therefore included small incumbent local exchange carriers in this RFA analysis, although the Commission emphasizes that this RFA action has no effect on Commission analyses and determinations in other, non-RFA contexts. Neither the Commission nor the SBA has developed a small business size standard specifically for incumbent local exchange services. The appropriate size standard under SBA rules is for the category Wired Telecommunications Carriers. Under that size standard, such a business is small if it has 1,500 or fewer employees. According to Commission data, one-thousand three-hundred and three carriers have reported that they are engaged in the provision of incumbent local exchange services. Of these 1,303 carriers, an estimated 1,020 have 1,500 or fewer employees and 283 have more than 1,500 employees. Consequently, the Commission estimates that most providers of incumbent local exchange service are small businesses that may be affected by the Commission's proposed rules.

12. Competitive (LECs), Competitive Access Providers (CAPs), ''Shared-Tenant Service Providers,'' and ''Other Local Service Providers.'' Neither the Commission nor the SBA has developed a small business size standard specifically for these service providers. The appropriate size standard under SBA rules is for the category Wired Telecommunications Carriers. Under that size standard, such a business is small if it has 1,500 or fewer employees. According to Commission data, 769 carriers have reported that they are engaged in the provision of either competitive access provider services or competitive local exchange carrier services. Of these 769 carriers, an estimated 676 have 1,500 or fewer employees and 93 have more than 1,500 employees. In addition, 12 carriers have reported that they are ''Shared-Tenant Service Providers,'' and all 12 are estimated to have 1.500 or fewer employees. In addition, 39 carriers have reported that they are ''Other Local Service Providers.'' Of the 39, an estimated 38 have 1,500 or fewer employees and one has more than 1,500 employees. Consequently, the Commission estimates that most providers of competitive local exchange service, competitive access providers, ''Shared-Tenant Service Providers,'' and ''Other Local Service Providers'' are small entities that may be affected by the Commission's proposed rules.

13. *Satellite Telecommunications and Other Telecommunications.* The Commission has not developed a small business size standard specifically for providers of satellite service. The appropriate size standards under SBA rules are for the two broad categories of Satellite Telecommunications and Other Telecommunications. Under both categories, such a business is small if it has $12.5 million or less in average annual receipts. For the first category of Satellite Telecommunications, Census Bureau data for 1997 show that there were a total of 324 firms that operated for the entire year. Of this total, 273 firms had annual receipts of under $10 million, and an additional twenty-four firms had receipts of $10 million to $24,999,999. Thus, the majority of Satellite Telecommunications firms can be considered small.

14. The second category—*Other Telecommunications*—includes ''establishments primarily engaged in . . . providing satellite terminal stations and associated facilities operationally connected with one or more terrestrial communications systems and capable of transmitting telecommunications to or receiving telecommunications from satellite systems.'' Of this total, 424 firms had annual receipts of $5 million to $9,999,999 and an additional 6 firms had annual receipts of $10 million to $24,999,990. Thus, under this second size standard, the majority of firms can be considered small.

D. Description of Projected Reporting, Recordkeeping, and Other Compliance Requirements

• This *NPRM* proposes that EAS Participants submit data concerning their compliance with the EAS rules via a mandatory electronic reporting system, the Electronic Test Reporting System (ETRS). The Commission proposes that any reporting under the ETRS would be identical that required of all EAS Participants, including small entities, in the November, 2011 Nationwide EAS Test, a collection that was approved by OMB. The impact on small entities of the ETRS is consistent with their past OMB-approved practice under the EAS, and thus would impose no undue burden.

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

15. The RFA requires an agency to describe any significant, specifically small business alternatives that it has considered in reaching its proposed approach, which may include the following four alternatives (among others): ''(1) the establishment of differing compliance or reporting requirements or timetables that take into account the resources available to small entities; (2) the clarification, consolidation, or simplification of compliance or reporting requirements under the rule for small entities; (3) the use of performance, rather than design, standards; and (4) and exemption from coverage of the rule, or any part thereof, for small entities.''

16. The *NPRM* is technologically neutral in order to enable small entities flexibility to comply with the Commission's proposed rules using EAS equipment offered by a variety of vendors. Commenters are invited to propose steps that the Commission may take to minimize any significant economic impact on small entities. When considering proposals made by other parties, commenters are invited to propose significant alternatives that serve the goals of these proposals. The Commission expects that the record will develop to demonstrate significant alternatives. In particular, the Commission expects that the record will develop to indicate whether EAS Participants who otherwise would be required to replace their EAS equipment can comply with the rules the Commission proposes by deploying an intermediary device.

F. Federal Rules That May Duplicate, Overlap, or Conflict With the Proposed Rules

17. None.

Synopsis of the Notice of Proposed Rulemaking

A. Scope

1. Since the first nationwide EAS test in 2011, there have been technological advances and deployments of new systems in the alerting landscape. Most relevant to EAS has been the changeover to alerting that uses the Internet-based Common Alerting Protocol (CAP). In addition to CAP implementation, beginning in April 2012, FEMA, the Commission and the wireless industry deployed the Wireless Emergency Alert (WEA) system, which allows the public to receive geographically-targeted alerts over WEA-capable cell phones and other mobile devices. Further, the Nation's communications networks are in the midst of technology transitions which will entail fundamental and comprehensive changes in how data and voice are communicated end to end (involving virtually all aspects of the routing and coding of such communications). Many stakeholders, realizing the impact that this transition will have on the way in which consumers will be able to receive timely and accurate emergency alerts, express the need and desire to routinely test and exercise not only the EAS, but also the WEA and the entire IPAWS to ensure that Americans continue to have access to an effective emergency alert system.

2. While the Commission agrees with this assessment and understands the desire for prompt testing of these systems, the Commission believes it is imperative first to establish at the national level overarching parameters for such testing. Such an alerting paradigm would allow alert originators at the federal, state and local levels, as well as other stakeholders, to ensure that these systems are an effective and viable tool for alerting the public. Consequently, with this *NPRM,* the Commission continues its dialogue with federal government partners, state and local governments, communications service providers and other alerting stakeholders to achieve this result.

3. As the Commission continues this discussion, it is crucial that it first take steps to address known vulnerabilities in the EAS. In this *NPRM,* the Commission seeks comment on proposed rule changes designed to address two of the problems identified by the 2011 Nationwide EAS Test, specifically the lack of a national location code, and the lack of minimum comprehensibility and accessibility guidelines to ensure that the public, including those with disabilities, can clearly understand alerts provided to them. The Commission also seeks comment on whether it should adopt an electronic EAS Test Reporting System (ETRS), and how the Commission should define use of the NPT code for future nationwide tests.

B. Proposed Rule Changes Affecting Header Code Elements

1. Use of a National Location Code

4. Section 11.31(c) of the Commission's rules requires, among other things, that all EAS alert messages include a geographic location code to indicate the affected area of an emergency. The EAS rules contain a list of location codes for the States, Territories and offshore Marine Areas that EAS equipment are required to recognize. The EAS rules do not contain a location code for the entire United States. In the *Third Report and Order,* the Commission declined to adopt a national location code for the first nationwide EAS test out of concern that to do so would require significant reprogramming of EAS equipment. Rather, for the first test, the Bureau and FEMA elected to use the Washington, DC location code. Use of this code resulted in inconsistent results across the country. As detailed in the *EAS Nationwide Test Report,* although many EAS Participants outside of Washington, DC were able to process the Washington, DC code, some EAS Participants reported that their EAS and other network equipment rejected the ''out of area'' alert, and terminated the test alert partway through the transmission. In the *EAS Operational Issues Public Notice,* the Bureau noted the difficulties arising from the use of the Washington DC location code and sought comment on whether the Commission should adopt a national location code for future testing, and if so, what that code should be.

5. Most commenters, including FEMA, support adoption of a national

location code to facilitate national activations and testing of the EAS. In particular, commenters overwhelmingly support the adoption of ''six zeroes'' (000000) as the national location code. Commenters provide an array of justifications for their position. FEMA asserts that use of the ''six zeroes'' location code will further harmonize the Commission's EAS rules with CAP standards, which already recognize ''six zeroes'' as the national location code. Trilithic adds that the addition of the ''six zeroes'' code for general use is a prerequisite for geo-targeting of the EAN, as EAS equipment would otherwise ignore the location codes if the event code is an EAN. NCTA states that use of ''six zeroes'' as the national location code will ensure that the EAN is processed and retransmitted in the same format throughout the EAS ecosystem. Sage also supports the use of ''six zeroes'' as the national location code, but concedes that the ''DC code may have a smaller total system cost.'' Only DirecTV does not support the ''six zeroes'' location code, stating its belief that ''[r]ather than embark upon an untested approach that would rely upon a new nationwide location code . . . the Commission would be better served by continuing to use the approach taken for the Nationwide EAS Test.''

6. With regard to the steps that equipment manufacturers need to take to integrate a ''six zeroes'' location code into their equipment, Monroe and Trilithic note that most equipment is already capable of processing ''six zeroes'' as the national location code either because the code is resident in the equipment, or because the software in the equipment can be upgraded to accommodate the location code. Other manufacturers note that equipment that reaches the end of its lifecycle will need to be replaced because manufacturers no longer support such equipment and will not provide the type of software upgrade necessary to activate the ''six zeroes'' national location code. NCTA comments that, notwithstanding the fact that the software in most of its members' EAS equipment can be upgraded to accommodate the ''six zeroes'' national location code, cable and other multichannel video programming distributors (MVPD) will have to upgrade various ''downstream'' portions of their networks to accommodate the ''six zeroes'' code and accurately deliver alerts.

7. Based on the comments received in response to the Bureau's *EAS Operational Issues Public Notice,* the Commission proposes that EAS Participants be required to have the capability to receive and process a national location code, and that ''six zeroes'' be designated as that code. The Commission believes that the addition of this national location code will bring additional consistency to the operation of EAS equipment in both national and local activations. In addition, the equipment and network upgrades that will enable the use of a national location code, taken in conjunction with the Commission's rules requiring that EAS equipment recognize all header codes, will prevent EAS equipment from programmatically ignoring location header codes when used with an EAN event code, thus enabling FEMA to use other specific location codes for a geo-targeted EAN should the President wish to address a particular part of the country rather than the nation as a whole. The Commission also agrees with FEMA that adoption of ''six zeroes'' as the national location code has the additional long-term benefit of ensuring consistency between the Commission's EAS rules and industry CAP standards, which, in turn, will facilitate the integration of the EAS into IP-based alerting systems such as IPAWS. The Commission seeks comment on this proposal and rationale.

2. Use of the National Periodic Test Code (NPT)

8. In the *Third Report and Order,* the Commission chose to use the EAN for the first nationwide EAS test primarily because an EAN-based test most closely mirrored an actual alert. At that time, the Commission also acknowledged that there was value to testing the national-level EAS without using a live code, and concluded that it would consider an alternative to live code testing such as the NPT in the future. For that first test, in order to minimize confusion from the use of the live EAN code and its attendant video text crawl announcing a national emergency, EAS Participant stakeholder organizations provided ''This is only a Test'' slides for broadcast and MVPD EAS Participants to display during the test. Not all cable service providers were able to display the slide, and as noted in the *EAS Nationwide Test Report,* while the use of the EAN had been successful, some deaf and hard of hearing people had reported confusion caused by the inability of some EAS Participants to visually display the ''This is only a Test'' slide. The *EAS Nationwide Test Report* noted that one way to avoid such confusion in the future would be to use the NPT, and that ''use of the NPT would allow FEMA and the FCC to conduct nationwide EAS tests without the need for an extensive public outreach campaign such as that necessary for the first nationwide EAS test.''

9. In the *EAS Operational Issues Public Notice,* the Bureau sought comment on whether it should consider amending its rules to facilitate use of the NPT code instead of the EAN for future testing. The Bureau also sought guidance on the technical feasibility and operational requirements of an NPT activation, and whether the Commission's rules should ''require that EAS messages containing the NPT code be promulgated throughout the EAS just like an EAN.'' In its comments, FEMA expresses a desire to use the NPT code for the next nationwide test of the EAS component of IPAWS—a test that FEMA also notes that it wishes to conduct ''in the near future—but acknowledges that the EAS rules do not provide enough guidance on how EAS equipment must process the NPT. Accordingly, FEMA requests that the Commission provide such guidance, and notes its preference that the NPT be ''relayed and forwarded in the same fashion and with the same immediacy as an EAN.'' Other commenters agree that the NPT should be used for most nationwide EAS tests, but also believe that the NPT does not need to fully emulate the EAN duration function to be an effective test code.

10. Commenters support the use of the NPT, but most agree that requiring the NPT to emulate the EAN's priority and duration qualities will entail significantly more substantial software and hardware upgrades for EAS Participants than those required for the national location code the Commission proposes. Commenters also state that use of an NPT that fully emulates the EAN will require testing, and updates to software and standards for downstream equipment such as cable set top boxes and Digital Network Control Systems (DNCS). NCTA, in particular, notes that requiring an NPT coded test to trigger automatically, immediately upon receipt, and to last longer than two minutes would require changes to the SCTE 18 2013 standard, as well as to corresponding product specifications and system design changes that would affect the entire MVPD industry. According to NCTA, this process would take as long as three years to complete, and would be significantly more expensive than requiring the ''six zeroes'' location code alone.

11. According to commenters, a less expensive and more rapidly deployable method of utilizing the NPT for a national EAS test would simply be to enable the NPT as it is currently programmed in most, if not all, EAS equipment. Specifically, Sage recommends that programming EAS

equipment to treat the NPT as a ''normal'' EAS alert would be a simpler and equally effective way to test the integrity of the links in the EAS distribution hierarchy. As the Commission noted in the *Third Report and Order,* although such use of the NPT would be limited to two minutes, EAS Participants could ensure mandatory carriage of the NPT by manually reprogramming their EAS equipment to automatically respond to the NPT.

12. The Commission agrees with the majority of commenters that there should be a non-EAN option for future EAS testing, and that the NPT is the obvious alternative. The Commission is aware that it must balance the need for regular testing of the EAS with a clear standard by which such tests should be conducted, and that any EAS testing rules should offer FEMA maximum flexibility to test the EAS and the other IPAWS elements that FEMA administers. At the same time, the Commission wants to ensure that its rules provide a benefit that fully justifies the costs that implementing any proposed rules would impose on EAS Participants. Accordingly, the Commission proposes to amend its rules to create an option to use the NPT for EAS testing. That being said, the Commission is cognizant that the NPT can be tailored in different ways, with different costs and benefits. The Commission therefore seeks comment on the manner in which the NPT should be deployed for any upcoming EAS tests.

13. The Commission first seeks comment on whether it should require that the NPT be activated like any other EAS alert. This option, according to commenters, offers almost all the benefits of full EAN emulation. However, it would not test the reset functionality of EAS equipment by lasting longer than two minutes, and it would not override all other EAS alerts. An NPT event code that does not exceed two minutes in length is consistent with the existing EAS rules, as the EAN is the only event code that does not limit the duration of the alert. The Bureau currently has the delegated authority to require that EAS Participants use the NPT for future national testing, and the Bureau may exercise this authority at any time to require the NPT to be used in a nationwide EAS test in a manner consistent with the current rules, *i.e.,* that it be treated like any other event code. Treating the NPT like any other EAS activation also would satisfy FEMA's stated desire for a test in near future, and would do so in a manner that imposes minimal costs on EAS Participants. Thus, should FEMA decide to schedule a nationwide EAS test that does not exceed two minutes in length, the Bureau may, should this issue still be pending before the Commission, require that EAS Participants reprogram their EAS equipment to automatically process the NPT.

14. The Commission also seeks comment on whether it should revise its EAS rules to define the NPT as a test code that fully emulates the EAN in all of its characteristics—particularly its priority over any other message, and its indefinite length. The Commission notes that an NPT that fully emulates the EAN would create a test environment that closely approximates real emergency conditions, thereby maximizing the information that can be derived from testing the EAS with a non-EAN option. On the other hand, it would be a far more costly option for EAS Participants, and the extra time that it would take for EAS Participants to implement an EAN-emulating NPT would preclude FEMA's ability to use such an NPT for a test conducted in the near future. Thus, would the benefits of full emulation outweigh the costs? The Commission also seeks comment on whether a test that lasts more than two minutes is necessary. Can the question of whether EAS equipment will reset after the first two minutes of an EAN alert (or an EAN-emulating NPT test) be answered in a test bed, or does such a test require that the entire ''daisy chain'' linkage be involved? If a test of more than two minutes is needed, could FEMA avoid the expense of such a test by using the EAN option instead? How would the cost of conducting another EAN-based nationwide test compare with the costs of conducting a test with an NPT that fully emulates the EAN? What were the costs to EAS Participants to participate in the first nationwide EAS test, including any efforts to conduct public outreach in advance of the test? Would the costs of a new EAN-based test differ from those of the first nationwide EAS test? How would such costs compare to a test using the NPT that operates within a two minute duration, the approach suggested by some commenters? Commenters should offer specific figures and data to support their comments and should include costs of any public outreach that would be required with each type of test. The Commission also seeks comment on whether the three-year time period for full implementation of an EAN-emulating NPT, suggested by some commenters, is reasonable or necessary. Can an EAN emulating NPT be deployed in a shorter period of time? Would deploying an NPT that fully emulates the EAN increase costs fourfold, as some commenters suggest? Parties should offer specific technical and cost-based support to their comments.

C. Updated EAS Test Reporting System (ETRS)

15. In the *Third Report and Order,* the Commission adopted a new § 11.61(a)(3)(iv) to require that EAS Participants submit nationwide test result data to the Commission within 45 days following the test (*i.e.,* by December 27, 2011, for the first test). EAS Participants had the option of complying with the reporting requirements either with a paper filing or through an electronic reporting system.

16. As the Bureau reported in the *EAS Nationwide Test Report,* over 16,000 EAS Participants submitted test result data; the vast majority chose to file electronically rather than submit paper filings. The data available from the electronic reporting system allowed the Commission to generate reports that would not have been feasible with paper filings alone. As a result of the positive response to the electronic filing system employed in the first nationwide EAS test, the *EAS Nationwide Test Report* recommended that the Commission develop a new electronic reporting system and related database to expedite filing of test result data by EAS Participants. Subsequently, at its March 20, 2014 meeting, the CSRIC also recommended that the Commission adopt a federal government database to contain EAS Participants' monitoring assignments.

1. Mandating ETRS

17. EAS Participants and other stakeholders support use of an electronic reporting system to facilitate filing of EAS test result data. NAB suggests improvements, primarily the addition of a filing receipt to provide verification that the EAS Participant has successfully and timely submitted its report.

18. Based on the preference shown for the electronic filing option prior to and during the first nationwide EAS test, and on the largely positive responses to a permanent electronic filing system in general, the Commission proposes to designate in the Commission's EAS rules the ETRS (as defined below) as the primary EAS reporting system, and to require that all EAS Participants submit nationwide EAS test result data electronically via the ETRS for any future national EAS tests. As the Commission discusses in further detail

below, the Commission also proposes to require EAS Participants to file ETRS Form One, the self-identifying portion of the ETRS, within one year of the effective date of the rules the Commission ultimately adopts, and to update the information that EAS Participants are required to supply in Form One on a yearly basis, and as required by any updates or waivers to EAS State Plans.

19. The ETRS adopted for the 2011 Nationwide EAS Test is comprised of the following three web-based forms: *Form One* asked each EAS Participant for identifying and background information, including EAS designation, EAS monitoring assignments, facility location, equipment type, and contact information, and other relevant data. *Form Two* asked each EAS Participant whether it received the Nationwide EAS Test alert code and, if required to do so, whether the EAS Participant propagated the alert code downstream. *Form Three* asked each EAS Participant to submit detailed information regarding its receipt and propagation, if applicable, of the alert code, including an explanation of any complications in receiving or propagating the code. The Commission proposes that it adopt the identical format for the permanent ETRS, subject to the revisions it proposes below regarding filing receipts and the pre-population of the forms with identifying data already in the Commission's possession. The Commission seeks comment on this proposal and the proposed forms.

20. Based on the Bureau's experience during the first nationwide EAS test, and on stakeholder comments, the Commission also agrees that the next iteration of the ETRS should give filers the capability to review filings prior to final submission and to retrieve previous filings to correct errors. The Commission seeks comment on this proposal.

21. We further propose that EAS Participants not be required to input into the ETRS data that EAS Participants may have previously provided to the Commission elsewhere. The Commission agrees with the recent CSRIC Report that pre-populating the ETRS with data such as transmitter location, call signs, *etc.,* that are already in the possession of the Commission would lessen the burden of filing and make the reporting process more cost effective for EAS Participants. The Commission seeks comment on what data should be included in this category. The Commission further proposes that data drawn from other systems, such as a licensing database, not be editable in the ETRS by the filer. The Commission seeks comment on these proposals.

2. State Plan Data Tables

22. The Commission next proposes that it revise its rules to integrate the identifying information provided by Form One of the new ETRS into the EAS State Plans filed pursuant to § 11.21 of the Commission's EAS rules. This rule requires that EAS State Plans include ''a data table, in computer readable form, clearly showing monitoring assignments and the specific primary and backup path for EAN messages that are formatted in the EAS Protocol (specified in § 11.31), from the PEP to each station in the plan.'' The rules further require that such tables be combined into an FCC Mapbook that ''organizes all broadcast stations and cable systems according to their State, EAS Local Area, and EAS designation.'' The CSRIC endorses the use of a tabular matrix for the collection of test data from EAS Participants. To date, however, the State Emergency Communication Committees (SECCs) have not been able to supply the Commission with the data necessary to populate the data tables or Mapbook.

23. In the Commission's review of the data from the first nationwide EAS test, it noted that the data from Form One of the ETRS could be used to create the required data table and the FCC Mapbook, and that both could be maintained in a dynamic, consistently updated manner. The Commission believes that using the data from the ETRS in this fashion has great value, as it transforms the ETRS from a one-time burden into a permanently useful tool that will allow the Commission and authorized state authorities to see how an EAN (or any other EAS alert) is actually propagated through the EAS architecture, and see any vulnerabilities and single points of failure in the distribution architecture before such a failure could cause real harm. Accordingly, the Commission proposes that the ETRS be maintained on a permanent basis to act as a complement to the EAS State Plans that are filed with the Commission.

D. Visual Crawl and Audio Accessibility

1. Visual Crawl

24. It is the Commission's statutory obligation, as well as longstanding Federal government and Commission policy, to ensure that all members of the public, including those with disabilities, have access to emergency alerts. The Commission's EAS rules are designed to provide such accessibility by requiring that EAS Participants deliver EAS alerts in both audio and visual form. The visual form of an EAS alert generally takes the form of a text crawl that is displayed at the top of the screen.

25. According to several comments and other feedback the Commission received, the test message transmitted during the first nationwide test was inaccessible to many consumers. For example, stakeholders note that the visual message in some of the text crawls generated for the EAN scrolled across the screen too quickly, or its font was difficult to read. Others state that ''the national EAS test message did not consistently present the alert in both audio and visual formats.''

26. In the *EAS Operational Issues Public Notice,* the Bureau noted that although the EAS rules require that EAS alerts be presented visually, the rules do not specify font size or text crawl speed. The Bureau sought comment on whether and how the Commission should address this lack of guidance. Specifically, the Bureau asked whether the Commission should encourage the development of industry best practices, amend its EAS rules to establish minimum specifications for the presentation of EAS text crawls, or propose other solutions. The Bureau invited suggestions for how specifications could be crafted for all text crawl elements.

27. Most commenters agree that EAS alert accessibility must be improved. Some commenters emphasize the importance of equal access to information, and assert that information provided visually also should be provided audibly, and vice versa. Despite this general agreement, no party provides detailed recommendations for achieving this goal. In addition, EAS Participants and other stakeholders argue that, rather than ''one size fits all'' rules, the Commission should address this issue by encouraging the development of voluntary best practices either through an initiative spearheaded by the CSRIC, or by encouraging consumer groups and industry organizations to engage in joint efforts themselves. Industry stakeholders argue that text crawls are generated in multiple fashions and by various pieces of equipment other than EAS encoder/decoders. As a result, these commenters argue, the process is too ''decentralized'' to be encompassed within the EAS rules. Commenters also claim—without supplying specific cost data—that any Commission ''one size fits all'' rules would lead to ''astronomical'' costs because such rules would necessitate replacement of much of the multi-use hardware involved in message display.

28. We are mindful of EAS Participants' concerns about cost and

the desire for flexibility in managing their technical systems. However, all members of the public should be able to receive timely and accurate EAS alerts so that they can take quick action to protect their lives as well as those of family members. It is critical, therefore, that the EAS be accessible to all members of the public, including those with disabilities. Moreover, as noted above, FEMA expresses a desire to test the EAS again in the near future. Even more importantly, a national emergency requiring activation of the EAS by the President could come at any time. In light of this, the Commission believes it is imperative that the Commission consider the option of establishing minimum accessibility requirements. In so doing, the Commission's goal is to ensure that EAS alerts are delivered in a format that is readily understood by the public and therefore can accomplish their intended impact, *i.e.,* to warn the public about impending threats to life and property. Accordingly, as discussed below, the Commission proposes to amend its EAS rules to require minimum standards for EAS visual crawls, specifically with respect to crawl speed, completeness and placement. The Commission seeks comment on these proposals. In addition, the Commission encourages parties representing industry and consumers, including those with disabilities to work together to develop alternative recommendations and to submit them promptly in the record for the Commission's consideration in this proceeding.

29. *Crawl Speed:* The Commission believes that its Commission's closed captioning rules provide a useful guide in addressing the visual crawl speed issue. Those rules require that ''captions be displayed on the screen at a speed that can be read by viewers.'' The Commission believes that such a standard should apply to EAS alerts and thus propose to revise § 11.51(d) of the Commission's EAS rules to require that an EAS text crawl be displayed on the screen at a speed that can be read by viewers. The Commission seeks comment on this proposal. In addition, the Commission seeks comment on what might constitute ''a speed that can be read by viewers,'' and whether the Commission should include a specific crawl speed in the EAS rules. Is there research demonstrating whether text crawls of certain word or character lengths and speeds are more or less challenging to read or comprehend? The Commission also seeks comment on a standard for non-English alerts.

30. *Completeness:* Under the closed captioning rules, ''completeness'' requires that closed captions must run from the beginning to the end of the program, to the fullest extent possible. The Commission believes that a text crawl describing the nature of the EAS alert or test should continue throughout the duration of the EAS activation. Thus, the Commission proposes to revise § 11.51(d) of the Commission's EAS rules to require that an EAS text crawl must be displayed continuously throughout the duration of any EAS activation. The Commission seeks comment on this proposal.

31. *Placement:* Under the Commission's closed captioning rules, captions must be ''well-placed.'' In other words, they ''shall not block other important visual content on the screen,'' caption font should be sized appropriately for legibility, lines of captions should not overlap one another, and captions should be adequately positioned so that they do not run off the edge of the video screen. The Commission believes that the EAS rules already contain a portion of this requirement, stating that an EAS text crawl ''shall be displayed at the top of the television screen or where it will not interfere with other visual messages.'' The Commission believes that adding the remainder of the closed caption placement standard to its EAS rules would address the difficulties that certain members of the public had understanding the text crawls during the first nationwide EAS test, and would do so in a manner that provides EAS Participants and other EAS stakeholders with sufficient flexibility to accommodate various broadcast and MVPD ecosystems. Accordingly, the Commission proposes that it revise § 11.51(d) of the Commission's EAS rules to incorporate the language of the closed captioning rules with respect to text crawl placement. In other words, an EAS text crawl must be displayed in a manner that (1) does not block other important visual content on the screen, (2) utilizes a text font that is sized appropriately for legibility, (3) prevents overlap of lines of text with one another, and (4) positions the text crawl adequately so it does not run off the edge of the video screen. Similarly, the Commission proposes prohibiting MVPD EAS Participants from placing crawls or other information on the video screen in a manner that would interfere with the ability of the public to read EAS crawls. The Commission seeks comment on these proposals.

2. Audio Accessibility

32. At the outset, the Commission notes that FEMA has already addressed and corrected the primary audio quality problems experienced during the first nationwide EAS test, *i.e.,* a technical malfunction that occurred at the National Primary level that affected the underlying quality of EAS audio nationwide. Thus, its primary concern in this Section is to seek comment on how the Commission may improve the accessibility of EAS audio by taking steps to ensure that the audio and visual elements of an EAS alert convey the identical, or at a minimum, comparable text. Currently, the visual element of an EAS alert (*i.e.,* the text crawl) is generated from header codes (location, event, *etc.*) that are preprogrammed into EAS equipment, whereas the audio portion may be recorded by the alert originator (*e.g.,* the National Weather Service). Because the audio and visual elements of an EAS alert are generated from two different sources, they can differ significantly in language and detail, notwithstanding that they are describing the same event. The Commission believes that for an EAS alert to be fully accessible, the audio and visual elements should convey the same message. What steps would need to be taken to achieve this goal? For example, how would the Commission ensure that the public is able to receive the same, *i.e.,* comparable, information, irrespective of whether they receive the alert in an audio or visual format? In furtherance of this goal, the Commission notes that the implementation of the CAP standard enables alert message originators to include enhanced text in their messages, and that the Commission's rules require EAS Participants to utilize enhanced text, when available, for the generation of text crawls. The Commission notes that the *ECIG Implementation Guide* states that ''[i]t is a recommended practice that the recorded audio message match the alert text display message.'' Should the Commission take further steps to achieve this goal?

33. We also note that text to speech (TTS) may also offer a mechanism to provide audio-visual alert message parity. TTS refers to an artificial process of converting text into human speech. Although the Commission initially declined to allow EAS equipment to use TTS software to generate the visual crawl element of an EAS alert, in the *Fifth Report and Order on Reconsideration,* in response to a strong record of support for TTS solutions, the Commission revised its earlier position and allowed EAS Participants to deploy text-to-speech solutions to generate the audio portion of EAS alerts. To what extent are EAS Participants currently using TTS technology to generate EAS

audio? Has it proven to be an effective manner of ensuring parity between the audio and visual elements of an EAS alert? The Commission seeks comment on whether text-to-speech is sufficiently technologically advanced to become a mandatory element of the Commission's EAS Rules.

E. Proposed Effective Dates

34. Based on the record, the Commission proposes that a reasonable, minimally burdensome time for all EAS Participants to replace unsupported equipment and to perform necessary firmware upgrades and required testing to implement the proposed rules regarding the national location code, the ETRS and the Commission's proposed accessibility rules would be six months from the effective date of any rules the it may adopt as a result of this *NPRM.* The Commission believes that the public safety benefits of the Commission's proposed rules, plus FEMA's stated desire to conduct a further test, militates for a more rapid implementation period than commenters request. As the record indicates, most equipment and systems already have the capability to implement the Commission's proposed rules. The Commission believes that a six month period will allow EAS Participants and equipment manufacturers to schedule any required equipment replacement, software or certification upgrades and necessary testing, and that this schedule will have minimal impact on the costs discussed in this Section. The Commission seeks comment on this proposal. The Commission notes that the record indicates that an NPT that fully emulates an EAN cannot be implemented in six months and that, if FEMA wants to have a test in such a near term, a test of more than two minutes using an NPT would not be an option. The Commission seeks comment on this view, and also seeks comment on what would be a reasonable date for compliance with the Commission's proposed rule requiring the NPT fully to emulate the EAN. For example, would a three year period from the effective date of any rules adopted as a result of this *NPRM* be appropriate?

F. Cost Benefit Analysis

35. In this Section, the Commission compares the expected costs that would be imposed by the Commission's proposed rules to their expected benefits and seek comment on the accuracy of these estimates. The Commission believes that the significant public safety benefit of its proposed rules far outweighs the costs associated with those rules. In particular, the Commission believes that by proposing rules that require EAS equipment to distribute alerts consistently, accessibly, and in a manner that can be accurately measured, it ensures that the public is provided with the most effective alerting system currently possible. The Commission's cost estimates are based on industry figures submitted in response to questions raised in the *EAS Operational Issues Public Notice.* According to these figures, the Commission anticipates that the Commission's proposed requirements would impose costs on EAS Participants in three affected areas: (1) EAS national location code and NPT in lieu of EAN for tests, (2), Electronic Test Reporting System, and (3) visual and audio accessibility. As the Commission discusses in greater detail in below, the Commission seeks comment on estimates that put the total cost for EAS Providers to implement the proposed requirements between $7.0 million and $13.6 million. With regard to benefits, the Commission estimates that the minimum expected benefit common to all of the Commission's proposed changes is $9.1M. The Commission believes all three proposed changes are essential for the EAS to function properly and thus share the common benefit of saving human lives, reducing injuries, mitigating property damage, and minimizing the disruption of the national economy.

36. Our proposed rules pertaining to the national location code and NPT, as well as those pertaining to test reporting and accessibility, will establish the baseline for a rigorous program of EAS testing and use that will allow the Commission to continue to improve the EAS. Further, the Commission's proposed rules will allow the Commission to quantify the EAS's effectiveness as a lifesaving tool, as well as its progress towards CAP compatibility, an improvement that will enhance the overall efficacy of the EAS in the future. The Commission therefore requests comment that will enable it to weigh the costs and benefits associated with these proposed rules. The Commission requests that commenters provide specific data and information, such as actual or estimated dollar figures for each specific cost or benefit addressed, including a description of how the data or information was calculated or obtained and any documentation or other support.

37. *Proposed National Location Code Rules.* Commenters claim that the costs associated with implementing the Commission's proposed rules regarding the national location code will include both operational costs associated with the installation, configuration, and testing of necessary software updates in EAS and related equipment, as well as capital costs associated with hardware replacement, where necessary. According to Sage and Trilithic, operational costs for most broadcaster EAS Participants will be minimal. According to NCTA, cable provider EAS Participants face additional operational costs associated with programming middleware, set-top boxes and other downstream equipment to accept the new code. Commenters agree that the costs associated with implementing the Commission's proposed rules can be reduced by bundling all required upgrades into a regularly scheduled system update. Further, EAS Participants in both the cable and broadcast industries may need to replace older EAS equipment if they are using EAS equipment that has exceeded its useful life, is no longer supported by the manufacturer, and thus cannot be upgraded to comply with the Commission's proposed rules. The Commission seeks comment on the reasonableness of this analysis and its underlying assumptions.

38. NCTA asserts that implementing the Commission's proposed rules regarding the national location code will present cable service provider EAS Participants with approximately $1.1 million in aggregated capital and operational costs for the entire cable industry. The Commission seeks comment on this assessment, and whether such costs are outweighed by the benefits of adopting the proposed national location code. While broadcasters would not experience the operational costs that cable providers would face, there are approximately three times as many broadcast-based EAS Participant facilities as there are cable EAS Participant facilities. Accordingly, the Commission seeks comment on whether a similar $1.1 million figure would apply to the broadcast industry, including the reasonableness of this analysis and its underlying assumptions.

39. *Proposed NPT rules.* The costs associated with implementation of the rules the Commission proposes regarding the NPT would vary, depending on whether the NPT is deployed as a ''normal'' EAS alert, or whether the Commission revises its rules to implement the NPT in a manner that fully emulates an EAN. In the case of the former, the Commission seeks comment on whether the costs would be *de minimis.* The NPT is already present in the EAS rules and programmed into EAS equipment. As Sage notes, costs

would largely be limited to those incurred by EAS Participants having to manually reprogram their EAS equipment to automatically respond to the NPT, a cost which could further be mitigated by bundling any reprogramming with that required for the national location code. Should the Commission revise its rules to define the NPT as an event code that would fully emulate the EAN, NCTA asserts that such a requirement would add approximately $3.3 million to the cost, thus totaling $4.4 million to accommodate all rules changes, and would require approximately three years, as opposed to one year, to complete. According to NCTA, these additional costs would be necessary because requiring the NPT to emulate the EAN would require the underlying SCTE 18 standard to be revised, sub-standards rewritten, EAS and MVPD downstream equipment reprogrammed, and significant testing to be undertaken. Although broadcasters in general do not have as extensive downstream facilities as do cable facilities, they do possess such facilities, and this also will be affected by the necessary standards revision. Thus, the Commission seeks comment whether the same three year time frame would also be borne by the broadcast industry. Further, and as the Commission discusses above, the greater number of broadcasters may increase their overall cost to an amount that could approximate the $4.4 million dollar cost for cable. The Commission notes, however, that costs associated with use of the NPT could be offset by savings elsewhere. For example, as the Commission discusses in paragraph 15 above, EAS Participant stakeholder organizations provided ''This is only a Test'' slides for broadcast and MVPD EAS Participants to display during the test, a requirement that would be obviated were the NPT to be used. Further, as noted in the *EAS Nationwide Test Report,* the various stakeholders engaged in significant outreach to avoid any public confusion associated with the use of the live code EAN. The Commission seeks comment on whether all parties would incur cost savings associated with not having to conduct such ''live code'' test outreach, and if so, what such cost savings might be. The Commission otherwise seeks comment on the reasonableness of this analysis and its underlying assumptions.

40. *Proposed ETRS Rules.* Regarding the Commission's proposed ETRS rules, the Commission seeks comment on whether any costs that arise from the adoption of the ETRS, either for test reporting purposes or for integration into Commission's EAS State Plan rules will be minimal. Most of the information that the Commission proposes EAS Participants submit to the ETRS has already been populated in other FCC databases, and thus compliance with this requirement may require little further action beyond a simple review for accuracy. For the few data fields that EAS Participants would need to supply, the Commission has already determined that compliance would entail a one-time cost of approximately $125.00 per EAS Participant, a figure that has already been reviewed and approved by the Office of Management and Budget. Accordingly, the cost associated with the Commission's proposed ETRS rules may be a one-time cost of $125.00 per EAS Participant, or approximately $3.4 million in the aggregate for all EAS Participants. The Commission seeks comment on the reasonableness of this analysis and its underlying assumptions.

41. *Accessibility Rules.* Finally, regarding the accessibility standards that the Commission proposes, the Commission breaks these down into their two constituent elements: the visual text crawl element and the audio element. With regard to the visual text crawl element, one approach to estimating its cost would be the methodology adopted by the Commission in its *Closed Captioning Order.* Using this approach, the Commission calculates that text crawls might be necessary for approximately 50 hours of alerts. Thus, at a cost of $500 an hour, if the Commission were requiring EAS closed captions, the aggregate costs of the Commission's proposed visual crawl rules for all EAS Participants under this methodology could be as much as $25,000. However, EAS text crawls are not closed captions. They are largely generated automatically and employ the same or similar language for the extreme weather and child abduction incidents that comprise the vast majority of EAS alerts, and thereby require far less time to produce. Thus, the costs associated with that proposed rule change may be *de minimis,* potentially far less than $25,000. The Commission seeks comment on this analysis.

42. Regarding the Commission's proposed audio accessibility rules, as the Commission discusses above, it believes that an effective way to ensure that the audio and text portions of an EAS alert are equivalent is to use CAP-based text to speech functionalities. Thus, the Commission's cost estimate for the Commission's proposed audio equivalency rule is based on the aggregate cost for all EAS Participants to employ TTS. The Commission believes that the number of EAS Participants that would need to employ hardware and/or software TTS upgrades is approximately 2,750. Given that the TTS upgrade will cost, on average, $500, the aggregate one-time cost for EAS Participants to comply with the Commission's proposed audio equivalency rules could be no more than approximately $1.4 million (*i.e.,* 2,750 × $500 = $1,375,000). The Commission seeks comment on this analysis.

43. *Comparison of total costs and benefits.* The EAS must remain a resilient public alert and warning tool if it is to save lives and protect property during times of national, state, regional, and local emergencies. The Commission seeks comment on whether its proposals are the most cost-effective methods to accomplish the goal of ensuring that the EAS is sufficiently robust to perform its life saving task, or whether there are more effective means available. By aggregating the three cost components discussed above, the Commission estimates that the total cost of the Commission's proposed rules would at most be $13.6 million. One measure against which this cost can be balanced is the Department of Transportation model, which estimates the value of risk reduction, measured in terms of an expected life saved, to be $9.1 million. Under this yardstick, even two lives saved could more than offset the costs of the system upgrades imposed by the Commission's proposals. The Commission seeks comment on whether the DOT statistic is the most appropriate yardstick to measure the benefits the Commission's proposals. The Commission seeks comment on whether there is a better measure for the Commission's NPT and ETRS proposals, and if so, commenters should specify what specific measure should be used. The Commission does note, however, that none of the commenters responding to the *EAS Operational Issues Public Notice* objected on the grounds that the cost of the Commission's proposed rules would be prohibitive, or even burdensome. The Commission encourages EAS Participants and equipment manufacturers to include with their comments any data relevant to the Commission's analysis of the costs and timing involved with the implementation of its proposals.

G. Other Issues

44. The *EAS Nationwide Test Report* indicated that EAS equipment manufacturers had made inconsistent assumptions about whether the requirement in the EAS rules that the

EAS header code must not be amended, extended or abridged without FCC authorization pertained to an EAN, and whether the ''time of release'' element in the header code had any impact on the requirement in the rules that an EAN be transmitted immediately upon receipt. In the *EAS Operational Issues Public Notice,* the Bureau sought comment on whether the unique nature of the EAN as a mandatory nationwide live alert code somehow obviated the above stated requirements. As the Commission discusses in more detail below, it finds no basis to propose rule revisions nor does it seek comment on these issues, as the rules are clear on their face and it sees no reason for changing them.

1. Acknowledgement of All EAS Header Codes

45. Section 11.31 of the Commission's EAS rules establishes the EAS protocol, a four-part message that contains the header code elements of an EAS alert. Header codes contain basic identifying information about the alert, including the identity of the message originator, the event code, the location code, the valid time period for the message, the Time of Release code, and the identification of the entity transmitting or retransmitting the message. Section 11.31(c) states that ''[t]he EAS protocol, including any codes, must not be amended, extended or abridged without FCC authorization.'' There is no exception for EANs, and, indeed, the definition of ''Emergency Action Notification (EAN)'' clearly envisions that EANs can be formatted in the EAS protocol as defined in § 11.31.

46. Despite this rule, some EAS manufacturers apparently programmed their EAS equipment to ignore some of the header codes by processing those codes as ''wildcards.'' This action resulted in a lack of uniformity in EAS message dissemination across the nation. In the *EAS Operational Issues Public Notice,* the Bureau sought comment on this practice, asking whether the unique nature of the EAN as a mandatory, nationwide, live alert obviated the need for EAS equipment to acknowledge header code elements such as the location code.

47. Based on its review, the Commission finds that § 11.31 prohibits any amendment, extension or abridgement of any part of the EAS protocol, except in cases where the FCC has authorized such action. As wildcards and other shortcuts serve to ''abridge'' the EAS protocol, they are prohibited by the FCC rules. While the Commission recognizes that these shortcuts may have been taken to address gaps associated with the EAN (*e.g.,* lack of a national location code), there is nothing in the rules that allows for a different result in the case of an EAN or any other type of EAS alert. Indeed, use of such programming shortcuts, in the absence of FCC authorization, undermines the effectiveness of the EAS. As several commenters note, the presence of EAS header codes enhances the reliability of the EAS ecosystem and is necessary for header validity checking, and duplicate detection. According to commenters, even in equipment that uses wildcards, if any header code element is missing from an alert, equipment currently deployed in the field will discard otherwise valid messages. Finally, the use of wildcards and other programming shortcuts also undermines EAS testing in that such actions can preclude the Commission, FEMA and other stakeholders from gaining an accurate picture of whether the EAS works in the manner contemplated by FCC rules and other standards.

2. Retransmission of EAN Immediately Upon Receipt

48. The Commission's rules require that an EAN must be broadcast ''immediately'' upon receipt. As the Bureau noted in its report, although FEMA initiated the alert at 2:00 p.m. EST, some EAS equipment apparently held the test alert for release until 2:03 EST, apparently because FEMA erroneously included a Time of Release code indicating 2:03 p.m. EST, three minutes after the scheduled start time of the test. As the *EAS Nationwide Test Report* indicated, this caused further delay to EAS message propagation.

49. Several of the Commission's rules make clear that the EAN must be transmitted upon receipt. No rule provides for the transmission based on the Time of Release. Simply put, under the Commission's rules, EAS equipment must transmit the EAN immediately upon receipt, regardless of the Time of Release provided by the alert originator. The Commission notes that most EAS manufacturers understand this reading of the rule. Indeed, one commenter notes that equipment manufacturers have integrated the ''transmission upon immediate release'' requirement into current EAS technical standards which apply to broadcast as well as CAP-based EAS.

50. Requiring transmission of EANs immediately upon receipt is consistent with the Commission's goal of ensuring that the public has access to timely and accurate EAS alerts. As some commenters argue, any delay in processing an EAN undermines its value as a tool for the President of the United States to communicate with the American people in an emergency. Moreover, retransmitting an EAN alert immediately upon receipt is the only possible method to transmit alerts uniformly and consistently within an EAS ecosystem that is not time synchronized. Any divergence from the immediate release would have a ripple effect throughout the system that could affect the receipt of the EAN by other EAS Participants and the public.

H. Procedural Matters

1. Ex Parte Rules

51. The proceeding initiated by this *NPRM* shall be treated as ''permit-but-disclose'' proceedings in accordance with the Commission's *ex parte* rules. Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must: (1) List all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made; and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda, or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule § 1.1206(b). In proceedings governed by rule § 1.49(f) or for which the Commission has made available a method of electronic filing, written *ex parte* presentations and memoranda summarizing oral *ex parte* presentations, and all attachments thereto, must be filed through the electronic comment filing system available for that proceeding, and must be filed in their native format (*e.g.,* .doc, .xml, .ppt, searchable .pdf). Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.

2. Comment Filing Procedures

52. Pursuant to §§ 1.415 and 1.419 of the Commission's rules, 47 CFR 1.415, 1.419, interested parties may file comments and reply comments in response to this *NPRM* on or before the dates indicated on the first page of this document. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS). *See Electronic Filing of Documents in Rulemaking Proceedings,* 63 FR 24121 (1998).

▪ Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: *http://fjallfoss.fcc.gov/ecfs2/*.

▪ Paper Filers: Parties that choose to file by paper must file an original and one copy of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

1. All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th St. SW., Room TW–A325, Washington, DC 20554. The filing hours are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes and boxes must be disposed of *before* entering the building.

2. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743.

3. U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12th Street SW., Washington DC 20554.

3. Accessible Formats

53. To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an email to *fcc504@fcc.gov* or call the Consumer & Governmental Affairs Bureau at 202–418–0530 (voice), 202–418–0432 (TTY).

4. Regulatory Flexibility Analysis

54. As required by the Regulatory Flexibility Act of 1980, see 5 U.S.C. 604, the Commission has prepared an Initial Regulatory Flexibility Analysis (IRFA) of the possible significant economic impact on small entities of the policies and rules addressed in this document. The IRFA is set forth in Appendix A. Written public comments are requested in the IRFA. These comments must be filed in accordance with the same filing deadlines as comments filed in response to this *NPRM* as set forth on the first page of this document, and have a separate and distinct heading designating them as responses to the IRFA.

5. Paperwork Reduction Analysis

55. This *NPRM* contains proposed new or modified information collection requirements. The Commission, as part of its continuing effort to reduce paperwork burdens, invites the general public and OMB to comment on the information collection requirements contained in this document, as required by PRA. In addition, pursuant to the Small Business Paperwork Relief Act of 2002, the Commission seeks specific comment on how it might ''further reduce the information collection burden for small business concerns with fewer than 25 employees.''

Ordering Clauses

56. Accordingly, *it is ordered* that pursuant to sections 1, 2, 4(i), 4(o), 301, 303(r), 303(v), 307, 309, 335, 403, 624(g),706, and 715 of the Communications Act of 1934, as amended, 47 U.S.C. 151, 152, 154(i), 154(o), 301, 303(r), 303(v), 307, 309, 335, 403, 544(g), 606, and 615, this *NPRM* IS *adopted.*

57. *It is further ordered* that the Commission's Consumer and Governmental Affairs Bureau, Reference Information Center, SHALL SEND a copy of this *NPRM* including the Regulatory Flexibility Analysis, to the Chief Counsel for Advocacy of the Small Business Administration.

List of subjects in 47 CFR part 11

Emergency alerting, Radio, Television.

Federal Communications Commission.

Marlene H. Dortch,

Secretary.

For the reasons discussed in the preamble, the Federal Communications Commission proposes to amend 47 CFR part 11 to read as follows:

PART 11—EMERGENCY ALERT SYSTEM (EAS)

■ 1. The authority citation for 47 CFR part 11 continues to read as follows:

Authority: 47 U.S.C. 151, 154 (i) and (o), 303(r), 544(g) and 606.

■ 2. Amend § 11.21 by revising paragraphs (a) and (c) to read as follows:

§ 11.21 State and local area plans and FCC Mapbook.

* * * * *

(a) The State EAS Plan contains procedures for State emergency management and other State officials, the NWS, and EAS Participants' personnel to transmit emergency information to the public during a State emergency using the EAS. EAS State Plans should include a data table, in computer readable form, clearly showing monitoring assignments and the specific primary and backup path for emergency action notification (''EAN'') messages that are formatted in the EAS Protocol (specified in § 11.31), from the PEP to each station in the plan. If a state's emergency alert system is capable of initiating EAS messages formatted in the Common Alerting Protocol (CAP), its EAS State Plan must include specific and detailed information describing how such messages will be aggregated and distributed to EAS Participants within the state, including the monitoring requirements associated with distributing such messages. Consistent with the requirements of paragraph (a)(3)(iv) § 11.61of this part, EAS Participants shall provide the identifying information required by Form One of the EAS Test Reporting System (ETRS) no later than 60 days after the effective date of this Subsection, and shall renew the Form One information on a yearly basis or as required by any revision of the EAS Participant's State EAS Plan filed pursuant to § 11.21.

* * * * *

(c) The FCC Mapbook is based on the consolidation of the data table required in each State EAS plan with the identifying data contained in Form One of the ETRS. The Mapbook organizes all EAS Participants according to their State, EAS Local Area, and EAS designation.

■ 3. Amend § 11.31 by revising paragraph (f) to read as follows:

§ 11.31 EAS protocol.

* * * * *

(f) The State, Territory and Offshore (Marine Area) ANSI number codes (SS) are as follows. County ANSI numbers (CCC) are contained in the State EAS Mapbook.

	FIPS#
All U.S.	00
State:	
AL	01
AK	02
AZ	04
AR	05
CA	06
CO	08
CT	09
DE	10
DC	11
FL	12
GA	13
HI	15
ID	16
IL	17
IN	18
IA	19
KS	20
KY	21
LA	22
ME	23
MD	24
MA	25
MI	26
MN	27
MS	28
MO	29
MT	30
NE	31
NV	32
NH	33
NJ	34
NM	35
NY	36
NC	37
ND	38
OH	39
OK	40
OR	41
PA	42
RI	44
SC	45
SD	46
TN	47
TX	48
UT	49
VT	50
VA	51
WA	53
WV	54
WI	55
WY	56
Terr.:	
AS	60
FM	64
GU	66
MH	68
MH	68
PR	72
PW	70
UM	74
VI	78
Offshore Marine Areas [1]:	
Eastern North Pacific Ocean, and along U.S. West Coast from Canadian border to Mexican border	57
North Pacific Ocean near Alaska, and along Alaska coastline, including the Bering Sea and the Gulf of Alaska	58
Central Pacific Ocean, including Hawaiian waters	59
South Central Pacific Ocean, including American Samoa waters	61
Western Pacific Ocean, including Mariana Island waters	65
Western North Atlantic Ocean, and along U.S. East Coast, from Canadian border south to Currituck Beach Light, N.C	73
Western North Atlantic Ocean, and along U.S. East Coast, south of Currituck Beach Light, N.C., following the coastline into Gulf of Mexico to Bonita Beach, FL., including the Caribbean	75
Gulf of Mexico, and along the U.S. Gulf Coast from the Mexican border to Bonita Beach, FL	77
Lake Superior	91

	FIPS#
Lake Michigan	92
Lake Huron	93
Lake St. Clair	94
Lake Erie	96
Lake Ontario	97
St. Lawrence River above St. Regis	98

[1] Effective May 16, 2002, analog radio and television broadcast stations, analog cable systems and wireless cable systems may upgrade their existing EAS equipment to add these marine area location codes on a voluntary basis until the equipment is replaced. All models of EAS equipment manufactured after August 1, 2003, must be capable of receiving and transmitting these marine area location codes. EAS Participants that install or replace their EAS equipment after February 1, 2004, must install equipment that is capable of receiving and transmitting these location codes.

■ 4. Amend § 11.51 by revising paragraph (d) to read as follows:

§ 11.51 EAS code and attention signal transmission requirements.

* * * * *

(d) Analog and digital television broadcast stations shall transmit a visual message containing the Originator, Event, Location and the valid time period of an EAS message. Effective June 30, 2012, visual messages derived from CAP-formatted EAS messages shall contain the Originator, Event, Location and the valid time period of the message and shall be constructed in accordance with section 3.6 of the ''ECIG Recommendations for a CAP EAS Implementation Guide, Version 1.0'' (May 17, 2010), except that if the EAS Participant has deployed an Intermediary Device to meet its CAP-related obligations, this requirement shall be effective June 30, 2015, and until such date shall be subject to the general requirement to transmit a visual message containing the Originator, Event, Location and the valid time period of the EAS message. If the message is a video crawl, it shall be displayed:

(1) At the top of the television screen or where it will not interfere with other visual messages or otherwise block other important visual content on the screen,

(2) At a speed that can be read by viewers,

(3) Continuously throughout the duration of any EAS activation,

(4) In a font sized appropriately for legibility,

(5) In a manner where lines of any video crawl not overlap with one another, and are adequately positioned so they do not run off the edge of the video screen.

* * * * *

■ 6. Amend § 11.61 by revising paragraph (a)(3)(iv) to read as follows:

§ 11.61 Tests of EAS procedures.

* * * * *

(a) * * *

(3) * * *

(iv) Test results as required by the Commission shall be logged by all EAS Participants into the EAS Test Reporting System (ETRS) as follows.

(A) EAS Participants shall provide the identifying information required by Form One initially no later than 60 days after the effective date of this Subsection, and shall renew the Form One information on a yearly basis or as required by any revision of the EAS Participant's State EAS Plan filed pursuant to § 11.21.

(B) ''Day of test'' data as required by Form Two shall be filed in the ETRS within 24 hours of any nationwide test or as otherwise required by the Public Safety and Homeland Security Bureau.

(C) Detailed post-test data as required by Form Three shall be filed in the ETRS within forty five (45) days following any nationwide test or as otherwise required by the Public Safety and Homeland Security Bureau.

* * * * *

[FR Doc. 2014–16417 Filed 7–14–14; 8:45 am]

BILLING CODE 6712–01–P

DEPARTMENT OF DEFENSE

Defense Acquisition Regulations System

48 CFR Parts 215, 242, and 252

RIN 0750–AI20

Defense Federal Acquisition Regulation Supplement; Business Systems Compliance (DFARS Case 2012–D042)

AGENCY: Defense Acquisition Regulations System, Department of Defense (DoD).

ACTION: Proposed rule.

SUMMARY: DoD is proposing to amend the Defense Federal Acquisition Regulation Supplement (DFARS) to ensure appropriate contractor accountability for adequate contractor business systems. In addition to the request for written comments on this proposed rule, DoD will hold a public meeting to hear the views of interested parties.

DATES: *Comment Date:* Comments on the proposed rule should be submitted in writing to the address shown below on or before September 15, 2014, to be considered in the formation of a final rule.

Public Meeting Date: The public meeting will be held at the Mark Center Auditorium, 4800 Mark Center Drive, Alexandria, VA 22350–3603, on August 18, 2014, from 2 p.m. to 4 p.m., local time.

ADDRESSES: *Submission of comments:* You may submit comments, identified by DFARS Case 2012–D042, using any of the following methods:

Regulations.gov: http://www.regulations.gov. Submit comments via the Federal eRulemaking portal by inserting ''DFARS Case 2012–D042'' under the heading ''Enter keyword or ID'' and selecting ''Search.'' Select the link ''Submit a Comment'' that corresponds with ''DFARS Case 2012–D042.'' Follow the instructions provided at the ''Submit a Comment'' screen. Please include your name, company name (if any), and ''DFARS Case 2012–D042'' on your attached document. Follow the instructions for submitting comments.

Email: osd.dfars@mail.mil. Include DFARS Case 2012–D042 in the subject line of the message.

Fax: 571–372–6094.

Mail: Defense Acquisition Regulations System, Attn: Mr. Mark Gomersall, OUSD(AT&L)DPAP(DARS), Room 3B941, 3060 Defense Pentagon, Washington, DC 20301–3060.

Comments received generally will be posted without change to *http://www.regulations.gov,* including any personal information provided. To confirm receipt of your comment(s), please check *www.regulations.gov* approximately two to three days after submission to verify posting (except allow 30 days for posting of comments submitted by mail).

FOR FURTHER INFORMATION CONTACT: Mr. Mark Gomersall, Defense Acquisition

Regulations System, OUSD(AT&L)DPAP(DARS), Room 3B941, 3060 Defense Pentagon, Washington, DC 20301–3060. Telephone 571–372–6099.

SUPPLEMENTARY INFORMATION:

I. Background

Contractor business systems and internal controls are the first line of defense against waste, fraud, and abuse. Weak control systems increase the risk of unallowable and unreasonable costs on Government contracts. In response to a U.S. Government Accountability Office report (GAO–12–83) issued on November 3, 2011, *Defense Contract Management Agency: Amid Ongoing Efforts to Rebuild Capacity, Several Factors Present Challenges in Meeting Its Mission,* DoD agreed to consider alternative approaches to audit contractor business systems.

II. Discussion and Analysis

To improve the efficiency and effectiveness of auditing contractor business systems, DoD is proposing to amend the DFARS to entrust contractors with the capability to demonstrate compliance with DFARS system criteria for contractors' accounting systems, estimating systems, and material management and accounting systems, based on contractors' self-evaluations and audits by independent Certified Public Accountants (CPAs) of their choosing. Government auditors will perform overviews of the results of contractor self-evaluations and CPA audits.

Individuals wishing to attend the public meeting should register by August 11, 2014, to ensure adequate room accommodations and to facilitate entry into the Mark Center building. Interested parties may register at the Web site, *http://www.acq.osd.mil/dpap/dars/business_systems_compliance.html* by providing the following information:

- Company or organization name.
- Names and email addresses of persons planning to attend.
- Identify if desiring to make a presentation; limited to a 10-minute presentation per company or organization.

One valid government-issued photo identification card will be required in order to enter the building. Non-U.S. citizens may use their valid passport as photo identification. Attendees are encouraged to arrive at least one hour early to accommodate security procedures.

Transportation information for the Mark Center may be obtained at *http://www.whs.mil/our-services/transportation/getting-mark-center.* Accommodations for parking at the Mark Center will not be available, but may be found in the surrounding areas.

If you wish to make a presentation, please submit an electronic copy of your presentation to *osd.dfars@mail.mil* no later than August 13, 2014. Files must not exceed 19MB. Please cite ''Public Meeting—Contractor Business Systems Compliance'' in all correspondence related to this public meeting. When submitting presentations, provide the presenter's name, organization affiliation, telephone number, and email address on the cover page. There will be no transcription of the public meeting. Submitted presentations will be the only record.

Special accommodations: The public meeting is physically accessible to people with disabilities. Requests for reasonable accommodations, sign language interpretation or other auxiliary aids should be directed to Mark Gomersall at 571–372–6099, at least 10 working days prior to the meeting date.

The TTY number for further information is: 1–800–877–8339. When the operator answers the call, let them know the agency is the Department of Defense; the point of contact is Mark Gomersall at 571–372–6099.

III. Executive Orders 12866 and 13563

Executive Orders (E.O.s) 12866 and 13563 direct agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). E.O. 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. This is not a significant regulatory action and, therefore, was not subject to review under section 6(b) of E.O. 12866, Regulatory Planning and Review, dated September 30, 1993. This rule is not a major rule under 5 U.S.C. 804.

IV. Regulatory Flexibility Act

DoD has prepared an initial regulatory flexibility analysis consistent with 5 U.S.C. 603. A copy of the analysis may be obtained from the point of contact specified herein. The analysis is summarized as follows:

The objective of the rule is to improve the efficiency and effectiveness of auditing contractor business systems by entrusting contractors with the capability to demonstrate compliance with the Defense Federal Acquisition Regulation Supplement (DFARS) system criteria for contractors' accounting systems, estimating systems, and material management and accounting systems, based on contractors' self-evaluations and audits by independent Certified Public Accountants (CPAs) of their choosing. The requirements of the rule will apply to solicitations and contracts that include the contract clause for the applicable defined contractor business system.

The rule will apply to solicitations and contracts that are with large businesses for the purposes of reporting for estimating systems, and material management and accounting systems. For reporting on accounting systems, the rule will apply to contractors who are subject to the Cost Accounting Standards (CAS) under 41 U.S.C. chapter 15, as implemented in regulations found at 48 CFR 9903.201–1 (see the FAR Appendix), other than for contracts with educational institutions, Federally Funded Research and Development Centers operated by educational institutions, or University Associated Research Centers. Since contracts and subcontracts with small businesses are exempt from CAS requirements, DoD estimates that this rule will have no impact on small businesses. DoD, however, invites comments from small business concerns and other interested parties on the expected impact of this rule on small entities.

DoD will also consider comments from small entities concerning the existing regulations in subparts affected by this rule in accordance with 5 U.S.C. 610. Interested parties must submit such comments separately and should cite 5 U.S.C. 610 (DFARS Case 2012–D042) in correspondence.

V. Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. chapter 38) applies. The proposed rule contains information collection requirements. Accordingly, DoD has submitted a request for approval of a new information collection requirement concerning Defense Federal Acquisition Regulation Supplement; Business Systems Compliance (DFARS Case 2012–D042) to the Office of Management and Budget.

A. Public reporting burden for this collection of information is estimated to average 2.87 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

The annual reporting burden estimated as follows:

Respondents: 2,953.

Responses per respondent: 1.

Total annual responses: 2,953.

Average hours per response: 2.87.

Total annual burden hours: 8,468.

B. Request for Comments Regarding Paperwork Burden. Written comments and recommendations on the proposed information collection, including suggestions for reducing this burden, should be sent to Ms. Jasmeet Seehra at the Office of Management and Budget, Desk Officer for DoD, Room 10236, New Executive Office Building, Washington, DC 20503, or email *Jasmeet_K._Seehra@omb.eop.gov,* with a copy to the Defense Acquisition Regulations System, Attn: Mark Gomersall, OUSD(AT&L)DPAP/DARS, Room 3B941, 3060 Defense Pentagon, Washington, DC 20301–3060. Comments can be received from 30 to 60 days after the date of this notice, but comments to OMB will be most useful if received by OMB within 30 days after the date of this notice.

Public comments are particularly invited on: whether this collection of information is necessary for the proper performance of functions of the DFARS, and will have practical utility; whether our estimate of the public burden of this collection of information is accurate, and based on valid assumptions and methodology; ways to enhance the quality, utility, and clarity of the information to be collected; and ways in which we can minimize the burden of the collection of information on those who are to respond, through the use of appropriate technological collection techniques or other forms of information technology.

To request more information on this proposed information collection or to obtain a copy of the proposal and associated collection instruments, please write to the Defense Acquisition Regulations System, Attn: Mark Gomersall, OUSD(AT&L)DPAP/DARS, Room 3B941, 3060 Defense Pentagon, Washington, DC 20301–3060, or e-mail *osd.dfars@mail.mil.* Include DFARS Case 2012–D042 in the subject line of the message.

List of Subjects in 48 CFR Parts 215, 242, and 252

Government procurement.

Amy G. Williams,

Deputy, Defense Acquisition Regulations System.

Therefore, 48 CFR parts 215, 242, and 252 are proposed to be amended as follows:

■ 1. The authority citation for parts 215, 242, and 252 continues to read as follows:

Authority: 41 U.S.C. 1303 and 48 CFR chapter 1.

PART 215—CONTRACTING BY NEGOTIATION

■ 2. Revise section 215.407–5–70 to read as follows:

215.407–5–70 Disclosure, maintenance, and review requirements.

(a) *Definitions.* As used in this section—

Acceptable estimating system, contractor, contractor's certified public accountant (CPA), CPA audit, estimating system, and *significant deficiency* are defined in the clause at 252.215–7002, Cost Estimating System Requirements.

(b) *Applicability.* A contractor, other than a small business concern, is subject to the estimating system disclosure, maintenance, review, annual reporting, triennial CPA audit, and documentation requirements in the clause at 252.215–7002, Cost Estimating System Requirements, if—

(1) In its preceding fiscal year, the contractor received DoD prime contracts or subcontracts totaling $50 million or more for which certified cost or pricing data were required; or

(2) In its preceding fiscal year, the contractor received DoD prime contracts or subcontracts totaling $10 million or more (but less than $50 million) for which certified cost or pricing data were required and the contracting officer, with concurrence or at the request of the ACO, determines it to be in the best interest of the Government (e.g., significant estimating problems are believed to exist or the contractor's sales are predominantly Government).

(c) *Policy.* DoD policy is for all contractors to have acceptable estimating systems that consistently produce well-supported proposals that are acceptable as a basis for negotiation of fair and reasonable prices.

(d) *Procedures.* (1) The contracting officer shall—

(i) Through use of the clause at 252.215–7002, Cost Estimating System Requirements, apply the disclosure, maintenance, review, annual reporting, triennial CPA audit, and documentation requirements to contractors, other than small business concerns, meeting the criteria in paragraph (b)(1) of this section;

(ii) Consider whether to apply the disclosure, maintenance, review, annual reporting, triennial CPA audit, and documentation requirements to contractors, other than small business concerns, under paragraph (b)(2) of this section; and

(iii) Not apply the disclosure, maintenance, review, annual reporting, triennial CPA audit, and documentation requirements to small business concerns.

(2) The cognizant contracting officer, in consultation with the Government auditor, for contractors subject to paragraph (b) of this section, shall—

(i) Determine the acceptability of the contractor's estimating system and disclosure, and approve or disapprove the system; and

(ii) Pursue correction of any deficiencies.

(3) *Triennial CPA audit requirement.* For contractors subject to paragraph (b) of this section, and paragraph (d)(8) of the clause at 252.215–7002, the cognizant contracting officer shall—

(i) Upon receipt of the contractor's CPA's audit strategy, risk assessment, and audit plan (program), request a review from the Government auditor, and notify the contractor of any potential issues identified by the Government auditor regarding their reasonableness. Early notification of potential issues may decrease the likelihood of the contractor incurring unreasonable costs. However, review of the contractor's CPA's audit strategy, risk assessment, and audit plan (program) does not constitute the contracting officer's approval; and

(ii) Upon receipt of the contractor's CPA audit report, request the Government auditor's assessment of the CPA audit report and related documentation.

(4) In evaluating the acceptability of a contractor's estimating system, the contracting officer, in consultation with the Government auditor, shall determine whether the contractor's estimating system complies with the system criteria for an acceptable estimating system in the clause at 252.215–7002. In making that determination, the contracting officer shall consider—

(i) The contractor's estimating system disclosure, annual report on the estimating system's compliance with the system criteria and the audit report by the contractor's CPA, as required in the clause at 252.215–7002, if applicable; and

(ii) Any other findings and recommendations reported by the Government auditor including the assessment of the contractor's CPA audit report and related documentation, if applicable.

(e) *Accelerated audit requirement.* The contracting officer, in consultation

with the Government auditor, may require contractors subject to the triennial CPA audit requirement in the clause at 252.215–7002 to provide an out-of-cycle CPA audit report prior to the triennial CPA audit period based on a risk assessment of the contractor's past experience and current vulnerability.

(f) *Disposition of findings*—(1) *Reporting of findings by the Government auditor.* The Government auditor shall document findings and recommendations in a report to the contracting officer regarding any identified significant estimating system deficiencies. The report shall describe the deficiencies in sufficient detail to allow the contracting officer to understand the deficiencies.

(2) *Initial determination.* (i) The contracting officer shall review all findings and recommendations from the Government auditor and contractor and, if there are no significant deficiencies and the contractor as complied with the applicable reporting and audit requirements in paragraphs (d)(5) and (6) of the clause at 252.215–7002, shall promptly notify the contractor, in writing, that the contractor's estimating system is acceptable and approved; or

(ii) If the contracting officer finds that there are one or more significant deficiencies (as defined in the clause at 252.215–7002 due to the contractor's failure to meet one or more of the estimating system criteria in the clause at 252.215–7002, or that the contractor has failed to comply with the applicable reporting and audit requirements in accordance with the clause at 252.215–7002, the contracting officer shall—

(A)(*1*) Promptly make an initial written determination on any significant deficiencies and notify the contractor, in writing, providing a description of each significant deficiency in sufficient detail to allow the contractor to understand the deficiency; or

(*2*) Promptly make an initial written determination on the contractor's failure to comply with the applicable reporting and audit requirements and notify the contractor, in writing, providing sufficient information to allow the contractor to understand what action needs to be taken to comply;

(B) Request the contractor to respond, in writing, to the initial determination within 30 days; and

(C) Promptly evaluate the contractor's responses to the initial determination, in consultation with the Government auditor or functional specialist, and make a final determination.

(3) *Final determination.* (i) The contracting officer shall make a final determination and notify the contractor, in writing, that—

(A) The contractor's estimating system is acceptable and approved, and no significant deficiencies remain, and the contractor has complied with the applicable reporting and audit requirements in accordance with the clause at 252.215–7002; or

(B) Significant deficiencies remain, or the contractor has failed to comply with the applicable reporting and audit requirements. The notice shall identify any remaining significant deficiencies or noncompliance with the applicable reporting and audit requirements, and indicate the adequacy of any proposed or completed corrective action. The contracting officer shall—

(*1*) Request that the contractor, within 45 days of receipt of the final determination, either correct the deficiencies or submit an acceptable corrective action plan showing milestones and actions to eliminate the deficiencies and comply with the applicable reporting and audit requirements;

(*2*) Disapprove the system in accordance with the clause at 252.215–7002; and

(*3*) Withhold payments in accordance with the clause at 252.242–7005 if the clause is included in the contract.

(ii) Follow the procedures relating to monitoring a contractor's corrective action and the correction of significant deficiencies in PGI 215.407–5–70(f).

(g) *System approval.* The contracting officer shall promptly approve a previously disapproved estimating system and notify the contractor when the contracting officer determines that there are no remaining significant deficiencies or noncompliance with the applicable reporting and audit requirements.

(h) *Contracting officer notifications.* The cognizant contracting officer shall promptly distribute copies of a determination to approve a system, to disapprove a system and withhold payments, or to approve a previously disapproved system and release withheld payments to the Government auditor, payment office, affected contracting officers at the buying activities, and cognizant contracting officers in contract administration activities.

PART 242—CONTRACT ADMINISTRATION AND AUDIT SERVICES

242.7000 and 242.7001 [Redesignated as 242.7001 and 242.7003]

■ 3. Redesignate sections 242.7000 and 242.7001 as sections 242.7001 and 242.7003, respectively.

■ 4. Revise newly redesignated section 242.7001 to read as follows:

242.7001 Definitions.

As used in this subpart—

Acceptable contractor business systems, contractor business systems, contractor's certified public accountant (CPA), and *CPA audit* are defined in the clause at 252.242–7005, Contractor Business Systems.

Covered contract means a contract that is subject to the Cost Accounting Standards under 41 U.S.C. chapter 15, as implemented in regulations found at 48 CFR 9903.201–1 (see the FAR Appendix) (10 U.S.C. 2302 note, as amended by section 816 of Public Law 112–81).

Significant deficiency is defined in the clause at 252.242–7005, Contractor Business Systems.

■ 5. Add section 242.7002 to read as follows:

242.7002 Contractor business systems deficiencies.

(a) *Determination to withhold payments.* If the contracting officer makes a final determination to disapprove a contractor's business system in accordance with the clause at 252.242–7005, Contractor Business Systems, the contracting officer shall—

(1) In accordance with agency procedures, identify one or more covered contracts containing the clause at 252.242–7005 from which payments will be withheld. When identifying the covered contracts from which to withhold payments, the contracting officer shall ensure that the total amount of payment withholding under 252.242–7005 does not exceed 10 percent of progress payments, performance-based payments, and interim payments under cost-reimbursement, labor-hour, and time-and-materials contracts billed under each of the identified covered contracts. Similarly, the contracting officer shall ensure that the total amount of payment withholding under the clause at 252.242–7005 for each business system does not exceed five percent of progress payments, performance-based payments, and interim payments under cost-reimbursement, labor-hour, and time-and-materials contracts billed under each of the identified covered contracts. The contracting officer has the sole discretion to identify the covered contracts from which to withhold payments;

(2) Promptly notify the contractor, in writing, of the contracting officer's determination to implement payment withholding in accordance with the clause at 252.242–7005. The notice of payment withholding shall be included in the contracting officer's written final determination for the contractor

business system and shall inform the contractor that—

(i) Payments shall be withheld from the contract or contracts identified in the written determination in accordance with the clause at 252.242–7005 until the contracting officer determines that there are no remaining significant deficiencies and that the contractor has complied with the applicable reporting and audit requirements in accordance with the applicable business system clause identified in 242.7003(b); and

(ii) The contracting officer reserves the right to take other actions within the terms and conditions of the contract; and

(3) Provide all contracting officers administering the selected contracts from which payments will be withheld, a copy of the determination. The contracting officer shall also provide a copy of the determination to the Government auditor; payment office; affected contracting officers at the buying activities; and cognizant contracting officers in contract administration activities.

(b) *Monitoring contractor's corrective action.* The contracting officer, in consultation with the Government auditor or functional specialist, shall monitor the contractor's progress in correcting the deficiencies. The contracting officer shall notify the contractor of any decision to decrease or increase the amount of payment withholding in accordance with the clause at 252.242–7005.

(c) *Correction of significant deficiencies and reporting.*

(1) If the contractor notifies the contracting officer that the contractor has corrected the significant deficiencies and, if applicable, provides the contractor's CPA audit report on the effectiveness of the corrective actions, the contracting officer shall review the correction to verify that the deficiencies have been corrected. If the contracting officer determines that the contractor has corrected all significant deficiencies and provided the contractor's report on compliance with the system criteria, including the CPA audit report, if applicable, the contracting officer shall discontinue the withholding of payments, release any payments previously withheld, and approve the system, unless other significant deficiencies remain.

(2) Prior to the determination that the deficiencies have been corrected, the contracting officer may discontinue withholding payments pending the determination, and release any payments previously withheld, if the contractor submits evidence that the significant deficiencies have been corrected, and the contracting officer, in consultation with the Government auditor or functional specialist, determines that there is a reasonable expectation that the corrective actions have been implemented and are expected to correct the significant deficiencies.

(3) Within 90 days of receipt of the contractor notification that the contractor has corrected the significant deficiencies and, if applicable, the contractor's CPA audit report on the effectiveness of the corrective actions, the contracting officer shall—

(i) Make a determination that—

(A) The contractor has corrected all significant deficiencies as directed by the contracting officer's final determination in accordance with paragraph (c)(1) of this section;

(B) There is a reasonable expectation that the corrective actions have been implemented in accordance with paragraph (c)(2) of this section; or

(C) The contractor has not corrected all significant deficiencies as directed by the contracting officer's final determination in accordance with paragraph (c)(1) of this section, or there is not a reasonable expectation that the corrective actions have been implemented in accordance with paragraph (c)(2) of this section; and

(ii) Reduce withholding directly related to the significant deficiencies covered under the corrective action plan by at least 50 percent of the amount being withheld from progress payments and performance-based payments, and direct the contractor, in writing, to reduce the percentage withheld on interim cost vouchers by at least 50 percent, until the contracting officer makes a determination in accordance with paragraph (c)(3)(i) of this section.

(4) If, at any time, the contracting officer determines that the contractor has failed to correct the significant deficiencies identified in the contractor's notification, the contracting officer will continue, reinstate, or increase withholding from progress payments and performance-based payments, and direct the contractor, in writing, to continue, reinstate, or increase the percentage withheld on interim cost vouchers to the percentage initially withheld, until the contracting officer determines that the contractor has corrected all significant deficiencies as directed by the contracting officer's final determination.

(d) For sample formats for written notifications of contracting officer determinations to initiate payment withholding, reduce payment withholding, and discontinue payment withholding in accordance with the clause at 252.242–7005. See PGI 242.7002.

■ 6. In newly redsignated section 242.7003, revise paragraph (a) to read as follows:

242.7003 Contract clause.

* * * * *

(a) The resulting contract will be a covered contract as defined in 242.7001; and

* * * * *

■ 7. Revise sections 242.7201, 242.7202, and 242.7203 to read as follows:

242.7201 Definitions.

As used in this subpart—

Acceptable material management and accounting system, contractor, contractor's certified public accountant (CPA), CPA audit, material management and accounting system, qualifying sales, significant deficiency, and *valid time-phased requirements* are defined in the clause at 252.242–7004, Material Management and Accounting System.

242.7202 Policy.

(a) DoD policy is for its contractors to have an MMAS that conforms to the standards in paragraph (h) of the clause at 252.242–7004, Material Management and Accounting System, so that the system—

(1) Reasonably forecasts material requirements;

(2) Ensures the costs of purchased and fabricated material charged or allocated to a contract are based on valid time-phased requirements; and

(3) Maintains a consistent, equitable, and unbiased logic for costing of material transactions.

(b) *Criteria for conducting reviews.* Conduct an MMAS review in accordance with paragraph (d) of the clause at 252.242.7004, when—

(1) The contractor is a large business;

(2) Has $50 million in qualifying sales to the Government; and

(3) The cognizant contracting officer, with advice from the Government auditor or cognizant functional specialist, determines an MMAS review is needed based on a risk assessment of the contractor's past experience, current vulnerability, and the following risk factors:

(i) FAR 42.302 surveillance activities indicate the contractor has not complied with the criteria in 252.242.7004.

(ii) There are changes to the contractor's MMAS system.

(iii) The contractor's MMAS system is new.

(iv) The contractor's MMAS system has not been reviewed within a 36-month period.

(c) Contractors subject to the triennial CPA audit requirement in the clause at

252.242–7004, may be required to provide an out-of-cycle CPA audit report prior to the triennial CPA audit reporting period based on a risk assessment of the contractor's past experience and current vulnerability.

(d) The cognizant contracting officer, in consultation with the Government auditor and cognizant functional specialist, if appropriate, shall—

(1) Determine the acceptability of the contractor's MMAS and approve or disapprove the system; and

(2) Pursue correction of any deficiencies.

242.7203 Procedures.

(a) *Triennial CPA audit requirement.* For contractors subject to paragraph (f) of the clause at 252.242–7004, Material Management and Accounting System, the cognizant contracting officer shall—

(1) Upon receipt of the contractor's CPA's audit strategy, risk assessment, and audit plan (program), request a review from the Government auditor, and notify the contractor of any potential issues identified by the Government auditor regarding their reasonableness. Early notification of potential issues may decrease the likelihood of the contractor incurring unreasonable costs. However, review of the contractor's CPA's audit strategy, risk assessment, and audit plan (program) does not constitute the contracting officer's approval; and

(2) Upon receipt of the contractor's CPA audit report, request the Government auditor's assessment of the CPA audit report and related documentation.

(b) In evaluating the acceptability of the contractor's MMAS, the contracting officer, in consultation with the Government auditor and functional specialist, if appropriate, shall determine whether the contractor's MMAS complies with the system criteria for an acceptable MMAS as required in the clause at 252.242–7004. In making that determination, the contracting officer shall consider—

(1) The contractor's report on the MMAS's compliance with the system criteria and the audit report by the contractor's CPA, as required in the clause at 252.242–7004; and

(2) Any other findings and recommendations reported by the Government auditor including the assessment of the contractor's CPA audit report and related documentation, if applicable.

(c) *Disposition of findings*—(1) *Reporting of findings by the Government auditor.* The Government auditor or functional specialist shall document findings and recommendations in a report to the contracting officer regarding any identified significant MMAS deficiencies. The report shall describe the deficiencies in sufficient detail to allow the contracting officer to understand the deficiencies.

(2) *Initial determination.* (i) The contracting officer shall review all findings and recommendations from the Government auditor and contractor and, if there are no significant deficiencies and the contractor has complied with the applicable reporting and audit requirements in paragraph (d) of the clause at 252.242–7004, shall promptly notify the contractor, in writing, that the contractor's MMAS is acceptable and approved.

(ii) If the contracting officer finds that there are one or more significant deficiencies (as defined in the clause at 252.242–7004 due to the contractor's failure to meet one or more of the MMAS system criteria in the clause at 252.242–7004, or that the contractor has failed to comply with the applicable reporting and audit requirements in accordance with the clause at 252.242–7004, the contracting officer shall—

(A)(*1*) Promptly make an initial written determination on any significant deficiencies and notify the contractor, in writing, providing a description of each significant deficiency in sufficient detail to allow the contractor to understand the deficiency; or

(*2*) Promptly make an initial written determination on the contractor's failure to comply with the applicable reporting and audit requirements and notify the contractor, in writing, providing sufficient information to allow the contractor to understand what action needs to be taken to comply;

(B) Request the contractor to respond, in writing, to the initial determination within 30 days; and

(C) Promptly evaluate the contractor's response to the initial determination in consultation with the Government auditor or functional specialist, and make a final determination.

(3) *Final determination.* (i) The contracting officer shall make a final determination and notify the contractor that—

(A) The contractor's MMAS is acceptable and approved, and no deficiencies remain, and the contractor has complied with the applicable reporting and audit requirements in accordance with the clause at 252.242–7004; or

(B) Significant deficiencies remain, or the contractor has failed to comply with the applicable reporting and audit requirements. The notice shall identify any remaining significant deficiencies or noncompliance with the applicable reporting and audit requirements and indicate the adequacy of any proposed or completed corrective action. The contracting officer shall—

(*1*) Request that the contractor, within 45 days of receipt of the final determination, either correct the deficiencies or submit an acceptable corrective action plan showing milestones and actions to eliminate the deficiencies and comply with the applicable reporting and audit requirements;

(*2*) Disapprove the system in accordance with the clause at 252.242–7004; and

(*3*) Withhold payments in accordance with the clause at 252.242–7005, Contractor Business Systems, if the clause is included in the contract.

(ii) Follow the procedures relating to monitoring a contractor's corrective action and the correction of significant deficiencies in PGI 242.7203.

(d) *System approval.* The contracting officer shall promptly approve a previously disapproved MMAS and notify the contractor when the contracting officer determines that there are no remaining significant deficiencies or noncompliance with the applicable reporting and audit requirements.

(e) *Contracting officer notifications.* The cognizant contracting officer shall promptly distribute copies of a determination to approve a system, to disapprove a system and withhold payments, or to approve a previously disapproved system and release withheld payments to the Government auditor, payment office, affected contracting officers at the buying activities, and cognizant contracting officers in contract administration activities.

■ 8. Revise sections 242.7501 and 242.7502 to read as follows:

242.7501 Definitions.

As used in this subpart—

Acceptable accounting system, accounting system, contractor's certified public account (CPA), CPA audit, and *significant deficiency* are defined in the clause at 252.242–7006, Accounting System Administration.

242.7502 Policy.

DoD policy is for contractors receiving cost-reimbursement, incentive type, time-and-materials, or labor-hour contracts, or contracts which provide for progress payments based on costs or on a percentage or stage of completion, to—

(a) Maintain an acceptable accounting system; and

(b) If applicable, comply with the annual reporting, triennial CPA audit, and documentation requirements

required in the clause at 252.242–7006, Accounting System Administration.

242.7503 [Redesignated as 242.7504]

■ 9. Redesignate section 242.7503 as section 242.7504.

■ 10. Add a new section 242.7503 to read as follows:

242.7503 Procedures.

(a) The cognizant contracting officer, in consultation with the Government auditor or functional specialist, shall—

(1) Determine the acceptability of a contractor's accounting system and approve or disapprove the system; and

(2) Pursue correction of any deficiencies.

(b) *Triennial CPA audit requirement.* For contractors subject to paragraph (h) of the clause at 252.242–7006, the cognizant contracting officer shall—

(1) Upon receipt of the contractor's CPA's audit strategy, risk assessment, and audit plan (program), request a review from the Government auditor and notify the contractor of any potential issues identified by the Government auditor regarding their reasonableness. Early notification of potential issues may decrease the likelihood of the contractor incurring unreasonable costs. However, review of the contractor's CPA's audit strategy, risk assessment, and audit plan (program) does not constitute the contracting officer's approval; and

(2) Upon receipt of the contractor's CPA audit report, request the Government auditor's assessment of the CPA audit report and related documentation.

(c) In evaluating the acceptability of a contractor's accounting system, the contracting officer, in consultation with the Government auditor or functional specialist, shall determine whether the contractor's accounting system complies with the system criteria for an acceptable accounting system in the clause at 252.242–7006. In making that determination the contracting officer shall consider—

(1) The contractor's annual report on the accounting system's compliance with the system criteria and the audit report by the contractor's CPA as required in the clause at 252.242–7006, if applicable; and

(2) Any other findings and recommendations reported by the Government auditor including the assessment of the contractor's CPA audit report and related documentation, if applicable.

(d) *Accelerated audit requirement.* The contracting officer, in consultation with the Government auditor, may require contractors subject to the triennial CPA audit requirement in the clause at 252.242–7006 to provide an out-of-cycle CPA audit report prior to the triennial CPA audit period based on a risk assessment of the contractor's past experience and current vulnerability.

(e) *Disposition of findings*—(1) *Reporting of findings by the Government auditor.* The Government auditor shall document findings and recommendations in a report to the contracting officer regarding any identified significant accounting system deficiencies. The report shall describe the deficiencies in sufficient detail to allow the contracting officer to understand the deficiencies. Follow the procedures at PGI 242.7503 for reporting of deficiencies.

(2) *Initial determination.* (i) The contracting officer shall review all findings and recommendations from the Government auditor and contractor and, if there are no significant deficiencies and the contractor has complied with the applicable reporting and audit requirements in paragraphs (e) and (f) of the clause at 252.242–7006, shall promptly notify the contractor, in writing, that the accounting system is acceptable and approved.

(ii) If the contracting officer finds that there are one or more significant deficiencies (as defined in the clause at 252.242–7006 due to the contractor's failure to meet one or more of the estimating system criteria in the clause at 252.242–7006, or that the contractor has failed to comply with the applicable reporting and audit requirements in accordance with the clause at 252.242–7006, the contracting officer shall—

(A)(*1*) Promptly make an initial written determination on any significant deficiencies and notify the contractor, in writing, providing a description of each significant deficiency in sufficient detail to allow the contractor to understand the deficiency; or

(*2*) Promptly make an initial written determination on the contractor's failure to comply with the applicable reporting and audit requirements and notify the contractor, in writing, providing sufficient information to allow the contractor to understand what action needs to be taken to comply;

(B) Request the contractor to respond, in writing, to the initial determination within 30 days; and

(C) Promptly evaluate the contractor's response to the initial determination, in consultation with the Government auditor or functional specialist, and make a final determination.

(3) *Final determination.* (i) The contracting officer shall make a final determination and notify the contractor, in writing, that—

(A) The contractor's accounting system is acceptable and approved, and no significant deficiencies remain, and the contractor has complied with the applicable reporting and audit requirements in accordance with the clause at 252.242–7006, or

(B) Significant deficiencies remain, or the contractor has failed to comply with the applicable reporting and audit requirements. The notice shall identify any remaining significant deficiencies or noncompliance with the applicable reporting and audit requirements, and indicate the adequacy of any proposed or completed corrective action. The contracting officer shall—

(*1*) Request that the contractor, within 45 days of receipt of the final determination, either correct the deficiencies or submit an acceptable corrective action plan showing milestones and actions to eliminate the deficiencies and comply with the applicable reporting and audit requirements;

(*2*) Disapprove the system in accordance with the clause at 252.242–7006; and

(*3*) Withhold payments in accordance with the clause at 252.242–7005, Contractor Business Systems, if the clause is included in the contract.

(ii) Follow the procedures relating to monitoring a contractor's corrective action and the correction of significant deficiencies in PGI 242.7503.

(f) *System approval.* The contracting officer shall promptly approve a previously disapproved accounting system and notify the contractor when the contracting officer determines that there are no remaining significant deficiencies or noncompliance with the applicable reporting and audit requirements.

(g) *Contracting officer notifications.* The cognizant contracting officer shall promptly distribute copies of a determination to approve a system, to disapprove a system and withhold payments, or to approve a previously disapproved system and release withheld payments to the Government auditor, payment office, affected contracting officers at the buying activities, and cognizant contracting officers in contract administration activities.

(h) *Mitigating the risk of accounting system deficiencies on specific proposals.* (1) Field pricing teams shall discuss identified accounting system deficiencies and their impact in all reports on contractor proposals until the deficiencies are resolved.

(2) The contracting officer responsible for negotiation of a proposal generated by an accounting system with an

identified deficiency shall evaluate whether the deficiency impacts the negotiations. If it does not, the contracting officer should proceed with negotiations. If it does, the contracting officer should consider other alternatives, for example—

(i) Allowing the contractor additional time to correct the accounting system deficiency and submit a corrected proposal;

(ii) Considering another type of contract;

(iii) Using additional cost analysis techniques to determine the reasonableness of the cost elements affected by the accounting system's deficiency;

(iv) Reducing the negotiation objective for profit or fee; or

(v) Including a contract (reopener) clause that provides for adjustment of the contract amount after award.

(3) The contracting officer who incorporates a reopener clause into the contract is responsible for negotiating price adjustments required by the clause. Any reopener clause necessitated by an accounting system deficiency should—

(i) Clearly identify the amounts and items that are in question at the time of negotiation;

(ii) Indicate a specific time or subsequent event by which the contractor will submit a supplemental proposal, including certified cost or pricing data, identifying the cost impact adjustment necessitated by the deficient accounting system;

(iii) Provide for the contracting officer to adjust the contract price unilaterally if the contractor fails to submit the supplemental proposal; and

(iv) Provide that failure of the Government and the contractor to agree to the price adjustment shall be a dispute under the Disputes clause.

242.7504 [Amended]

■ 11. In newly redsignated section 242.7504, remove the bracket at the end of paragraph (b).

PART 252—SOLICITATION PROVISIONS AND CONTRACT CLAUSES

■ 12. Amend section 252.215–7002 by—

■ a. Removing the clause date ''(DEC 2012)'' and adding in its place ''(DATE)'';

■ b. Revising paragraphs (a) and (b);

■ c. Amending paragraph (c) introductory text by removing ''a large business'' and adding ''other than a small business concern'' in its place;

■ d. Revising paragraph (d) heading and adding paragraphs (d)(5) through (9);

■ e. Revising paragraphs (e) and (f); and

■ f. Amending paragraph (g) by removing ''252.242–7005,'' and adding ''DFARS 252.242–7005,'' in its place.

The revisions read as follows:

252.215–7002 Cost Estimating System Requirements.

* * * * *

(a) *Definitions.* As used in this clause—

Acceptable estimating system means an estimating system that complies with the system criteria in paragraph (d) of this clause, and provides for a system that—

(i) Is maintained, reliable, and consistently applied;

(ii) Produces verifiable, supportable, documented, and timely cost estimates that are an acceptable basis for negotiation of fair and reasonable prices;

(iii) Is consistent with and integrated with the Contractor's related management systems; and

(iv) Is subject to applicable financial control systems.

Contractor means a business unit as defined in FAR 2.101.

Contractor's Certified Public Accountant (CPA) means an independent certified public accountant, in public practice and not directly employed as an employee by the Contractor, performing audits for the Contractor in accordance with U.S. generally accepted government auditing standards (GAGAS) as issued by the Government Accountability Office.

CPA audit means an examination of the Contractor's compliance with the applicable system criteria in paragraph (d)(4) of this clause performed by the Contractor's CPA in accordance with GAGAS for examination attestation engagements.

Estimating system means the Contractor's policies, procedures, and practices for budgeting and planning controls, and generating estimates of costs and other data included in proposals submitted to customers in the expectation of receiving contract awards. Estimating system includes the Contractor's—

(i) Organizational structure;

(ii) Established lines of authority, duties, and responsibilities;

(iii) Internal controls and managerial reviews;

(iv) Flow of work, coordination, and communication; and

(v) Budgeting, planning, estimating methods, techniques, accumulation of historical costs, and other analyses used to generate cost estimates.

Significant deficiency means a shortcoming in the system that materially affects the ability of officials of the Department of Defense to rely upon information produced by the system that is needed for management purposes.

(b) *General.* The Contractor shall—

(1) Establish, maintain, and comply with an acceptable estimating system; and

(2) Make available to the Government, upon request, the results of internal or external reviews or monitoring that have been conducted to ensure compliance with the system criteria in (d)(4) of this clause and established estimating policies and procedures.

* * * * *

(d) *System and reporting requirements.* * * *

(5) *Annual reporting requirements.* (i) The Contractor shall provide to the Contracting Officer and Government auditor within the 6-month period following the expiration of the Contractor's fiscal year, and annually thereafter, a report regarding compliance with the system criteria in paragraph (d)(4) of this clause as of the end of the Contractor's most recent fiscal year. The Contractor shall have the report signed by an individual of the Contractor's organization at a level no lower than a vice president or chief financial officer of the reporting business segment.

(ii) The report shall include—

(A) A statement that the Contractor has evaluated the estimating system's compliance with the system criteria in paragraph (d)(4) of this clause;

(B) The Contractor's assessment of the estimating system's compliance with the system criteria in paragraph (d)(4) of this clause, including a statement as to whether or not the system complies in all material respects, and disclosure of any significant deficiencies with sufficient information for the Government to understand the deficiencies; and

(C) The status of any significant deficiencies disclosed as part of the Contractor's assessment or, if applicable, in the Contractor's CPA audit report as required in paragraph (d)(6) of this clause, including a corrective action plan with milestones and actions to eliminate any significant deficiencies that have not been corrected as of the date of the Contractor's report.

(6) *Triennial CPA audit requirement.* (i) In the first year in which the Contractor is required to provide the annual report as required in paragraph (d)(5) of this clause, and every three years thereafter, or more frequently if directed by the Contracting Officer, in addition to the items in paragraph

(d)(5)(ii) of this clause, the Contractor's annual report shall include an audit report on the Contractor's CPA's examination of the Contractor's compliance with the system criteria in paragraph (d)(4) of this clause as of the end of the most recent fiscal year.

(ii) The examination shall be performed in accordance with GAGAS for examination attestation engagements, and the CPA audit report shall include sufficient information regarding any reported significant deficiencies for the Government to understand the deficiencies.

(7) *CPA selection.* If paragraph (d)(6) of this clause is applicable, the Contractor shall reasonably ensure that the CPA firm performing the audit is—

(i) Independent and objective with respect to the audited entity by obtaining and reviewing a written representation from the firm that the firm (and the assigned engagement team)—

(A) Is independent and objective with respect to the audited entity;

(B) Will remain independent throughout the audit;

(C) Has not performed any nonaudit services for the audited entity that impair the auditors' independence for the subject audit; and

(D) Will disclose any independence issues discovered; and

(ii) Qualified to perform the audit by obtaining and reviewing—

(A) Information about key engagement team members regarding professional qualifications and experience, including valid CPA licenses or certificates in good standing, and current knowledge and experience in the type of work to be done; and

(B) The firm's most recent peer review report, in accordance with the American Institute of Certified Public Accountants (AICPA) Peer Review Program, or equivalent.

(8) *Contractor submission of audit plan.* The Contractor shall provide the Contractor's CPA's audit strategy, risk assessment, and audit plan (program), upon completion, for the audits required in paragraphs (d)(6) and (f)(2) of this clause, to the cognizant contracting officer and Government auditor for review if—

(i) The Contractor has received Department of Defense (DoD) prime contracts or subcontracts, totaling $100 million or more for which certified cost or pricing data were required during the fiscal year to which the Contractor's CPA audit report applies; or

(ii) Requested by the Contracting Officer, in consultation with the Government auditor.

(9) *Documentation requirements.* (i) If paragraphs (d)(5) and (6) of this clause are applicable, the Contractor shall maintain and make available to the Government upon request—

(A) Documentation to provide reasonable support for the assessment of the estimating system as required in paragraphs (d)(5)(ii)(B) of this clause; and

(B) Information considered in the selection of a CPA as required in paragraph (d)(7) of this clause, if applicable.

(ii) The Contractor shall arrange for Government access to the working papers supporting the CPA audit reports required in paragraphs (d)(6) and (f)(2) of this clause, and documentation supporting the Contractor's CPA's independence, objectivity and qualifications.

(e) *Significant deficiencies or failure to comply with applicable reporting and audit requirements.* (1) The Contracting Officer will provide an initial determination to the Contractor, in writing, of any significant deficiencies or the Contractor's failure to comply with the applicable reporting and audit requirements in paragraphs (d)(5) and (6) of this clause. The initial determination will describe the deficiency in sufficient detail to allow the Contractor to understand the deficiency and provide sufficient information on the noncompliance with the applicable reporting and audit requirements to allow the Contractor to understand what action needs to be taken to comply.

(2) The Contractor shall respond within 30 days to a written initial determination from the Contracting Officer that identifies significant deficiencies in the Contractor's estimating system or the Contractor's failure to comply with the applicable reporting and audit requirements in paragraphs (d)(5) and (6) of this clause. If the Contractor disagrees with the initial determination, the Contractor shall state, in writing, its rationale for disagreeing.

(3) The Contracting Officer will evaluate the Contractor's response and notify the Contractor, in writing, of the Contracting Officer's final determination concerning—

(i) Remaining significant deficiencies;

(ii) Remaining noncompliance with the applicable reporting and audit requirements;

(iii) The adequacy of any proposed or completed corrective action; and

(iv) System disapproval, if the Contracting Officer determines that one or more significant deficiencies remain or the Contractor has failed to comply with the applicable reporting and audit requirements.

(f) If the Contractor receives the Contracting Officer's final determination of significant deficiencies or the Contractor's failure to comply with the applicable reporting and audit requirements in accordance with paragraphs (d)(5) and (6) of this clause, the Contractor shall—

(1) Within 45 days of receipt of the final determination, either correct the significant deficiencies or submit an acceptable corrective action plan showing milestones and actions to eliminate the significant deficiencies, and comply with the applicable reporting and audit requirements; and

(2) If the significant deficiencies were reported in the Contractor's annual report, or the Contractor's CPA audit report, provide the Contractor's CPA's opinion regarding the effectiveness of the corrective actions—

(i) As a part of the triennial CPA audit report as required in paragraph (d)(6) of this clause; or

(ii) In a separate audit report on the Contractor's CPA's examination of the effectiveness of the corrective action performed in accordance with GAGAS for examination attestation engagements.

* * * * *

■ 13. Amend section 252.242–7004 by—

■ a. Removing the clause date ''(MAY 2011)'' and adding in its place ''(DATE)'';

■ b. Revising paragraph (a);

■ c. Amending paragraph (b)(2) by removing ''paragraph (e)'' and adding ''paragraph (h)'' in its place;

■ d. Revising paragraph (c)(2);

■ e. Redesignating paragraphs (d) through (g) as paragraphs (h) through (k), respectively, and adding new paragraphs (d) through (g); and

■ f. Revising the newly redesignated paragraphs (i) and (j).

The revisions and additions read as follows:

252.242–7004 Material Management and Accounting System.

* * * * *

(a) *Definitions.* As used in this clause—

Acceptable material management and accounting system means a MMAS that generally complies with the applicable system criteria in paragraph (h) of this clause.

Contractor means a business unit as defined in FAR 2.101.

Contractor's Certified Public Accountant (CPA) means an independent certified public accountant, in public practice and not directly employed as an employee by

the Contractor, performing audits for the Contractor in accordance with U.S. generally accepted government auditing standards (GAGAS), as issued by the Government Accountability Office.

CPA audit means an examination of the Contractor's compliance with the applicable system criteria in paragraph (h) of this clause performed by the Contractor's CPA in accordance with GAGAS for examination attestation engagements.

Material management and accounting system (MMAS) means the Contractor's system or systems for planning, controlling, and accounting for the acquisition, use, issuing, and disposition of material. Material management and accounting systems may be manual or automated. They may be stand-alone systems or they may be integrated with planning, engineering, estimating, purchasing, inventory, accounting, or other systems.

Qualifying sales means sales for which cost or pricing data were required under 10 U.S.C. 2306a, as implemented in FAR 15.403, or that are contracts priced on other than a firm-fixed-price or fixed-price with economic price adjustment basis. Sales include prime contracts, subcontracts, and modifications to such contracts and subcontracts.

Significant deficiency means a shortcoming in the system that materially affects the ability of officials of the Department of Defense to rely upon information produced by the system that is needed for management purposes.

Valid time-phased requirements means material that is—

(i) Needed to fulfill the production plan, including reasonable quantities for scrap, shrinkage, yield, etc.; and

(ii) Charged/billed to contracts or other cost objectives in a manner consistent with the need to fulfill the production plan.

* * * * *

(c) * * *

(2) Provide to the Administrative Contracting Officer (ACO), upon request, the results of internal or external reviews or monitoring that have been conducted to ensure compliance with the system criteria in paragraph (h) of this clause and established MMAS policies, procedures, and operating instructions; and

* * * * *

(d) *Triennial CPA reporting and audit requirements.* (1) If the Contractor is other than small business concern, has $50 million of qualifying sales to the Government during the preceding fiscal year, and the Contracting Officer requests an MMAS review, the Contractor shall—

(i) Provide to the Contracting Officer and Government auditor within the 6-month period following the expiration of the Contractor's fiscal year, a report regarding the Contractor's compliance with the system criteria in paragraph (h) of this clause as of the end of the Contractor's most recent fiscal year; and

(ii) Have the report signed by an individual of the Contractor's organization at a level no lower than a vice president or chief financial officer of the reporting business segment.

(2) The report shall include—

(i) A statement that the Contractor has evaluated the MMAS's compliance with the system criteria in paragraph (h) of this clause;

(ii) The Contractor's assessment of the MMAS's compliance with the system criteria in paragraph (h) of this clause, including a statement as to whether or not the system complies in all material respects and disclosure of any significant deficiencies with sufficient information for the Government to understand the deficiencies;

(iii) An audit report on the Contractor's CPA's examination of the Contractor's compliance with the system criteria in paragraph (h) of this clause as of the end of the most recent fiscal year. The examination shall be performed in accordance with GAGAS for examination attestation engagements. The CPA audit report shall include sufficient information regarding any reported significant deficiencies for the Government to understand the deficiencies; and

(iv) The status of any significant deficiencies disclosed as part of the Contractor's assessment or in the Contractor's CPA audit report, including a corrective action plan with milestones and actions to eliminate any significant deficiencies that have not been corrected as of the date of the Contractor's report.

(e) *CPA selection.* If paragraph (d) of this clause is applicable, the Contractor shall reasonably ensure that the CPA firm performing the audit is—

(1) Independent and objective with respect to the audited entity by obtaining and reviewing a written representation from the firm that the firm (and the assigned engagement team)—

(i) Is independent and objective with respect to the audited entity;

(ii) Will remain independent throughout the audit;

(iii) Has not performed any nonaudit services for the audited entity that impair the auditors' independence for the subject audit; and

(iv) Will disclose any independence issues discovered; and

(2) Qualified to perform the audit by obtaining and reviewing—

(i) Information about key engagement team members regarding professional qualifications and experience, including valid CPA licenses or certificates in good standing, and current knowledge and experience in the type of work to be done; and

(ii) The firm's most recent peer review report, in accordance with the American Institute of Certified Public Accountants (AICPA) Peer Review Program, or equivalent.

(f) *Contractor submission of audit plan.* The Contractor shall provide the Contractor's CPA's audit strategy, risk assessment, and audit plan (program), upon completion, for the audits required in paragraphs (d)(2)(iii) and (j)(2) of this clause, to the cognizant contracting officer and Government auditor for review if—

(1) The Contractor has more than $100 million in qualifying sales to the Government during the fiscal year to which the Contractor's CPA audit report applies; or

(2) Requested by the Contracting Officer, in consultation with the Government auditor.

(g) *Documentation requirements.* (1) If paragraph (d) of this clause is applicable, the Contractor shall maintain and make available to the Government upon request—

(i) Documentation to provide reasonable support for the assessment of the MMAS as required in paragraph (d)(2)(ii) of this clause; and

(ii) Information considered in the selection of a CPA as required in paragraph (e) of this clause.

(2) The Contractor shall arrange for Government access to the working papers supporting the CPA audit reports as required in paragraphs (d)(2)(iii) and (j)(2) of this clause, and documentation supporting the CPA's independence, objectivity, and qualifications.

* * * * *

(i) *Significant deficiencies or failure to comply with applicable reporting and audit requirements.* (1) The Contracting Officer will provide an initial determination to the Contractor, in writing, of any significant deficiencies or the Contractor's failure to comply with the applicable reporting and audit requirements in paragraph (d) of this clause. The initial determination will describe the deficiency in sufficient detail to allow the Contractor to understand the deficiency and provide sufficient information on the noncompliance with the applicable

reporting and audit requirements to allow the Contractor to understand what action needs to be taken to comply.

(2) The Contractor shall respond within 30 days to a written initial determination from the Contracting Officer that identifies significant deficiencies in the Contractor's MMAS or the Contractor's failure to comply with the applicable reporting and audit requirements in paragraph (d) of this clause. If the Contractor disagrees with the initial determination, the Contractor shall state, in writing, its rationale for disagreeing.

(3) The Contracting Officer will evaluate the Contractor's response and notify the Contractor, in writing, of the Contracting Officer's final determination concerning—

(i) Remaining significant deficiencies;

(ii) Remaining noncompliance with the applicable reporting and audit requirements;

(iii) The adequacy of any proposed or completed corrective action; and

(iv) System disapproval if the Contracting Officer determines that one or more significant deficiencies remain or the Contractor has failed to comply with the applicable reporting and audit requirements.

(j) If the Contractor receives the Contracting Officer's final determination of significant deficiencies or the Contractor's failure to comply with the applicable reporting and audit requirements in accordance with paragraph (d) of this clause, the Contractor shall—

(1) Within 45 days of receipt of the final determination, either correct the significant deficiencies or submit an acceptable corrective action plan showing milestones and actions to eliminate the significant deficiencies, and comply with the applicable reporting and audit requirements; and

(2) If the significant deficiencies were reported in the Contractor's annual report, or the Contractor's CPA audit report as required in paragraph (d) of this clause, provide the Contractor's CPA's opinion regarding the effectiveness of the corrective actions—

(i) As a part of the triennial CPA audit report required in paragraph (d) of this clause; or

(ii) In a separate audit report on the Contractor's CPA's examination of the effectiveness of the corrective action performed in accordance with GAGAS for examination attestation engagements.

* * * * *

■ 14. Amend section 252.242–7005 by—

■ a. In the introductory text, removing ''242.7001'' and adding ''242.7003'' in its place;

■ b. Removing the clause date ''(FEB 2012)'' and adding in its place ''(DATE)'';

■ c. Amending paragraph (b) by—

■ i. Revising the definition of ''Contractor business systems''; and

■ ii. Adding, in alphabetical order, definitions for ''Contractor's Certified Public Account (CPA)'' and ''CPA audit''.

■ d. Revising paragraph (d);

■ e. Revising paragraphs (e)(1) and (2);

■ f. Revising paragraphs (f)(1), (f)(2) introductory text, and (f)(2)(i);

■ g. Amending paragraph (f)(iv) by removing ''Contractor has corrected the significant deficiencies'' and adding ''Contractor has corrected the significant deficiencies and, if applicable, the Contractor's CPA audit report on the effectiveness of the corrective actions'' in its place; and

■ h. Adding paragraph (g).

The additions and revisions read as follows:

252.242–7005 Contractor Business Systems.

* * * * *

(b) * * *

Contractor business systems means—

(i) Accounting system, if this contract includes the clause at DFARS 252.242–7006, Accounting System Administration;

(ii) Earned value management system, if this contract includes the clause at DFARS 252.234–7002, Earned Value Management System;

(iii) Estimating system, if this contract includes the clause at DFARS 252.215–7002, Cost Estimating System Requirements;

(iv) Material management and accounting system, if this contract includes the clause at DFARS 252.242–7004, Material Management and Accounting System;

(v) Property management system, if this contract includes the clause at DFARS 252.245–7003, Contractor Property Management System Administration; and

(vi) Purchasing system, if this contract includes the clause at DFARS 252.244–7001, Contractor Purchasing System Administration.

Contractor's Certified Public Accountant (CPA) means an independent certified public accountant, in public practice and not directly employed as an employee by the Contractor, performing audits for the Contractor in accordance with U.S. generally accepted government auditing standards (GAGAS) as issued by the Government Accountability Office.

CPA audit means an examination of the Contractor's compliance with the applicable system criteria in the applicable business system clause in DFARS 242.7003(b) performed by the Contractor's CPA in accordance with GAGAS for examination attestation engagements.

* * * * *

(d) *Significant deficiencies or failure to comply with reporting and audit requirements.* (1) The Contractor shall respond, in writing, within 30 days to an initial determination of—

(i) One or more significant deficiencies in one or more of the Contractor's business systems; or

(ii) Failure to comply with the applicable reporting and audit requirements in the applicable business system clause listed in the definition of ''contractor business systems'' in paragraph (b) of this clause.

(2) The Contracting Officer will evaluate the Contractor's response and notify the Contractor, in writing, of the final determination as to whether—

(i) The Contractor's business system contains significant deficiencies; or

(ii) The Contractor has failed to comply with the applicable reporting and audit requirements in the applicable business system clause listed in the definition of ''contractor business systems'' in paragraph (b) of this clause.

(3) If the Contracting Officer determines that the Contractor's business system contains significant deficiencies or that the contractor has failed to comply with the applicable reporting and audit requirements, the final determination will include a notice to withhold payments.

(e) *Withholding payments.* (1) If the Contracting Officer issues the final determination with a notice to withhold payments for significant deficiencies in a contractor business system, or for the Contractor's failure to comply with the applicable reporting and audit requirements in the applicable business system clause listed in the definition of ''contractor business systems'' in paragraph (b) of this clause required under this contract, the Contracting Officer will withhold five percent of amounts due from progress payments and performance-based payments, and direct the Contractor, in writing, to withhold five percent from its billings on interim cost vouchers on cost-reimbursement, labor-hour, and time-and-materials contracts until the Contracting Officer has determined that the Contractor has corrected all significant deficiencies and complied with the applicable reporting and audit requirements as directed by the Contracting Officer's final determination.

(2) If the final determination with a notice to withhold payments is for significant deficiencies in a Contractor business system—

(i) The Contractor shall, within 45 days of receipt of the notice, either correct the deficiencies or submit an acceptable corrective action plan showing milestones and actions to eliminate the deficiencies; and

(ii)(A) If the Contractor submits an acceptable corrective action plan within 45 days of receipt of a notice of the Contracting Officer's intent to withhold payments, and the Contracting Officer, in consultation with the Government auditor or functional specialist, determines that the Contractor is effectively implementing such plan, the Contracting Officer will reduce withholding directly related to the significant deficiencies covered under the corrective action plan, to two percent from progress payments and performance-based payments, and direct the Contractor, in writing, to reduce the percentage withheld on interim cost vouchers to two percent until the Contracting Officer determines the Contractor has corrected all significant deficiencies as directed by the Contracting Officer's final determination.

(B) If at any time the Contracting Officer determines that the Contractor has failed to follow the accepted corrective action plan, the Contracting Officer will increase withholding from progress payments and performance-based payments, and direct the Contractor, in writing, to increase the percentage withheld on interim cost vouchers to the percentage initially withheld, until the Contracting Officer determines that the Contractor has corrected all significant deficiencies as directed by the Contracting Officer's final determination.

* * * * *

(f) *Correction of deficiencies.* (1) The Contractor shall notify the Contracting Officer, in writing, when the Contractor has corrected the business system's deficiencies, and shall provide the Contractor's CPA audit report on the effectiveness of the corrective actions, if required by the applicable business system clause listed in the definition of ''contractor business systems'' in paragraph (b) of this clause.

(2) Once the Contractor has notified the Contracting Officer that all deficiencies have been corrected and, if applicable, provided the Contractor's CPA audit report on the effectiveness of the corrective actions, the Contracting Officer will take one of the following actions:

(i) If the Contracting Officer determines that the Contractor has corrected all significant deficiencies as directed by the Contracting Officer's final determination, the Contracting Officer will, as appropriate, discontinue the withholding of progress payments and performance-based payments, and direct the Contractor, in writing, to discontinue the payment withholding from billings on interim cost vouchers under this contract associated with the Contracting Officer's final determination, and authorize the Contractor to bill for any monies previously withheld that are not also being withheld due to other significant deficiencies, or noncompliance with applicable reporting and audit requirements in the applicable business system clause listed in the definition of ''contractor business systems'' in paragraph (b) of this clause. Any payment withholding under this contract due to other significant deficiencies or noncompliance with applicable reporting and audit requirements, will remain in effect until the Contracting Officer determines that those significant deficiencies and noncompliances are corrected.

* * * * *

(g) *Compliance with applicable reporting and audit requirements.* When the Contractor has, as directed by the Contracting Officer's final determination, provided the Contractor's report on compliance with the system criteria, including, if applicable, the Contractor's CPA audit report as required in the applicable business system clause listed in the definition of ''contractor business systems'' in paragraph (b) of this clause, the Contracting Officer will, as appropriate, discontinue the withholding of progress payments and performance-based payments, and direct the Contractor, in writing, to discontinue the payment withholding from billings on interim cost vouchers under this contract associated with the Contracting Officer's final determination, and authorize the Contractor to bill for any monies previously withheld that are not also being withheld due to significant deficiencies or other noncompliance with applicable reporting and audit requirements. Any payment withholding under this contract due to significant deficiencies or other noncompliance with applicable reporting and audit requirements, will remain in effect until the Contracting Officer determines that those significant deficiencies and noncompliances are corrected.

■ 15. Amend section 252.242–7006 by—

■ a. In the introductory text, removing ''242.7503'' and adding ''242.7504'' in its place;

■ b. Removing the clause date ''(FEB 2012)'' and adding in its place ''(DATE)'';

■ c. In paragraph (a) removing the numerical paragraph designations of (1) through (3) for the definition paragraphs, and adding, in alphabetical order, definitions for ''Contractor's Certified Public Account (CPA)'' and ''CPA audit'';

■ d. Revising paragraph (b);

■ e. Redesignating paragraphs (d), (e) and (f) as paragraphs (j), (k) and (l), respectively;

■ f. Adding new paragraphs (d) through (i);

■ g. Revising the newly redesignated paragraphs (j) and (k); and

■ h. Amending the newly redesignated paragraph (l) by removing ''252.242–7005'' and adding ''DFARS 252.242–7005'' in its place.

The revisions and additions read as follows:

252.242–7006 Accounting System Administration.

* * * * *

(a) * * *

Contractor's Certified Public Accountant (CPA) means an independent certified public accountant, in public practice and not directly employed as an employee by the Contractor, performing audits for the Contractor in accordance with U.S. generally accepted government auditing standards (GAGAS) as issued by the Government Accountability Office.

CPA audit means an examination of the Contractor's compliance with the applicable system criteria in paragraph (c) of this clause performed by the Contractor's CPA in accordance with GAGAS for examination attestation engagements.

* * * * *

(b) *General.* The Contractor shall—

(1) Establish and maintain an acceptable accounting system; and

(2) Make available to the Government, upon request, the results of internal or external reviews or monitoring that have been conducted to ensure compliance with the system criteria in (c) and established accounting system policies and procedures.

* * * * *

(d) *Applicability.* (1) Paragraph (e) of this clause applies if, in the Contractor's fiscal year preceding the period in which the annual report as required in paragraph (e) is due to the Government, the Contractor had a covered contract as defined in DFARS 242.7001 (other than

contracts with educational institutions or Federally Funded Research and Development Centers (FFRDCs) operated by educational institutions).

(2) Paragraph (f) of this clause applies if, in the Contractor's fiscal year preceding the period in which the Contractor's CPA audit report as required in paragraph (f) is due to the Government, the Contractor had a covered contract as defined in DFARS 242.7001 (other than contracts with educational institutions or Federally Funded Research and Development Centers (FFRDCs) operated by educational institutions).

(e) *Annual reporting requirements.* (1) The Contractor shall provide to the Contracting Officer and Government auditor within the 6-month period following the expiration of the Contractor's fiscal year, and annually thereafter, a report regarding compliance with the system criteria in paragraph (c) of this clause as of the end of the Contractor's most recent fiscal year. The Contractor shall have the report signed by an individual of the Contractor's organization at a level no lower than a vice president or chief financial officer of the reporting business segment.

(2) The report shall include—

(i) A statement that the Contractor has evaluated the accounting system's compliance with the system criteria in paragraph (c) of this clause;

(ii) The Contractor's assessment of the accounting system's compliance with the system criteria in paragraph (c) of this clause, including a statement as to whether or not the system complies in all material respects, and disclosure of any significant deficiencies with sufficient information for the Government to understand the deficiencies; and

(iii) The status of any significant deficiencies disclosed as part of the Contractor's assessment or, if applicable, in the Contractor's CPA audit report required in paragraph (f) of this clause, including a corrective action plan with milestones and actions to eliminate any significant deficiencies that have not been corrected as of the date of the Contractor's report.

(f) *Triennial CPA audit requirement.* (1) In the first year in which the Contractor is required to provide the annual report as required in paragraph (e) of this clause, and every three years thereafter, or more frequently if directed by the Contracting Officer, in addition to the items in paragraphs (e)(2)(i), (ii), and (iii) of this clause, the Contractor's annual report shall include an audit report on the Contractor's CPA's examination of the Contractor's compliance with the system criteria in paragraph (c) of this clause as of the end of the Contractor's most recent fiscal year.

(2) The examination shall be performed in accordance with GAGAS for examination attestation engagements, and the CPA audit report shall include sufficient information regarding any reported significant deficiencies for the Government to understand the deficiencies.

(g) *CPA selection.* If paragraph (f) of this clause is applicable, the Contractor shall reasonably ensure that the CPA firm performing the audit is—

(1) Independent and objective with respect to the audited entity by obtaining and reviewing a written representation from the firm that the firm (and the assigned engagement team)—

(i) Is independent and objective with respect to the audited entity;

(ii) Will remain independent throughout the audit;

(iii) Has not performed any nonaudit services for the audited entity that impair the auditors' independence for the subject audit; and

(iv) Will disclose any independence issues discovered; and

(2) Qualified to perform the audit by obtaining and reviewing—

(i) Information about key engagement team members regarding professional qualifications and experience, including valid CPA licenses or certificates in good standing, and current knowledge and experience in the type of work to be done; and

(ii) The firm's most recent peer review report, in accordance with the American Institute of Certified Public Accountants (AICPA) Peer Review Program, or equivalent.

(h) *Contractor submission of audit plan.* The Contractor shall provide the Contractor's CPA's audit strategy, risk assessment, and audit plan (program), upon completion, for the audits as required in paragraphs (f) and (k)(2) of this clause to the cognizant contracting officer and Government auditor for review if—

(1) The Contractor has more than $100 million in cost incurred on cost-reimbursement and incentive type contracts, and amounts billed on time and material and labor hour contracts during the Contractor's fiscal year to which the Contractor's CPA audit report applies; or

(2) Requested by the Contracting Officer, in consultation with the Government auditor.

(i) *Documentation requirements.* (1) If paragraphs (e) and (f) of this clause are applicable, the Contractor shall maintain and make available to the Government upon request—

(i) Documentation to provide reasonable support for the assessment of the accounting system as required in paragraph (e)(2)(ii) of this clause; and

(ii) Information considered in the selection of a CPA as required in paragraph (g) of this clause, if applicable.

(2) The Contractor shall arrange for Government access to the working papers supporting the CPA audit reports as required in paragraphs (f) and (k)(2) of this clause, and documentation supporting the CPA's independence, objectivity, and qualifications.

(j) *Significant deficiencies or failure to comply with applicable reporting and audit requirements.* (1) The Contracting Officer will provide an initial determination to the Contractor, in writing, of any significant deficiencies or the Contractor's failure to comply with the applicable reporting and audit requirements in paragraphs (e) and (f) of this clause. The initial determination will describe the deficiency in sufficient detail to allow the Contractor to understand the deficiency and provide sufficient information on the noncompliance with the applicable reporting and audit requirements to allow the Contractor to understand what action needs to be taken to comply.

(2) The Contractor shall respond within 30 days to a written initial determination from the Contracting Officer that identifies significant deficiencies in the Contractor's accounting system or the Contractor's failure to comply with the applicable reporting and audit requirements in paragraphs (e) and (f) of this clause. If the Contractor disagrees with the initial determination, the Contractor shall state, in writing, its rationale for disagreeing.

(3) The Contracting Officer will evaluate the Contractor's response and notify the Contractor, in writing, of the Contracting Officer's final determination concerning—

(i) Remaining significant deficiencies;

(ii) Remaining noncompliance with the applicable reporting and audit requirements;

(iii) The adequacy of any proposed or completed corrective action; and

(v) System disapproval, if the Contracting Officer determines that one or more significant deficiencies remain or the Contractor has failed to comply with the applicable reporting and audit requirements.

(k) If the Contractor receives the Contracting Officer's final determination of significant deficiencies or the Contractor's failure to comply with the

applicable reporting and audit requirements in accordance with paragraphs (e) and (f) of this clause, the Contractor shall—

(1) Within 45 days of receipt of the final determination, either correct the significant deficiencies or submit an acceptable corrective action plan showing milestones and actions to eliminate the significant deficiencies, and comply with the applicable reporting and audit requirements; and

(2) If the significant deficiencies were reported in the Contractor's annual report, or the Contractor's CPA audit report, provide the Contractor's CPA's opinion regarding the effectiveness of the corrective actions—

(i) As a part of the triennial CPA audit report as required in paragraph (f) of this clause; or

(ii) In a separate audit report on the Contractor's CPA's examination of the effectiveness of the corrective action performed in accordance with GAGAS for examination attestation engagements.

* * * * *

[FR Doc. 2014–16390 Filed 7–11–14; 4:15 pm]

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DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

49 CFR Parts 171, 172, 173, and 177

[Docket No. PHMSA–2011–0345 (HM–233D)]

RIN 2137–AE86

Hazardous Materials: Requirements for the Safe Transportation of Bulk Explosives (RRR)

AGENCY: Pipeline and Hazardous Materials Safety Administration (PHMSA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: The Pipeline and Hazardous Materials Safety Administration is proposing to amend the Hazardous Materials Regulations by establishing standards for the safe transportation of bulk explosives. This rulemaking would be responsive to two petitions for rulemaking submitted by industry representatives: P–1557 concerning the continued use of renewal applications, and P–1583 concerning the incorporation of an industry standard publication. Further, developing these requirements would provide wider access to the regulatory flexibility currently only offered by special permit and competent authorities.

The requirements of this proposed rule would mirror the majority of provisions contained in nine widely used or longstanding special permits that have established safety records. These proposed revisions are intended to eliminate the need for future renewal requests, thus reducing paperwork burdens and facilitating commerce while maintaining an appropriate level of safety. As proposed, the requirements would authorize the transportation of certain explosives, ammonium nitrates, ammonium nitrate emulsions, and other specific hazardous materials in bulk packagings, which are not otherwise authorized under the regulations. These hazardous materials are used in blasting operations on specialized vehicles, known as multipurpose bulk trucks, which are used as mobile work platforms to create blends of explosives that are unique for each blast site. Finally, this rulemaking addresses the construction of new multipurpose bulk trucks.

DATES: Comments must be submitted by September 15, 2014. To the extent possible, PHMSA will consider late-filed comments as a final rule is developed.

ADDRESSES: You may submit comments by identification of the docket number (PHMSA–2011–0345 (HM–233D)) by any of the following methods:

- *Federal eRulemaking Portal:* Go to *http://www.regulations.gov.* Follow the online instructions for submitting comments.
- *Fax:* 1–202–493–2251.
- *Mail:* Docket Operations, U.S. Department of Transportation, West Building, Ground Floor, Room W12–140, Routing Symbol M–30, 1200 New Jersey Avenue SE., Washington, DC 20590.
- *Hand Delivery:* To Docket Operations, Room W12–140 on the ground floor of the West Building, 1200 New Jersey Avenue SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Instructions: All submissions must include the agency name and docket number for this notice at the beginning of the comment. All comments received will be posted without change to the Federal Docket Management System (FDMS), including any personal information.

Docket: For access to the dockets to read background documents (including the Regulatory Impact Analysis (RIA)) or comments received, go to *http://www.regulations.gov* or DOT's Docket Operations Office (see **ADDRESSES**).

FOR FURTHER INFORMATION CONTACT: Matthew Nickels, Standards and Rulemaking Division, Office of Hazardous Materials Safety, Pipeline and Hazardous Materials Safety Administration, U.S. Department of Transportation, telephone (202) 366–8553, 1200 New Jersey Avenue SE., Washington, DC 20590.

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I. Executive Summary

In this notice of proposed rulemaking (NPRM), the Pipeline and Hazardous Materials Safety Administration (PHMSA) proposes to amend the Hazardous Materials Regulations (HMR) by establishing standards for the safe transportation of bulk explosives. This rulemaking would be responsive to two petitions for rulemaking submitted by industry representatives: P–1557, concerning the continued use of renewal applications, and P–1583, concerning the incorporation of an industry standard publication. Further, developing these requirements would provide wider access to the regulatory flexibility currently offered only by special permit and competent authority approvals. These proposed revisions are intended to eliminate the need for future renewal requests of nine special permits (the transportation of certain explosives, ammonium nitrates, ammonium nitrate emulsions, and other specific hazardous materials in bulk packaging) that have established safety records. The revisions would reduce paperwork burdens and facilitate commerce while maintaining a appropriate level of safety.

This rulemaking specifically proposes to adopt a combination of features, including: incorporating by reference (IBR) the Institute of Makers of Explosives' (IME) Safety Library Publication No. 23 ''Recommendations for the Transportation of Explosives, Division 1.5, Ammonium Nitrate Emulsions, Division 5.1, Combustible Liquids, Class 3 and Corrosives, Class 8 in Bulk Packaging'' (referred to as SLP–23); requiring fire suppression systems in heat containing compartments (e.g., engine, transmission, etc.) and emergency shut-off/battery disconnect of newly constructed or modified multipurpose bulk trucks (MBTs); and complying with certain National Highway Traffic Safety Administration (NHTSA) requirements. PHMSA believes this NPRM will be of benefit to both the public and the industry, as it will: (1) Eliminate the need for firms to apply individually for the transportation of certain classes of bulk materials in MBTs, (2) provide regulatory flexibility and relief while maintaining an high level of safety, (3) promote safer transportation practices, (4) facilitate commerce, (5) reduce paperwork burdens, (6) protect the public health, welfare, safety, and environment, and (7) eliminate unnecessary regulatory requirements. Finally, with this rulemaking amending the HMR by incorporating IME publication SLP–23, the majority of provisions from nine special permits will be incorporated since those permits were used as the basis to create the SLP–23 document.

This NPRM affects the following entities and proposes the following requirements:

Affected entities	Proposals
• Manufacturers of newly constructed Multipurpose Bulk Trucks complying with Part 173. • Persons utilizing Multipurpose Bulk Trucks under nine current and active special permits complying with Part 173. • Drivers of Multipurpose Bulk Trucks complying with Part 173. • Manufacturers, assemblers, repairers, testers and design certifying engineers certifying compliance with the requirements for Multipurpose Bulk Trucks.	• Permits existing Multipurpose Bulk Trucks to operate under IME Safety Library Publication No. 23 (SLP–23) instead of Special Permits • Establishes regulations and permits new construction and modifications of Multipurpose Bulk Trucks provided that they: —operate under SLP–23. —install fire suppression systems. —install emergency shut-off/battery disconnects. —comply with the Federal Motor Vehicle Safety Standards.

The overall costs and benefits of the proposed regulations are dependent on the level of preexisting compliance with the nine special permits and the overall effectiveness of the proposed regulations (e.g., flexibility provided when incorporating portions or whole special permits). Additionally, we believe the net benefits of these proposals will be attractive to the explosives industry as it will allow them to do business in a faster manner, and consequently provide significant cost savings.

The costs associated with the proposed rule are primarily driven by the one-time cost of equipping newly constructed or modified MBTs with fire suppression systems. The other costs associated with this NPRM are estimated to be much smaller. The primary driver for the benefits from this NPRM is the cost savings associated with the incorporation by reference of SLP–23. PHMSA estimates that the positive economic effects of this rulemaking, once finalized and adopted, will be sustained indefinitely. The table below summarizes the calculated costs and benefits associated with this NPRM.[1]

Item	One-time costs	Recurring annual costs	Cost savings per year
Industry Applications for SP	$0	0	$62,700
PHMSA Review of SP Applications	$0	0	31,464
Tire-Pressure Checks	0	0	14,800,000
Fire Extinguishers	408,750	0	0
Working Pressure Limit	450,000	0	0
Caking	0	0	90,000
Periodic Inspections/Tests	0	1,300,000	0
Nameplate	187,500	0	0
Accident Investigations	0	20,000	0
Driver Training	0	9,000	0
Maintaining/Updating SLP–23	0	50,000	1,300,000
Reduced Paperwork Burden	0	0	3,420
Cost of Fire-Suppression Systems	9,375,000	0	0
Total	10,421,250	1,379,000	16,287,584

Under the NPRM, the one-time costs are approximately $10.4 million; the recurring annual costs are approximately $1.4 million. The net present value of these costs discounted at 3 percent and 7 percent over the 10 years is approximately $22 million and $19 million, respectively. The annualized cost of the rule discounted

[1] For further discussion regarding the individual NPRM provisions, please see Section IV of this document and the regulatory impact assessment available in the public docket for this rulemaking.

at 3 percent is $2.2 million and at 7 percent is approximately $1.9 million.

The present values of the $16.3 million in annual cost savings (which represent the major benefits of the proposed rule) discounted at 3 percent and 7 percent over 10 years are approximately $143 million and $122 million, respectively. The annualized benefits at 3 percent are $14.3 million and at 7 percent are $12.2 million.

The annualized net benefits of the proposed rule at 3 percent are approximately $12.1 million ($14.3 million in annualized benefits—$2.2 million in annualized costs) and at 7 percent are approximately $10.3 million ($12.2 million in annualized benefits—$1.9 million in annualized costs). As such, PHMSA has concluded that the aggregate benefits justify the aggregate costs. A summary of the expected annualized costs and benefits is provided in the table below.

Annualized Benefit (in 2013 $).	$12.2–14.3 million
Annualized Cost (in 2013 $).	$1.9–2.2 million
Benefit-Cost Ratio.	6.4–6.5
Annualized Net Benefit.	$10.3–12.1 million

PHMSA requests comments on the analysis underlying these estimates, as well as possible approaches to reduce the costs of this rule while maintaining or increasing the benefits. Additionally, PHMSA seeks comments on possible changes that might improve the rule and increase regulatory flexibility.

II. Background

Special Permits

The Pipeline and Hazardous Materials Safety Administration (PHMSA) is proposing to amend the Hazardous Materials Regulations (HMR; 49 CFR Parts 171–180) by establishing standards for the safe transportation of bulk explosives. These proposed standards for bulk explosives will mirror the majority of provisions contained in nine widely-used longstanding special permits issued by PHMSA under 49 CFR Part 107, Subpart B (§§ 107.101 to 107.127). A special permit sets forth alternative requirements (variances) to the requirements in the HMR in a way that achieves a safety level at least equal to the safety level required under the regulations or that is consistent with the public interest. Congress expressly authorized DOT to issue these variances in the Hazardous Materials Transportation Act of 1975 as amended.

The HMR generally are performance oriented regulations, which provide the regulated community with a certain amount of flexibility in meeting safety requirements. Even so, not every transportation situation can be anticipated and built into the regulations. Innovation is the strength of our economy and the hazardous materials community is particularly strong at developing new materials and technologies and innovative ways of moving materials. Special permits enable the hazardous materials industry to quickly, effectively, and safely integrate new products and technologies into production and the transportation stream. Thus, special permits provide a mechanism for testing new technologies, promoting increased transportation efficiency and productivity, and ensuring global competitiveness.

Hazardous materials transported under the terms of a special permit must achieve a level of safety at least equal to the level of safety achieved when transported under the HMR. Implementation of new technologies and operational techniques enhances safety because the authorized operations or activities may achieve a greater level of safety than that currently required under the regulations. Special permits also reduce the volume and complexity of the HMR by addressing unique or infrequent transportation situations that would be difficult to accommodate in regulations intended for use by a wide range of shippers and carriers.

PHMSA conducts ongoing reviews of special permits to identify widely used and longstanding special permits with an established safety record for conversion (fully or in part) into regulations of broader applicability. To obtain a special permit, interested parties must prepare and submit a detailed application that PHMSA reviews extensively. If granted and its use is needed after the expiration date assigned, the person authorized to use the special permit must submit an application to continue their use of it and undergo another extensive PHMSA renewal process. Converting the provisions (fully or in part) of these special permits into regulations reduces paperwork burdens and facilitates commerce while maintaining an acceptable level of safety. Additionally, adoption of special permits as rules of general applicability provides wider access to the benefits and regulatory flexibility of the provisions granted in the special permits. Factors that influence whether a specific special permit is a candidate for regulatory action include: the safety record for hazardous materials transported, or the transport operations conducted, under a special permit; the potential for broad application of a special permit; suitability of provisions in the special permit for incorporation (fully or in part) into the HMR; rulemaking activity in related areas; and agency priorities. Special permits involving packaging used by a large number of persons—such as those issued to many persons with party status or issued to a manufacturer as a ''manufacture, mark, and sell''—are potentially among the most suitable types of special permits for adoption into the HMR. Such special permits have broad applicability; moreover, many of them have been in effect for a number of years and have demonstrated safety records.

Further, although we make every effort to stay as true as possible to the conditions prescribed in each special permit when converting it to proposed regulatory text, PHMSA recognizes that sometimes, due to existing regulations or historical interpretations, provisions in a special permit may require revision to convert them into regulations of general applicability. In addition, when converting special permits we often have to modify the language to describe documents and procedures that are authorized under the special permit but not specifically described in it or to modify the language to comply with requirements for proposed regulatory text prescribed by PHMSA, by other agencies in the Department of Transportation (DOT), and potentially by federal agencies outside of DOT.

The special permits addressed in this NPRM have hundreds of party-to status grantees. Party-to status is granted to a person who would like to offer for transport or transport a hazardous material, or perform an operation in association with a hazardous material in the same manner as the original applicant.

This NPRM proposes to incorporate elements of nine special permits (by way of incorporating SLP–23) that authorize multipurpose bulk truck operations not specifically permitted under the HMR. The proposed amendments will eventually eliminate the need for hundreds of current grantees to reapply for renewal of nine special permits every four years and for PHMSA to process those renewal applications. These proposals will also apply to any special permits PHMSA issues during the development of this rulemaking whose provisions are identical in every respect to those described in the rulemakings issued under this docket. To emphasize this, we preface the description of the affected special permits with the wording ''include'' or ''includes'' to clarify that additional special permits

other than those specifically listed in this NPRM may have elements of them incorporated under these amendments. These special permits were initially issued to members of industry associations or similar organizations. These nine petitions are:

- *DOT–SP 4453:* Authorizes the transportation in commerce of certain Division 1.5D explosives contained in non-DOT specification bulk, hopper-type tanks. This special permit was issued in 1980 and is utilized by 142 grantees with acceptable safety performance.
- *DOT–SP 5206:* Authorizes the transportation in commerce of Division 1.5D explosives contained in privately operated bulk hopper-type units. Specific operational controls are specified in lieu of compliance with these two requirements. This special permit has been in effect since 1980 and is utilized by 44 grantees with acceptable safety performance.
- *DOT–SP 8453:* Authorizes the transportation in commerce of certain Division 1.5D explosives and Division 5.1 materials contained in DOT specification cargo tanks and certain non-DOT specification cargo tanks and portable tanks. This special permit has been in effect since 1980 and is utilized by 64 grantees with acceptable safety performance.
- *DOT–SP 8554:* Authorizes the transportation in commerce of certain Division 1.5D explosives and/or Division 5.1 oxidizers in the bulk motor vehicles described in the special permit. This special permit has been in effect since 1981 and is utilized by at least 182 grantees with acceptable safety performance.
- *DOT–SP 8723:* Authorizes the transportation in commerce of certain Division 1.5 explosives and/or Division 5.1 oxidizers, in bulk, in motor vehicles and portable tanks described in the special permit. This special permit has been in effect since 1981 and has been utilized by at least 109 grantees with acceptable safety performance.
- *DOT–SP 9623:* Authorizes the transportation in commerce of certain Division 1.5D explosives and Division 5.1 oxidizers in a cargo tank with a dromedary compartment (cargo compartments) containing Division 1.1 explosives mounted directly behind the trailer cab subject to the limitations specified in the special permit. This special permit was issued in 1986 and is utilized by 42 grantees with acceptable safety performance.
- *DOT–SP 10751:* Authorizes the transportation in commerce of certain Division 1.1, 1.4, and 1.5 explosives, Division 5.1 oxidizers, and Class 3 combustible liquids in separate containers mounted on the same vehicle frame structure. This special permit was issued in 1994 and is utilized by 38 grantees with acceptable safety performance.
- *DOT–SP 11579:* Authorizes the transportation in commerce of certain Division 1.1B, 1.1D, 1.4B, 1.4D, 1.4S, and 1.5D explosives, Division 5.1 oxidizers, Class 8 materials, and Class 3 combustible liquids in separate containers secured on the same vehicle frame structure. This special permit was issued in 1996 and is utilized by 72 grantees with acceptable safety performance.
- *DOT–SP 12677:* Authorizes the transportation in commerce of certain Division 1.1, 1.4, and 1.5D explosives, Division 5.1 oxidizers, Class 8 corrosive liquids, and Class 3 combustible liquids in separate containers secured on the same vehicle frame structure. This special permit was issued in 2001 and is utilized by 15 grantees with acceptable safety performance.

PHMSA has included discussion of these nine special permits in this NPRM because we have determined these special permits have well established safety records and the regulated industry would benefit from the HMR mirroring the majority of provisions contained in them.[2] These proposed revisions are intended to eliminate the need for future renewal requests, thus reducing paperwork burdens and facilitating commerce while maintaining an appropriate level of safety.

Further, developing standards for the transportation of bulk explosives into the HMR eliminates a significant paperwork burden. As a condition of those special permits issued by PHMSA and depending on the provisions of the special permit, a copy of each special permit must be: (1) Maintained at each facility where an operation is conducted or packaging is manufactured under a special permit; (2) maintained at each facility where a package is offered or re-offered for transportation under a special permit; and (3) in some cases, carried aboard each transport vehicle used to transport a hazardous material under a special permit.

Petitions for Rulemaking

Two elements in this proposed rulemaking were presented to PHMSA in petitions for rulemaking. A more detailed description of each is provided below.

Petition No. P–1557

The petition from R&R Trucking, Inc. (P–1557) dated March 23, 2010, asks PHMSA to eliminate the need to operate under the terms and conditions of a special permit for deliveries of certain types of bulk explosives, and develop bulk explosive requirements in the HMR. R&R Trucking states that ''the request is limited to Explosives, blasting, type E, 1.5D, UN0332, PG II and Ammonium nitrate emulsion, 5.1, UN3375, PG II, transported on articulated DOT specification cargo tank motor vehicles.'' Further, the petition states that ''no other hazardous material may be loaded into or carried on the vehicle or any vehicle in a combination of vehicles when transporting either of these materials in the approved bulk packaging.''

In support of their petition, R&R Trucking states that:

> R&R and other carriers, private and common, have transported these materials in specification cargo tank trailers under the terms and provisions of special permits since the early 1980s. R&R has transported these materials for over ten years without any loss of product during transportation. Annually, R&R handles about 2,150 shipments and travels over two million miles delivering these materials. Under the special permits articulated cargo tank motor vehicles (i.e., similar to tractor trailers) transporting only one material, either explosive 1.5D or oxidized 5.1, are subjected to the same requirements as MBTs transporting all the materials (explosives 1.1D, 1.1B, l.4B, 1.5D and ingredient to manufacture additional explosives) necessary to conduct a blast. The MBT encounters a significantly different transportation challenge due to the off road use, multiple products, and higher than normal center-of-gravity, as compared to the single product articulated cargo tank delivery vehicle.

As for a specific case of why the petition is needed, R&R Trucking states that:

> The transport of bulk 1.5D explosives and Ammonium nitrate emulsion, 5.1, in cargo tank trailers under the terms and provisions of the special permits is more restrictive than

[2] Over the past 10 years, there have been 35 reported transportation incidents in the U.S. involving multipurpose bulk trucks. During this same period, there has never been a death or major injury attributed to the hazardous materials while in transportation when there was compliance with the regulations. While there has been 1 incident that resulted in a fatality in that 10 year period, it involved a vehicular crash and human error, and was not attributed to the transportation of the hazardous materials themselves. Overall most incidents (90 percent) resulted in spillage; fewer incidents resulted in vapor dispersion (3 percent), environmental damage (0.5 percent), fire (0.5 percent), waterway infringement (0.4 percent), and explosion (0.1 percent.) Most of the time, the closures or covers in portable tanks failed, causing leaks. Detailed hazardous materials incident reports for hazardous materials incidents specified in § 171.16 may be found at the PHMSA Web site at the following URL: *https://hazmatonline.phmsa.dot.gov/IncidentReportsSearch/Search.aspx*

the transport of packaged 1.lA explosives. This is because of the recent modifications to the special permits addressing issues involving MBTs. The transport vehicles and conditions encountered are different and should be regulated accordingly. The requirements for a dry freight van trailer are different than for a cargo tank trailer or a flat bed trailer. The MBTs are designed for local deliveries, off road use and to mix, blend, manufacture and load explosive materials into blast holes. The articulated cargo tank motor vehicle is designed for a single purpose—to transport one bulk product safely over public highways. The fact that cargo tank trailers have safely transported over public highway bulk Class l.5D emulsion blasting agents for over twenty-five years under the terms and provisions of special permits should be sufficient to justify including requested bulk packaging in the Hazardous Material Regulations.

P–1557 requests two regulatory changes, both of them contained in the Hazardous Materials Table (HMT), in 49 CFR 172.101. For ''Ammonium nitrate emulsion, 5.1, UN3375'', R&R Trucking petitions us to change:

Column 8—Packaging (173***), Bulk, from ''214'' to ''242'', and to add to Column 7—Special Provisions—Transport restricted to articulated DOT specification cargo tank motor vehicles (road tractor semi trailer). Cargo tank must be constructed of stainless steel. No other hazardous material may be loaded into or carried on the cargo tank motor vehicle or on any vehicle of a combination of vehicles when transporting this material. The product must be approved by the Associate Administrator for transport in bulk packaging.

For ''Explosive, blasting, type E, l.5D, UN0332'', R&R Trucking petitions us to change:

Column 8—Packaging (173***), Bulk, from ''none'' to ''242'', and to add to Column 7—Special Provisions—''Transport restricted to articulated DOT specification cargo tank motor vehicles (road tractor semi trailer). Cargo tank must be constructed of stainless steel. No other hazardous material may be loaded into or carried on the cargo tank motor vehicle or on any vehicle of a combination of vehicles when transporting this material. The product must be approved by the Associate Administrator for transport in bulk packaging.

Finally, these two revisions would be permitted for motor vehicle and cargo vessel modes of transportation.

Lastly, R&R Trucking states that ''the impact of the proposal should not be substantial. The impact of governing transport of these materials by regulation rather than by special permit should be minimal.''

PHMSA agrees with the petitioner on the merit of establishing requirements for the transportation of bulk explosives in commerce. With the incorporation of IME SLP–23, PHMSA will be establishing all relevant and appropriate requirements set out in the current multipurpose bulk transportation special permits,[3] including the special permits R&R Trucking operates under. While we are not incorporating every provision in all nine special permits, we will have established criteria by which to transport these commodities in conformance with the HMR.

Petition No. P–1583

The petition from the Institute of Makers of Explosives (IME) (P–1583) dated May 13, 2011, asks PHMSA to develop bulk explosive requirements in the HMR by incorporating by reference IME Safety Library Publication No. 23, *Recommendations for the Transportation of Explosives Division 1.5, Ammonium Nitrate Emulsions Division 5.1, Combustible Liquids Class 3, and Corrosives Class 8 in Bulk Packagings* (''SLP–23''). Per IME's petition, IME is a non-profit association founded in 1913 to provide accurate information and comprehensive recommendations concerning the safety and security of commercial explosive materials. IME represents U.S. manufacturers and distributors of commercial explosive materials and oxidizers as well as other companies that provide related services, and the majority of IME members are ''small businesses'' as determined by the U.S. Small Business Administration.

In support of their petition, IME states that:

Approximately 95% of all explosives and blasting agents used in the U.S. are transported in bulk. This transportation is accomplished using two vehicle configurations: Multipurpose bulk trucks (''MBTs''), and articulated vehicles (i.e., cargo tanks). In the many decades that bulk explosives have been widely used, there have been zero deaths or injuries during transportation attributable to the transported materials themselves. Currently, the HMR operates to prohibit the transportation of explosive materials in bulk form. Consequently, these materials have been transported pursuant to special permits since the promulgation of the HMR and the inception of the Special Permits Program. MBT technology was introduced in the late 1970's, and makes possible the transport of millions of pounds of blasting materials in a non-explosive, waterproof form that is mixed to acquire its explosive properties after it is loaded in boreholes at the site of use. MBTs employ technologies that meet strict engineering and design standards. These vehicles serve as a mobile work platform in some of the harshest conditions imaginable. MBTs are capable of going from paved interstate, to unpaved mine roads, to blast sites. Today, the vast majority of bulk high explosives, blasting agents, and oxidizers are transported to work sites by MBTs. We estimate that there are about 1,500 MBTs on highways in any given year. Annually, we estimate these vehicles average 350,000 trips covering tens of millions of miles.

In the petition, IME states that it submitted P–1583 for two reasons:

(1) the long-term, ubiquitous, and safe transport of explosives in bulk form, including the use of MBT technology, warrant expansion of the HMRs to include established requirements of general applicability governing these transportation practices; and (2) the recommendations included in SLP–23 represent industry-wide best practices that, collectively, prescribe a higher standard of safety than the requirements included in the special permits currently used to authorize this transportation.

PHMSA agrees with the petitioners request to develop bulk explosive requirements in the HMR by proposing to incorporate by reference IME SLP–23. A more in-depth review of the SLP–23 (including its recommendations, its differences with the nine special permits, etc.) is discussed in Section III below.

Access to the IME SLP–23 publication discussed in this NPRM is available for public download and review at: *http://www.ime.org/.* Under the ''Publications'' tab, click the ''Safety Library Publications'' link and either order a physical copy or download a free PDF copy via email. Also, a copy of the IME SLP–23 publication has been added to the Docket under ''PHMSA–2011–0345'' at *http://www.regulations.gov.* Additionally, access to the petitions referenced in this NPRM can be found at *http://www.regulations.gov* under Docket Numbers ''PHMSA–2010–0101'' (P–1557), and ''PHMSA–2011–0137'' (P–1583), or at DOT's Docket Operations Office (see **ADDRESSES**).

III. Summary Review of Proposed Amendments

In this NPRM, PHMSA is proposing to revise the HMR by amending the regulations to establish standards for the safe transportation of bulk explosives. These proposals are further described below.

A. Proposed Incorporation of SLP–23 Into the HMR

In 1999, PHMSA requested IME to assist the Agency in preparing a set of standards that would incorporate bulk explosives transportation requirements into the HMR. Between 1999 and early 2001, PHMSA and IME worked cooperatively to prepare an acceptable document. The result of this effort was SLP–23, first published in 2001. At that

[3] DOT–SP 4453, DOT–SP 5206, DOT–SP 8453, DOT–SP 8554, DOT–SP 8723, DOT–SP 9623, DOT–SP 10751, DOT–SP 11579, and DOT–SP 12677.

point in time, PHMSA was considering incorporating the document into the HMR. Unfortunately, the events of September 11th 2001 intervened, and it was determined to be a difficult time to pursue the development of a rule dealing with explosives.

The SLP–23 document itself is structured into four main sections: Section I, Section II, Appendix A, and Appendix B.

- Section I (Standards for Transporting a Single Bulk Hazardous Material for Blasting by Cargo Tank Motor Vehicles) includes parts on: General requirements; modes of transportation; additional provisions; qualifications, maintenance, and repair of packagings; qualifications of individuals certifying non-DOT specification bulk packaging; placarding and marking requirements; and security and safety of the bulk hazardous materials transported.
- Section II (Standards for Cargo Tank Motor Vehicles Capable of Transporting Multiple Hazardous Materials for Blasting in Bulk and Non-Bulk Packaging) includes parts on: Purpose and limitations; hazardous materials covered under Section II; packagings; operational controls; qualifications, maintenance, and repair of packagings; special provisions; and emergency response, reporting, and training requirements.
- Appendix A is comprised of information on the vented pipe test (apparatus and materials, procedure, and test criteria and method of assessing results) including a diagram.
- Appendix B is comprised of information on the qualification, maintenance, and repair for non-DOT specification cargo tanks, for pressure capable sift-proof closed vehicles, and for pressure-capable closed bulk bins (periodic qualification, external visual inspection and testing, internal visual inspection, leakage test, pressure tests, test and inspection markings, repairs, modifications or alterations).

In 2011, IME updated and revised SLP–23 in direct response to concerns expressed by PHMSA regarding bulk transportation of explosives. IME used a team that was comprised of a broad group of experts (including both IME members and non-members) with extensive experience in hazardous materials transportation generally and the bulk transportation of explosives in particular.

The 2011 edition of SLP–23 includes all relevant and appropriate requirements set out in the bulk transportation special permits. In addition, because SLP–23 is a comprehensive standard, the recommendations are broader in scope than the combined special permits and the document succeeds in avoiding certain inconsistencies that inevitably exist between the current special permits. In addition to providing a clear and consolidated framework for the regulation of bulk transportation of explosives, SLP–23 recommends certain practices that exceed the requirements of the current special permits. These recommendations are as follows:

- SLP–23 requires at least two fire extinguishers, each with a rating of at least 4–A:40–B:C to be carried on MBTs.
- SLP–23 incorporates the United Nations (UN) requirement that no closed bulk packaging may have a maximum allowable working pressure exceeding 35 psi. This is a recommendation of the UN and reduces the probability of a deflagration to detonation transition of the cargo.
- SLP–23 provides that materials shall not be allowed to remain in the vehicle for any period of time that might result in caking. In certain environments with certain products, caking occurs relatively easily. This is a situation that is easily preventable, and is not currently addressed in special permits.
- Any non-DOT specification cargo tanks, portable tanks, sift-proof closed vehicles and closed bulk bins must be qualified, inspected, and maintained essentially the same as a DOT-specification bulk container (set out in Appendix B of SLP–23).
- Inspectors conducting inspections of non-DOT non-specification tanks (see above) must meet training qualifications outlined in Appendix B for the MBTs. DOT specification cargo tanks must still be inspected by registered inspectors.
- Each non-DOT non-specification bulk packaging must display a nameplate with a certification that the packaging meets SLP–23 standards and must include additional technical information. The nameplate must be visible for inspection. This helps users stay within the design parameters of the vehicle and inspectors verify compliance with manufacturer specifications.
- SLP–23 addresses security comprehensively. The recommendations specifically address the security of 1.5 and 5.1 materials when in transit, including locking mechanisms for all openings and elimination of any material spillage and/or residue in hoses and other access points. In addition, the recommendations address the safety of process delivery vehicles in general, including: Battery enclosure and disconnect specifications and tire specifications.
- Drivers must meet stringent qualifications and undergo extensive safety training, in addition to the training required to obtain a commercial driver's license with the hazmat endorsement under the Federal Motor Carrier Safety Administration (FMCSA). Furthermore, in addition to meeting the training requirements specified in 49 CFR 172, Subpart H, new drivers must also have a driving record without any preventable accidents in the past year and no moving violations in the previous three years. Drivers must also complete additional classroom training and pass a road test in a vehicle similar to the vehicle the driver will be operating.

In addition to the recommendations above, SLP–23 provides increased clarity compared to the current special permits in the following areas:

- SLP–23 clearly delineates the different transportation risks between single bulk commodities transported by articulated tractor-trailers (cargo tanks), and MBTs. Currently, all the special permits cover both articulated tractor-trailer vehicles carrying one hazmat and MBT straight trucks carrying many.
- All DOT-specification tanks appropriate for transportation of covered materials are clearly identified.
- All standards are consolidated into one document. Further, tanks are required to be marked ''IME SLP23.''

Therefore, in this NPRM, PHMSA proposes to incorporate SLP–23 and establish requirements of general applicability governing the transportation of bulk explosive materials. As such, PHMSA proposes to revise the 49 CFR 171.7 table of material incorporated by reference to include SLP–23, and establish a new § 173.66 (to be discussed further below) for the bulk explosives requirements.

B. Revising the Hazardous Materials Table and Adding Special Provision 148

PHMSA's proposal to incorporate SLP–23 into the HMR and establish requirements of general applicability governing the transportation of bulk explosive materials requires an update to the Hazardous Materials Table (HMT). Currently, the 49 CFR does not include a provision for the transportation in bulk packaging of certain Class 1 and Class 5 hazardous materials that are used in commercial blasting operations. When reviewing the HMT under the bulk packaging section, those types of commodities will have a ''None'' in Column (8C) meaning bulk packagings are not authorized, except as may be provided by special provisions in Column (7). With the proposed incorporation of SLP–23, the affected

hazardous materials require a new special provision 148 added to each entry under Column 7 of the HMT. These HMT entry revisions range from Divisions 1.1B, 1.1D, 1.4B, 1.4D, 1.4S and 1.5D Explosives, Division 5.1 Oxidizers, Class 8 Corrosives, and Combustible liquids.

Special Provision 148 is being proposed in order to allow for the transportation of certain hazardous materials in bulk quantities, or with materials normally not permitted to be transported with such commodities. This Special Provision 148 will direct readers to Section 173.66 in order to comply with the bulk explosives requirements. No other hazardous materials entries will be directed to Section 173.66 and therefore, only certain explosives, oxidizers, etc. will be eligible for bulk explosives transportation.

C. Proposed New Section on the Requirements for MBTs

PHMSA is proposing to add a new section to 49 CFR part 173 (§ 173.66), which would specify the requirements for MBTs. This includes existing MBTs, future newly constructed MBTs, and future modified MBTs.

In the preamble of the new section, prior to paragraph (a), we propose the requirements for multipurpose bulk trucks as follows. When § 172.101 specifies that a Class 1 (explosive) material may be packaged in accordance with this section, only the bulk packagings specified for these materials in IME SLP–23 (IBR, see § 171.7 of this subchapter) would be authorized, subject to the requirements of subparts A and B of this part and the special provisions in column 7 of the § 172.101 table. Thus, an entity operating a MBT under current conditions, such as a Special Permit, would be subject to operating under the IME SLP–23 document. Additional requirements in paragraphs (a), (b), and (c) apply to: (1) A new multipurpose bulk truck constructed after December 31, 2014, or (2) an old multipurpose bulk truck that requires modifications due to wear and tear (i.e., re-chassis, etc.).

In paragraph (a), we propose additional requirements regarding fire suppression systems for newly constructed and modified MBTs. In addition to complying with the applicable requirements of the HMR (e.g., placarding, shipping papers, etc.) and the applicable requirements in IME Safety Library Publication No. 23 (SLP–23) per § 171.7 of the HMR, these vehicles would be required to have a fire suppression system that is an engineered system connected to the engine and transmission compartments. The system would be activated by manual switch or passive means in the event of a fire. Also, all fire extinguishers used as components of the system would be required to meet the requirements of 49 CFR 393.95(a) and the applicable NFPA codes and standards. Further, the fire suppression system's design would be required to be verified and certified by the Design Certifying Engineer (DCE) of the vehicle, and the design would need to be tested through engineering analysis or physical testing to verify the initial design or future modification(s) to the current fire suppression system. The fire suppression system would be required to be visually inspected annually for defects, flaws, damage, etc., to ensure none are present. The system would need to be pneumatically tested every five years to ensure the system is free of debris, leaks, and damage, and to ensure the system will function properly. Finally, the DCE would need to prepare a test report and provide it to the manufacturer of the vehicle and the manufacturer would need to provide a copy to the owner of the vehicle.

In paragraph (b), we propose additional requirements of emergency shut-off/battery disconnect for newly constructed and modified MBTs. For these trucks, the batteries for the chassis would be required to have three easily accessible manual disconnect switches. One manual disconnect switch would be located inside the driver's cab and would not include the ignition, and that the remaining two manual disconnect switches would be located on each side of the vehicle. Further, all three switches would be connected to the positive battery terminal and the line of the switch would be protected from rubbing and abrasion that could cause a short circuit. Finally, the battery disconnect would be required to isolate all manufacturing equipment except critical instrumentation that requires the maintenance of the electrical supply, and that the battery disconnect is tested monthly to ensure proper operation.

In paragraph (c), we propose that for newly constructed and modified MBTs, those trucks would need to be in compliance with the applicable Federal Motor Vehicle Safety Standard (FMVSS) found in 49 CFR part 571. Furthermore, the multipurpose bulk truck manufacturer would need to maintain a certification record ensuring the final manufacturing is in compliance with the FMVSS, per the certification requirements found in 49 CFR Part 567, and these certification records would need to be available to DOT representatives upon request.

By proposing these requirements, PHMSA is echoing the majority of provisions contained in nine widely used or longstanding special permits that have established safety records. These proposed revisions are intended to eliminate the need for future renewal requests, thus reducing paperwork burdens and facilitating commerce while maintaining an appropriate level of safety.

D. Revising the Loading and Unloading Language for Class 1 (Explosive) Materials

In § 177.835, we propose to revise paragraph (a) to state that no Class 1 (explosive) materials may be loaded into or on or be unloaded from any motor vehicle with the engine running, except that the engine of a multipurpose bulk truck may be used for the operation of the pumping equipment of the vehicle during loading or unloading.

Furthermore, we propose a new paragraph (d) which discusses multipurpose bulk trucks and specifies that Class 1 (explosive) materials may be packaged in accordance with § 173.66 of this subchapter. However, these materials would be permitted to be transported on the same vehicle with Division 5.1 (oxidizing) materials, or Class 8 (corrosive) materials, and/or Combustible Liquid, n.o.s., NA1993 only under the conditions and requirements set forth in SLP–23 (IBR, see § 171.7 of this subchapter) and paragraph (g) of this section (177.835).

IV. Regulatory Analyses and Notices

A. Statutory/Legal Authority for This Rulemaking

This NPRM is published under the authority of 49 U.S.C. 5103(b) which authorizes the Secretary to prescribe regulations for the safe transportation, including security, of hazardous material in intrastate, interstate, and foreign commerce. 49 U.S.C. 5117(a) authorizes the Secretary of Transportation to issue a special permit from a regulation prescribed in 5103(b), 5104, 5110, or 5112 of the Federal Hazardous Materials Transportation Law to a person transporting, or causing to be transported, hazardous material in a way that achieves a safety level at least equal to the safety level required under the law, or consistent with the public interest, if a required safety level does not exist. The proposed rule would amend the regulations by incorporating SLP–23 and provisions from certain widely used and longstanding special permits that have established a history of safety and which may, therefore, be

converted into the regulations for general use.

B. Executive Order 13610, Executive Order 13563, Executive Order 12866, and DOT Regulatory Policies and Procedures

This proposed rulemaking is not considered a significant regulatory action under Executive Order (E.O.) 12866 (''Regulatory Planning and Review''), as supplemented and reaffirmed by E.O. 13563 (''Improving Regulation and Regulatory Review''), stressing that, to the extent permitted by law, an agency rulemaking action must be based on benefits that justify its costs, impose the least burden, consider cumulative burdens, maximize benefits, use performance objectives, and assess available alternatives, and the Regulatory Policies and Procedures of the Department of Transportation (44 FR 11034). However, due to the specific issues related to the transportation of explosive materials in MBTs, a regulatory impact assessment is available for review in the public docket for this rulemaking (filed under ''PHMSA–2011–0345'' at *http://www.regulations.gov*).

Executive Order 13563 is supplemental to and reaffirms the principles, structures, and definitions governing regulatory review that were established in Executive Order 12866 Regulatory Planning and Review of September 30, 1993. Executive Order 13563, issued January 18, 2011, notes that our nation's current regulatory system must not only protect public health, welfare, safety, and our environment but also promote economic growth, innovation, competitiveness, and job creation.[4] Further, this executive order urges government agencies to consider regulatory approaches that reduce burdens and maintain flexibility and freedom of choice for the public. In addition, Federal agencies are asked to periodically review existing significant regulations, retrospectively analyze rules that may be outmoded, ineffective, insufficient, or excessively burdensome, and modify, streamline, expand, or repeal regulatory requirements in accordance with what has been learned.

Executive Order 13610, issued May 10, 2012, urges agencies to conduct retrospective analyses of existing rules to examine whether they remain justified and whether they should be modified or streamlined in light of changed circumstances, including the rise of new technologies.[5]

By building off of each other, these three Executive Orders require agencies to regulate in the ''most cost-effective manner,'' to make a ''reasoned determination that the benefits of the intended regulation justify its costs,'' and to develop regulations that ''impose the least burden on society.''

In this notice, PHMSA proposes to amend the HMR to incorporate alternatives this agency has permitted under widely used and longstanding special permits and competent authority approvals with established safety records that we have determined meet the safety criteria for inclusion in the HMR. Incorporation of SLP–23 into the regulations of general applicability will provide shippers and carriers with additional flexibility to comply with established safety requirements, thereby reducing transportation costs and increasing productivity. In addition, the proposed rule will reduce the paperwork burden on industry and this agency resulting from putting an end to the need for renewal applications for special permits. Taken together, the provisions of this proposed rule will promote the continued safe transportation of hazardous materials while reducing transportation costs for the industry and administrative costs for the agency.

PHMSA considered five potential regulatory alternatives.

- *Alternative 1: No Action.* Under this option, PHMSA would continue existing requirements for Special Permits to transport bulk explosives by taking no action. However, PHMSA believes that there are considerable benefits to taking action provided that a high level of safety is maintained. Furthermore, all costs and benefits are relative to this option.
- *Alternative 2: PHMSA Defers to Voluntary Standards.* Under this option, PHMSA will defer to voluntary standards developed through organizations or trade associations. PHMSA will likely participate in standard-setting to develop standards that meet safety criteria that are in the interest of the United States. While compliance with voluntary standards is thought to be high by industry participants, firms do not have to comply with them, since they are voluntary. This creates some concern since the non-adoption may mean that those firms may not comply with minimum safety standards.
- *Alternative 3: Incorporate Special Permits That Have a Good Safety Record into the HMR.* Under this option, PHMSA will incorporate seven of the nine special permits into the HMR. These seven special permits have very good safety records. By incorporating these special permits, PHMSA will need to work through the Federal rulemaking process to modify the HMR in response to technological enhancements and other matters relating to the transportation of the bulk explosives covered under the seven special permits. It may be more advantageous to incorporate standards developed by industry than for PHMSA to develop its own standards and incorporate them into the HMR.
- *Alternative 4: Adopt Other National or International Standards.* Under this option, PHMSA would adopt other national or international standards, such as those used by Canada, Australia, or the United Nations. These other standards do not conform well to existing U.S. law and to the nine special permits. For example, the U.S. Bridge Law (USBL) provides known standards for bridge construction, by, among other requirements, placing restrictions on the overall size of MBTs in service in the United States. Other standards do not conform to the USBL. Also, these standards are implemented in ways that may not be possible within the regulatory framework in the United States.
- *Alternative 5: Incorporate SLP–23 into the HMR with Additional Features.* SLP–23 recommends standards for MBT straight trucks that typically transport multiple hazardous materials in support of blasting operations and articulated cargo tanks that carry a single bulk blasting agent or oxidizer. Under this option, PHMSA will incorporate SLP–23 into the HMR with additional features. This rulemaking specifically proposes to adopt a combination of features, including incorporating by reference (IBR) the Institute of Makers of Explosives' (IME) Safety Library Publication No. 23 ''Recommendations for the Transportation of Explosives, Division 1.5, Ammonium Nitrate Emulsions, Division 5.1, Combustible Liquids, Class 3 and Corrosives, Class 8 in Bulk Packaging'' (referred to as SLP–23), requiring fire suppression systems in heat-containing compartments (e.g., engine, transmission) and emergency shut-off/battery disconnect of newly constructed or modified MBTs, and complying with certain National Highway Traffic Safety Administration (NHTSA) requirements. The NPRM requirements are more comprehensive and have stricter standards than the

[4] See *http://www.whitehouse.gov/the-press-office/2011/01/18/improving-regulation-and-regulatory-review-executive-order.*

[5] See *http://www.gpo.gov/fdsys/pkg/FR-2012-05-14/pdf/2012-11798.pdf.*

nine special permits, and it may eliminate some duplicative functions covered by other industry standards. While SLP–23 may need to be re-evaluated and changed to keep pace with technological enhancements and other matters, IME will perform this and publish the revised standards free of charge. SLP–23 was developed with input of IME members, stakeholders, and PHMSA. In addition to incorporating SLP–23, under this option, we would add fire suppressions systems to the vehicles similar to the designs authorized under the Canadian requirements. The fire suppression requirements would strengthen the performance standards, and further accomplish PHMSA's objective of enhancing safety. For all of these reasons, alternative five was PHMSA's chosen alternative for this NPRM.

The proposed rule adopts Alternative 5, ''Incorporate SLP–23 into the HMR with Additional Features.'' By proposing these requirements, PHMSA will be echoing the majority of provisions contained in nine widely used or longstanding special permits that have established safety records. These proposed revisions are intended to eliminate the need for future renewal requests, thus reducing paperwork burdens and facilitating commerce while maintaining an appropriate level of safety.

Costs To Comply With the NPRM

The costs to comply with the NPRM are the sum of the costs of incorporating SLP–23 into the HMR as estimated for Alternative 5 plus costs for existing and new trucks to meet the additional requirements described in section III above (Proposed New Section on the Requirements for MBTs). Below is an analysis of costs associated with the various provisions under SLP–23 that affect its incorporation into the HMR, followed by an analysis of costs associated with some additional features.

Costs associated with tire-pressure checks. SLP–23 contains a requirement to check tire pressure before the initial trip of the day. This would be part of a routine pre-trip inspection and should not add any costs.

Costs associated with fire extinguishers. SLP–23 requires a minimum of two fire extinguishers rated 4–A:40B:C. Current Federal regulations require a minimum of one fire extinguisher rated 10B:C. IME makes the following estimates:

- Fire extinguishers could be affixed in 8 hours.
- The cost for two fire extinguishers is approximately $250.
- The labor costs for installing the fire extinguishers are estimated at $280.
- The cost associated with the MBT downtime is approximately $560.
- Approximately 25 percent of the MBTs (or 375 of the 1,500 MBTs in service) would need to acquire and affix the extinguishers.

Using IME's data, it's estimated that the cost to equip 375 MBTs with fire extinguishers would be approximately $408,750 ($250 for the fire extinguishers + $280 labor costs + $560 vehicle downtime * 375 MBTs). This is expected to be a one-time cost. There will be annual maintenance costs, but it's believed these costs will be negligible (somewhere between $0 and $5 per MBT over a 10-year period). Each vehicle should already have at least one fire extinguisher on board per DOT regulations. IME's data estimates that the fire extinguisher has a longer life than the MBT; therefore, it's estimated that there would be no annual costs to industry resulting from this requirement.

Costs associated with working pressure limit. SLP–23 limits the maximum allowable working pressure of an MBT cargo tank to 35 psi.[6] This measure is intended to help prevent a build-up of pressure in the tank, which could result in a detonation of the contents in a fire. IME data estimates that most MBTs already meet this standard. IME data estimates that at most 10 percent of the MBTs (or 150 MBTs) would need a retrofit. IME data estimates the cost of retrofitting each MBT would be approximately $3,000. The cost to industry to retrofit 150 MBTs would be approximately $450,000. This is a one-time cost.

Costs associated with periodic tests and inspections of non-DOT specification cargo tanks. SLP–23 requires that non-DOT-specification cargo tanks be inspected essentially the same way as specification tanks. This requires competence training of inspectors and physical inspections as described in Appendix B of SLP–23. IME data estimates that 75 percent of the MBTs with non-specification tanks are in substantial compliance with SLP–23 in this regard and 25 percent are not. IME data estimates that the annual cost of performing inspections and test for non-compliant vehicles is $3,500 per vehicle. Assuming that 25 percent of MBTs (or 375 vehicles) would need to comply, the annual cost of complying is approximately $1.3 million (375 MBTs not in compliance * $3,500 for inspection and tests per vehicle).

[6] This does not have an effect on the capacity of an MBT.

Costs associated with the nameplate. SLP–23 requires a nameplate be affixed to the vehicle describing its design characteristics. According to IME data, virtually all MBTs will need a retrofit, costing an average of about $125 per truck for a total cost of $187,500 ($125 * 1,500 MBTs). This is a one-time cost.

Costs associated with accident investigations. SLP–23 requires companies to provide PHMSA an incident investigation report of all MBT crashes. This report may be an internal investigation because: (1) Some companies are self-insured and (2) some insurance companies will not allow their reports to be released. An independent accident investigation of an MBT crash would be conducted only if PHMSA requests it. IME data estimates that under SLP–23 this would be necessary once a year. An independent accident investigation of an MBT crash costs about $10,000. The annual cost associated with accident investigations could reach $20,000 per year.

Driver training after preventable accidents. SLP–23 requires that drivers involved in preventable accidents (as defined in 49 CFR Section 385.3) while operating an MBT be retrained if the driver remains employed by the motor carrier. The SLP–23 requirement is similar to the requirement in the current applicable SPs, although SLP–23 clarifies that the carrier does not have a responsibility to continue to employ the driver. Driver training costs are variable, depending on the amount of training needed and required by the rule. New driver training is in the vicinity of $3,000 per driver.[7] As noted earlier, there are on average approximately three incidents per year under SPs. If the trend continues under SLP–23, the cost of driver training to the industry is expected to be approximately $9,000 per year.

Maintaining and updating SLP–23. The cost of standard development is spread amongst many standards that IME makes available to the public. Some standards require more resources than others. IME estimates that annual cost for maintaining and updating SLP–23 is approximately $50,000. IME is prepared to bear the cost of maintaining SLP–23 and updating it at no cost to PHMSA, once it is incorporated into the HMRs. This cost is not included in the total cost to industry, as this not a new cost but an ongoing expenditure that is

[7] Data from the Draft Regulatory Flexibility Analysis completed in February 2011 of the Final Rule Minimum Training Requirements for Entry-Level Commercial Motor Vehicle Operators.

currently an integral part of industry's management and operation.

Fire suppression system. The cost of equipping an MBT with a fire suppression system is approximately $10,000 to $15,000 per vehicle (or on average $12,500). This is a one-time cost for newly constructed vehicles or trucks undergoing modifications (i.e., re-chassis). Assuming that approximately 750 new vehicles are constructed (per the analysis under Alternative 5), it would on average cost industry approximately $9.4 million ($12,500 average cost of a fire suppression system * 750 new vehicles).

In addition, compliance with the NPRM would involve the cost of inspection of fire suppression systems every 6 months by a qualified and approved facility or person as described in the National Fire Protection Association (NFPA) Standard.[8] Should there be any additional costs beyond those included under the incorporation of SLP–23 for the testing of fire suppression systems, the cost is uncertain. PHMSA seeks comment. Finally, there are no additional marginal costs associated with NHTSA requirements in the NPRM.

The following table shows the cost associated with the NPRM.

Cost items	One-time costs	Recurring annual costs
Fire Extinguishers	$408,750	$0
Work Pressure Limit	450,000	0
Periodic Inspections	0	1,300,000
Nameplate	187,500	0
Accident Investigation	0	20,000
Driver Training	0	9,000
Maintaining/Updating SLP–23	0	50,000
Cost of Fire-Suppression Systems	9,375,000	0
Total	10,421,250	1,379,000

The total one-time costs to comply with the requirements in the NPRM are estimated at $10.4 million; the recurring annual costs are estimated at approximately $1.4 million.

Benefits and Cost Savings To Comply With the NPRM

The benefits associated with the NPRM are the sum of the benefits of incorporating SLP–23 into the HMR as estimated for Alternative 5 plus any benefits that may accrue from existing and new trucks meeting the additional requirements. There will be some cost savings associated with reduced paperwork burdens (see Section IV. Regulatory Analyses and Notices, Part F—Paperwork Reduction Act). Below is an analysis of the benefits provided by incorporating SLP–23 into the HMR, along with the cost savings provided to both stakeholders and PHMSA.

Cost savings to industry from no longer having to apply for the nine SPs. According to PHMSA data, from 2005 through 2011 there were 534 requests for SPs submitted.[9] There were no requests for new permits; all 534 were party to SPs, modifications, or renewals. This translates to approximately 76 requests for permits per year. According to IME data, the industry spends approximately $825.00 for each renewal, party to, or modification; the cost to industry of applying for new permits is $50,000. Since none of the applications involved new permits, the annual cost to industry would be $62,700 (76 permit applications per year * $825 per renewal, party to, or modification).

Cost savings to PHMSA from no longer having to review and approve applications for the nine SPs. PHMSA spends approximately $414.00 per application.[10] The annual total cost to PHMSA for the application and review process is $31,464 [($414.00 per application * 76 (the average number of permits processed per year)].

Costs savings to industry associated with not having to check tire pressure before each departure onto the public roads. Currently, the nine special permits may require the tire pressure to be checked multiple times each day. The proposed rule would only require one tire check a day. It is possible that there are multiple times that the MBT is running back and forth to the blast site in a day, therefore, a significant costs savings is accrued with the potential incorporation of SLP–23. For the calculation of costs ensuing from the requirement to check tire pressure (based on information from IME), PHMSA assumed the following:

- There are approximately 1,500 MBTs in service and 500 ACTVs in service.
- Drivers of MBTs earn approximately $35.00 per hour, including overhead.[11]
- Drivers perform work-related activities approximately 250 days per year (14-hour days). The 14-hour day consists of driving (which, under current U.S. regulations, is restricted to 11 driving hours during a 14-hour workday), non-driving (such as loading, unloading, performing required tire checks, and doing paperwork), and rest breaks. According to a DOT study, commercial motor vehicle (CMV) drivers spend approximately 66 percent of their workday driving; 23 percent performing non-driving activities; and the remaining 11 percent resting, eating, and sleeping while on duty.[12]
- A gallon of diesel fuel as of December 2012 is approximately $4.00.[13]
- It costs $560.00 per day to operate an MBT in compliance with SPs.
- Time to check the tire pressure is on average approximately 30 minutes

[8] The NFPA standard covers all aspects of the design, installation, operation, testing, and maintenance of the systems. The costs associated with this requirement are undetermined at this time. The standards can be purchased from NFPA for under $100.

[9] Data file provided by the COR, transmitted via email on June 15, 2012.

[10] Estimate provided by Special Permits and Approvals Division via email on July 17, 2012.

[11] According to the Department of Labor (DOL), Bureau of Labor Statistics (BLS) occupational May 2011 wage statistics for ''53–3032 Heavy and Tractor-Trailer Truck Drivers,'' the mean hourly wage is $19.15 per hour or $28.72 per hour, including overhead. See: *http://www.bls.gov/oes/current/oes533032.htm.* The BLS wage estimate is less than that estimated by IME because the BLS estimate includes drivers of all tractor trailers and trucks with a capacity of 26,000 pounds not only MBTs. PHMSA is using IME's wage estimate for this cost analysis as the IME wage estimate relates to MBT drivers considered under this NPRM. PHMSA seeks comments on this estimate.

[12] Source: The Center for Truck and Bus Safety, Virginia tech Transportation Institute ''*The Impact of Driving, Non-Driving Work, and Rest Breaks on Driving Performance in Commercial Motor Vehicle Operations,*'' May 2011.

[13] See: *http://www.eia.gov/petroleum/gasdiesel/* (accessed December 25, 2012).

per day.[14] PHMSA believes this may be an overestimation but has included it in the absence of an alternative value.

PHMSA seeks comments on these estimates and assumptions.

Under the above assumptions the cost per year for the tire checks is approximately $4,375 per year ($17.50 driver wage per half hour of work * 250 work days). Vehicles idle during the tire check and consume 1 gallon of fuel per hour. The fuel costs per year are $500 ($2.00 per half gallon * 250 workdays).

Additionally, industry estimates that the time needed to comply with tire checks translates to approximately 0.036 days (0.5 hours/14-hour workday) in lost time. Thus the additional MBT trips required annually cost approximately $5,000 (.036 lost time * 250 workdays * $560 to operate MBT per day). Below is a table demonstrating this entire calculation.

Average amount of time per day	Labor cost per year per vehicle	Fuel cost per year per vehicle	Vehicle down-time per year	Total per year per vehicle
30 minutes	$4,375	$500	$5,000	[15] $9,875

The annual cost per vehicle associated with the tire-pressure check requirement is $9,875, which works out to an annual cost to industry from the tire-pressure test requirement of approximately $14.8 million ($9,875 total cost per vehicle per year * 1,500 MBTs).

Costs savings to industry associated with caking. There is a cost savings from the requirements relating to caking. If left sitting for several days, ammonium nitrate (AN), can absorb moisture from the air, allowing it to cake into a solid mass, which is extremely difficult to break up. AN is highly hygroscopic; that is, it readily absorbs water from the atmosphere. AN is also highly water soluble. If AN sits undisturbed in a bulk container long enough, it will absorb water, and the prills will dissolve slightly around the edges. A drop in temperature will then cause the prills to solidify into a solid mass. SLP–23 counteracts this by unloading the transport container. Almost all bulk trucks will have AN prill in them at some point, making them susceptible to caking. Routine maintenance requirements under SLP–23 do not permit caking of the contents of an MBT to occur. SLP–23 specifies that if the interior surfaces of bulk packaging are not smooth and free of obstructions, the bulk packaging is to be inspected and cleaned ''to prevent caking and/or drying-out of the bulk hazardous material.'' SLP–23 further specifies that bulk hazardous material not be allowed to remain in the bulk packaging for any period of time that could result in caking. SLP–23 recommends that the equipment be cleaned as needed to minimize the accumulation and packing of the bulk hazardous material in the bulk packaging. IME data notes that instances of caking currently occur 5 to 10 times annually and cost about $12,000 to remediate each time caking occurs. There is no additional cost to industry to comply with the requirement in SLP–23 that helps prevent caking. Thus, this preventive requirement represents a savings to industry on average of $90,000 per year (7.5 caking incidents per year * $12,000 per incident for remediation).

Costs savings to the public associated with IBR of SLP–23. In addition, IME will make the standard available at no charge, which represents a cost saving to the public of approximately $1.3 million. Based on IME's experience with standards, we conclude that the total annual costs for the development and maintenance of standards would likely be over $1.3 million ($1 million for staff and equipment + $100,000 for meetings + $50,000 to maintain the standard + $100,000 for videos and posters, etc. + an undetermined licensing fee).

Benefits of fire suppression on new construction and trucks undergoing modifications. The benefits of fire suppression systems are many, including that they stand up under the heavy vibration and shock conditions common to MBTs, are designed to protect human life and property by quickly and efficiently suppressing a fire before it can reach the operator or passenger areas, help to prevent extensive vehicle damage, and curtail the damage that threatens adjacent areas. The system can be water based or chemical based. If a suppressant is water based, it is—without question—environmentally safe. If the suppressants are chemical based, the environment can be remediated.[16] There is evidence (noted in a study that examined the effects of fire suppressant agents on art artifacts) that the fire may cause more harm to the environment than the agent used to extinguish it and that the ''heat from the fire would help to vaporize the agent.'' [17] There are too few incident data to estimate and monetize the benefits from a fire suppression system, but given that the cost is in the range of $1,000 to $1,500 per year over the life of a truck, the benefits are likely to justify those low costs. PHMSA seeks comment on this analysis.

Benefits of NHTSA requirements on new construction and trucks undergoing modifications. NHTSA is the U.S. Government agency responsible for implementing and enforcing the National Traffic and Motor Vehicle Safety Act of 1966, as amended, 49 U.S.C. Chapter 301 (the Vehicle Safety Act), and certain other laws relating to motor vehicle safety. Under that authority, NHTSA issues and enforces Federal motor vehicle safety standards (FMVSS) that apply to motor vehicles and to certain items of motor vehicle equipment. The Vehicle Safety Act requires that motor vehicles and regulated items of motor vehicle equipment manufactured for sale in the United States be certified to comply with all applicable FMVSS. Before offering a motor vehicle or motor vehicle equipment item for sale in the United States, the fabricating manufacturer must: (1) Designate a permanent resident of the United States as its agent for service of process if the fabricating manufacturer is not located in the United States (49 CFR part 551, Subpart D Service of Process on Foreign Manufacturers and Importers) and (2) submit to NHTSA identifying information on itself and on the products it manufactures to the FMVSS, not later than 30 days after the manufacturing process begins (49 CFR part 566 Manufacturer Identification).

[14] IME estimate.

[15] The total cost per day to operate an MBT is equal to $560.00. The $9,875 associated with time lost per year for tire checks represents approximately 7 percent of the total cost of the operation of a vehicle [$9, 875/($560.00 * 250)].

[16] For example, an anaerobic bioremediation product has been specifically manufactured for environmental applications such as remediation of soils and associated groundwater. See: *http://www.caruscorporation.com/content.cfm/cap18-me* (accessed December 19, 2012).

[17] See *http://www.nfpa.org/~/media/Files/Research/Research%20Foundation/Research%20Foundation%20reports/Suppression/extinguishentsculturalresourcecollections.pdf*, p. 17 (accessed December 19, 2012).

This requirement is expected to reduce regulatory and administrative burden, without negatively affecting transportation safety. There are likely to be no significant marginal costs or benefits associated with this requirement. PHMSA seeks comment on this analysis.

The following table shows the benefits and cost savings associated with the NPRM.

Cost savings items	Cost savings per year
Industry savings from no longer having to submit SP applications	$62,700
PHMSA savings from SP application review	31,464
Industry savings from no longer having to do tire checks prior to departures across public roads	14,800,000
Savings to industry from remediation resulting from caking incidents experienced under current operations under SPs	90,000
Savings to the public from making SLP–23 available to the public at no-cost, updating and maintaining the publication	1,300,000
Reduced paperwork burden	3,420
Total	16,287,584

The annual total cost savings are approximately $16.3 million. The quantified annual benefits of approximately $16.3 million arise mainly from the incorporation of SLP–23 into the HMR. There are other benefits from the other requirements (e.g., from the installation of fire suppression systems and the NHTSA requirements) but these benefits are not quantified.

Summary of Costs, Benefits, and Cost Savings for Adopting the NPRM

Under the NPRM, the one-time costs are approximately $10.4 million; the recurring annual costs are approximately $1.4 million. The net present value of these costs discounted at 3 percent and 7 percent over the 10 years is approximately $22 million and $19 million, respectively. The annualized cost of the rule discounted at 3 percent is $2.2 million and at 7 percent is approximately $1.9 million.

The present value of the $16.3 million in annual cost savings (which represent the major benefits of the proposed rule) discounted at 3 percent and 7 percent over 10 years is approximately $143 million and $122 million, respectively. The annualized benefits at 3 percent are approximately $14.3 million and at 7 percent $12.2 million.

The annualized net benefits of the proposed rule at 3 percent are approximately $12.1 million and at 7 percent approximately $10.3 million.

C. Executive Order 13132

This proposed rule was analyzed in accordance with the principles and criteria contained in Executive Order 13132 (''Federalism''), and the President's memorandum on ''Preemption'' published in the **Federal Register** on May 22, 2009 (74 FR 24693). This proposed rule would preempt state, local and Indian tribe requirements but does not propose any regulation that has substantial direct effects on the states, the relationship between the national government and the states, or the distribution of power and responsibilities among the various levels of governments. Therefore, the consultation and funding requirements of Executive Order 13132 do not apply. Federal hazardous material transportation law, 49 U.S.C. 5101–5128, contains an express preemption provision (49 U.S.C 5125(b)) preempting state, local and Indian tribe requirements on certain covered subjects. Covered subjects are:

(1) The designation, description, and classification of hazardous materials;

(2) The packing, repacking, handling, labeling, marking, and placarding of hazardous materials;

(3) The preparation, execution, and use of shipping documents related to hazardous materials and requirements related to the number, contents, and placement of those documents;

(4) The written notification, recording, and reporting of the unintentional release in transportation of hazardous materials; or

(5) The designing, manufacturing, fabricating, inspecting, marking, maintaining, reconditioning, repairing, or testing a package, container or packaging component that is represented, marked, certified, or sold as qualified for use in transporting hazardous material in commerce.

This proposed rule addresses covered subject items (2), (3), and (5) and would preempt any State, local, or Indian tribe requirements concerning these subjects unless the non-Federal requirements are ''substantively the same'' as the Federal requirements. Furthermore, this proposed rule is necessary to update, clarify, and provide relief from regulatory requirements.

Federal hazardous materials transportation law provides at 49 U.S.C. 5125(b)(2) that if PHMSA issues a regulation concerning any of the covered subjects, PHMSA must determine and publish in the **Federal Register** the effective date of Federal preemption. The effective date may not be earlier than the 90th day following the date of issuance of the final rule and not later than two years after the date of issuance. PHMSA proposes the effective date of federal preemption will be 90 days from publication of the final rule in this matter in the **Federal Register**.

D. Executive Order 13175

This proposed rule was analyzed in accordance with the principles and criteria contained in Executive Order 13175 (''Consultation and Coordination with Indian Tribal Governments''). Because this proposed rule does not have tribal implications and does not impose substantial direct compliance costs on Indian tribal governments, the funding and consultation requirements of Executive Order 13175 do not apply.

E. Regulatory Flexibility Act, Executive Order 13272, and DOT Procedures and Policies

The Regulatory Flexibility Act of 1980 (RFA), as amended, requires Federal agencies to conduct a separate analysis of the economic impact of rules on small entities, taking into account small entities' particular concerns when developing, writing, publicizing, promulgating, and enforcing regulations. Under Section 603(b) of the RFA, each initial regulatory flexibility analysis is required to address: (1) The reasons why the agency is considering the action; (2) the objectives and legal basis for the proposed rule; (3) the kind and number of small entities to which the proposed rule will apply; (4) the projected reporting, recordkeeping and other compliance requirements of the proposed rule; and (5) all federal rules that may duplicate, overlap, or conflict with the proposed rule.[18] Furthermore, under Section 603(c) of the RFA, each initial regulatory flexibility analysis shall also contain a description of any

[18] See: *http://www.fws.gov/policy/library/rgSBAGuide.pdf* (accessed December 10, 2012).

significant alternatives to the proposed rule which accomplish the stated objectives of applicable statutes and which minimize any significant economic impact of the proposed rule on small entities. A discussion of the significant alternatives is provided first, and then a discussion of the requirements follows afterward.

Alternatives Considered

The goal of this rulemaking is to facilitate the safe transportation of explosives in domestic commerce. In developing this proposed rulemaking, PHMSA considered five alternatives:

Alternative 1: No Action

Under this option, PHMSA would continue existing requirements for Special Permits to transport bulk explosives by taking no action. However, PHMSA believes that there are considerable benefits to utilizing a codified standard, provided that a high level of safety is maintained. With this rationale, alternative one was not selected in this NPRM.

Alternative 2: PHMSA Defers to Voluntary Standards

Under this option, PHMSA would defer to voluntary standards developed through organizations or trade associations. PHMSA would likely participate in standard-setting to develop standards that meet safety criteria that are in the interest of the United States. While compliance with voluntary standards is thought to be high by industry participants, firms do not have to comply with them, since they are voluntary. This creates some concern since the non-adoption may mean that those firms may not comply with minimum safety standards. For these reasons, alternative two was not selected in this NPRM.

Alternative 3: Incorporate Special Permits That Have a Good Safety Record Into the HMR

Under this option, PHMSA would incorporate seven of the nine special permits into the HMR. These seven special permits have very good safety records. By incorporating these special permits, PHMSA would need to work through the Federal rulemaking process to modify the HMR in response to technological enhancements and other matters relating to the transportation of the bulk explosives covered under the seven special permits. It would be more advantageous to incorporate standards developed by industry than for PHMSA to develop its own standards and incorporate them into the HMR. Therefore, alternative three was not selected in this NPRM.

Alternative 4: Adopt Other National or International Standards

Under this option, PHMSA would adopt other national or international standards, such as those used by Canada, Australia, or the United Nations. These other standards do not conform well to existing U.S. law and to the nine special permits. For example, the U.S. Bridge Law (USBL) provides known standards for bridge construction, by, among other requirements, placing restrictions on the overall size of MBTs in service in the United States. Other standards do not conform to the USBL. Also, these standards are implemented in ways that may not be possible within the regulatory framework in the United States. For these reasons, alternative four was not selected in this NPRM.

Alternative 5: Incorporate SLP–23 into the HMR With Additional Features

SLP–23 recommends standards for MBT straight trucks that typically transport multiple hazardous materials in support of blasting operations and articulated cargo tanks that carry a single bulk blasting agent or oxidizer. Under this option, PHMSA will incorporate SLP–23 into the HMR with additional features. This rulemaking specifically proposes to adopt a combination of features, including incorporating by reference (IBR) the Institute of Makers of Explosives' (IME) Safety Library Publication No. 23 ''Recommendations for the Transportation of Explosives, Division 1.5, Ammonium Nitrate Emulsions, Division 5.1, Combustible Liquids, Class 3 and Corrosives, Class 8 in Bulk Packaging'' (referred to as SLP–23), requiring fire suppression systems in heat-containing compartments (e.g., engine, transmission) and emergency shut-off/battery disconnect of newly constructed or modified MBTs, and complying with certain National Highway Traffic Safety Administration (NHTSA) requirements. The NPRM requirements are more comprehensive and have stricter standards than the nine special permits, and it may eliminate some duplicative functions covered by other industry standards. While SLP–23 may need to be re-evaluated and changed to keep pace with technological enhancements and other matters, IME will perform this and publish the revised standards free of charge. SLP–23 was developed with input of IME members, stakeholders, and PHMSA. In addition to incorporating SLP–23, under this option, we would add fire suppressions systems to the vehicles similar to the designs authorized under the Canadian requirements. The fire suppression requirements would strengthen the performance standards, and further accomplish PHMSA's objective of enhancing safety. For all of these reasons, alternative five was PHMSA's chosen alternative for this NPRM.

Reasons Why PHMSA Is Considering the Action

In this notice of proposed rulemaking, PHMSA proposes to amend the HMR to establish standards for the safe transportation of bulk explosives. Developing such provisions of the HMR is intended to provide wider access to the regulatory flexibility that is currently only offered by way of obtaining a special permit. For example, the adoption of a regulatory standard in the HMR would eliminate the need for persons who hold a special permit to apply for renewal in the future.

This rulemaking specifically focuses on reviewing the Institute of Makers of Explosives (IME) Safety Library Publication 23 (SLP–23: Recommendations for the Transportation of Explosives, Division 1.5, Ammonium Nitrate Emulsions, Division 5.1, Combustible Liquids, Class 3, and Corrosives, Class 8 in Bulk Packagings) and special permits related to multipurpose bulk trucks (MBTs) used to transport various explosives, oxidizers, flammable liquids, and corrosive liquids on the same transport vehicle. The objective of this rulemaking is to develop a set of standards related to the safe transportation of these materials in MBTs that will no longer require the need to apply for a special permit as the standard will be in the HMR.

This rulemaking action is necessary to provide regulatory flexibility and relief while protecting public health, welfare, safety, and the environment. This NPRM will be beneficial to stakeholders by reducing paperwork for industry and government while maintaining an appropriate level of safety which promotes safer transportation practices. Finally, this rulemaking action facilitates commerce and eliminates unnecessary regulatory requirements. The intended effects of this rulemaking action would provide enhanced flexibility for industry transporting hazardous materials in commerce while maintaining an appropriate level of safety. The rulemaking would amend the HMR by incorporating IME publication SLP–23 with some additional requirements discussed above.

The Objectives and Legal Basis for the Proposed Rule

PHMSA is proposing to amend the HMR by establishing standards for the safe transportation of bulk explosives. By proposing these requirements, PHMSA will be mirroring the majority of provisions contained in nine widely used or longstanding special permits that have established safety records. These proposed revisions are intended to eliminate the need for future modifications, or renewal requests, thus reducing paperwork burdens and facilitating commerce while maintaining an appropriate level of safety. As proposed, the requirements would authorize the transportation of certain explosives, ammonium nitrates, ammonium nitrate emulsions, and other specific hazardous materials in bulk packaging, which are not otherwise authorized under the regulations. These hazardous materials are used in blasting operations on specialized vehicles, known as multipurpose bulk trucks, which are used as mobile work platforms to create blends of explosives that are unique for each blast site. Finally, this rulemaking addresses the construction of new and modified multipurpose bulk trucks.

This NPRM is published under 49 U.S.C. 5103(b) which authorizes the Secretary to prescribe regulations for the safe transportation, including security, of hazardous material in intrastate, interstate, and foreign commerce. 49 U.S.C. 5117(a) authorizes the Secretary of Transportation to issue a special permit from a regulation prescribed in 5103(b), 5104, 5110, or 5112 of the Federal Hazardous Materials Transportation Law to a person transporting, or causing to be transported, hazardous material in a way that achieves a safety level at least equal to the safety level required under the law, or consistent with the public interest, if a required safety level does not exist. If adopted, the final rule would amend the regulations by incorporating provisions from certain widely used and longstanding special permits that have established a history of safety and which may, therefore, be converted into the regulations for general use.

Description and Estimate of the Number of Small Entities To Which the Proposed Rule Will Apply

By amending the HMR, this proposed action could affect any firm operating under the HMR. In practice, this action will likely affect only existing holders of the nine special permits. Firms newly engaged in the transportation of bulk explosives will benefit from the elimination of the special permit application process. Manufacturers of MBTs will also be affected by the proposed rule.

PHMSA data detailing the application from firms for the nine special permits under consideration show that (from 2005 through 2011) 115 firms were involved in obtaining permits. All were applications for renewals, party to, or modifications; there have been no new applicant firms since at least 2005. Based on PMHSA's registration data files, 72 percent of the 115 firms [19] are small businesses. There may be other small firms for which we do not have information that may be affected in the future. PHMSA does not expect but a few in this category, since the industry operates in a mature market with multiple established players. However, PHMSA seeks comments on this estimate.

Description of the Projected Reporting, Recordkeeping, and Other Compliance Requirements of the Proposed Rule

An analysis of the compliance costs for the proposed rule can be found in the Regulatory Impact Analysis (RIA) for Hazardous Materials: Requirements for the Safe Transportation of Bulk Explosives (RRR) [Docket No. PHMSA–2011–0345 (HM–233D)] [RIN#: 2137–AE86]. A discussion of the impacts of the proposed regulation on small businesses is included below.

Costs to Small Businesses

IME data estimates that there are approximately 1,500 MBTs in service, and PHMSA concurs with this estimate.[20] PHMSA conservatively assumes a uniform distribution of MBTs among small and large firms, even though large firms operate a significant proportion of the MBTs in service.[21] Thus PHMSA assumes that small firms operate 1,080 MBTs (1,500 MBTs in service * 0.72 small business entities).

Costs associated with tire-pressure checks. SLP–23 contains a requirement to check tire pressure before the initial trip of the day. This would be part of a routine pre-trip inspection and should not add any costs.

Costs associated with fire extinguishers. SLP–23 requires a minimum of two fire extinguishers rated 4–A:40B:C. Approximately 25 percent of the MBTs in service would need to acquire and affix the fire extinguishers. Assuming these MBTs are distributed uniformly across all 1,500 MBTs in service, small businesses will need to acquire and affix fire extinguishers to 270 MBTs (1,080 MBTs * 0.25 MBTs in service would need to acquire and affix the fire extinguishers) at a total cost of $294,300 [($250 for the fire extinguishers + $280 labor costs + $560 vehicle downtime) * 270 MBTs]. This is expected to be a one-time cost.

Costs associated with working pressure limit. SLP–23 limits the maximum allowable working pressure of an MBT cargo tank to 35 psi. IME estimates that at most 10 percent of the MBTs would need a retrofit to meet this standard. Assuming these MBTs are distributed uniformly across all 1,500 MBTs in service, small businesses will need to retrofit 108 MBTs (1,080 MBTs * 10 percent), leading to a total cost of $324,000 ($3,000 for the retrofit * 108 MBTs). This is a one-time cost.

Costs associated with periodic tests and inspections of non-DOT specification cargo tanks. SLP–23 requires that non-DOT specification cargo tanks be inspected identical to specification tanks. This requires competence training of inspectors and physical inspections as described in Appendix B of SLP–23. IME data estimates that 25 percent of the MBTs with non-specification tanks are not in compliance with SLP–23 in this regard. Assuming these MBTs are distributed uniformly across all 1,500 MBTs in service, small businesses will need to conduct tests and inspections on 270 MBTs (1,080 MBTs * 0.25 MBTs with non-specification tanks are not in compliance with SLP–23 in this regard) at an annual cost of $945,000 ($3,500 per inspection and test * 270 MBTs). This is a recurring cost.

Costs associated with the nameplate. SLP–23 requires a nameplate be affixed to the vehicle describing its design characteristics. PHMSA assumes that all MBTs will need to affix a nameplate. For small businesses, the total cost associated with the nameplate is $135,000 ($125 per nameplate * 1,080 MBTs). This is a one-time cost.

Costs associated with accident investigations and driver training after preventable accidents. SLP–23 requires companies to provide PHMSA an incident investigation report of all MBT

[19] 25 firms holding one or more of the nine special permits could not be found in PHMSA's registration data files. Three of these 25 firms are well-known large companies (Daikin Industries, Honeywell, and DuPont), and another permit holder is PHMSA. All four are included in this calculation as large businesses.

[20] See the RIA, Section 2.3, for a discussion of the number of MBTs in service.

[21] Based on 1992 Vehicle Inventory and Use Survey (VIUS) data, at least six firms have 100 or more MBTs in their fleet, so a more complex analysis would remove those six large firms and 600 MBTs from the calculations. Thus the analysis presented in this Initial Regulatory Flexibility Analysis (IRFA) may overstate the impact on small businesses.

crashes. This report may be an internal investigation because: (1) Some companies are self-insured and (2) some insurance companies will not allow their reports to be released. An independent accident investigation of an MBT crash would be conducted only if PHMSA requests it. IME estimates that under SLP–23 this would be necessary once a year. An independent accident investigation of an MBT crash costs about $10,000. In addition three incidents per year will require driver training at the cost of $9,000 ($3,000 per training * 3 incidents). Assuming incidents over time are distributed uniformly among all firms, small businesses will have an expected annual cost of $13,680 per year [($10,000 for investigations + $9,000 for training) * 0.72 small entities].

The total one-time cost borne by small businesses associated with the NPRM requirements is $753,300. The total recurring cost borne by small businesses is expected to be $958,680 per year.

Benefits to Small Businesses

Savings from applications of special permits. Incorporating SLP–23 into the HMR will eliminate nine special permits and the costs associated with preparing and submitting applications for these special permits. Assuming the 76 special permit applications per year are distributed uniformly among small and large firms, small businesses account for approximately 55 (76 * 0.72 small entities) applications per year. Thus small businesses will save $45,375 (55 special permit applications * $825 per special permit party to or renewal application) per year.

Savings from tire pressure checks. The special permits require that tires must be checked and the pressure of each tire recorded before each departure onto or across a public road, which adds a cost of $14.8 million annually to operating requirements for the 1,500 MBTs in service, a cost not incurred by any other hazardous materials trucking operation. Under the incorporation of SLP–23 into the HMR, the mandate to check and record tire pressures before each on-road departure would no longer apply. This will represent a cost saving of $10.7 million ($14.8 million for operating requirements * 0.72 small entities) per year to small businesses.

Savings from caking remediation. The requirements relating to caking in SLP–23 will eliminate the cost of remediating caking in the bulk packaging. Assuming the 7.5 caking incidents per year are distributed uniformly among small and large firms, the requirements will lead to a cost savings of $64,800 ($12,000 to remediate caking * 7.5 caking incidents per year * 0.72 small entities) per year.

The total cost savings for small businesses associated with the NPRM are estimated at approximately $10.8 million ($45,375 savings from applications + $10.7 million savings from tire pressure checks + $64,800 savings from caking remediation) per year. The benefits far outweigh the costs. PHMSA seeks comments on the estimated costs and benefits.

An Identification of All Federal Rules That May Duplicate, Overlap, or Conflict With the Proposed Rule

PHMSA is proposing to revise the HMR by amending the regulations to establish standards for the safe transportation of bulk explosives. The NPRM has a detailed explanation of all the proposed requirements. None of the existing Federal rules duplicate, overlap, or conflict with the proposed rule.

Conclusion

This proposed rule has been developed in accordance with Executive Order 13272 (''Proper Consideration of Small Entities in Agency Rulemaking'') and DOT's procedures and policies to promote compliance with the Regulatory Flexibility Act to ensure that potential impacts of draft rules on small entities are properly considered. In summary, the proposed rule provides substantial benefits to small entities as demonstrated above.

F. Paperwork Reduction Act

PHMSA currently has an approved information collections under Office of Management and Budget (OMB) Control Number 2137–0014, entitled ''Cargo Tank Specification Requirements.'' This NPRM may result in a slight increase in the annual burden and costs under OMB Control Number 2137–0014 due to proposed changes to the recordkeeping requirements following the verification and certification of the MBTs Fire Suppression System by the Design Certifying Engineer (DCE). The slight increase is due to the fact that the DCE must prepare a test report and provide the test report to the manufacturer of the vehicle, and both must keep the records for ten years. Further, the manufacturer must provide a copy of the report to the owner of the vehicle, and the owner maintains it while he/she owns the vehicle.

PHMSA currently has an approved information collection under OMB Control Number 2137–0051, entitled ''Rulemaking, Special Permits, and Preemption Requirements.'' This NPRM may result in a decrease in the annual burden and costs under OMB Control Number 2137–0051 due to proposed changes to incorporate SLP–23 and certain provisions contained in certain widely-used or longstanding special permits that have an established safety record.

Under the Paperwork Reduction Act of 1995, no person is required to respond to an information collection unless it has been approved by OMB and displays a valid OMB control number. Section 1320.8(d), title 5, Code of Federal Regulations requires that PHMSA provide interested members of the public and affected agencies an opportunity to comment on information and recordkeeping requests.

This notice identifies revised information collection requests that PHMSA will submit to OMB for approval based on the requirements in this proposed rule. PHMSA has developed burden estimates to reflect changes in this proposed rule and estimates that the information collection and recordkeeping burdens would be revised as follows:

OMB Control No. 2137–0014:

Net Increase in Annual Number of Respondents: 1.

Net Increase in Annual Responses: 1.

Net Increase in Annual Burden Hours: 2.

Net Increase in Annual Burden Costs: $200.

OMB Control No. 2137–0051:

Net Decrease in Annual Number of Respondents: 76.

Net Decrease in Annual Responses: 76.

Net Decrease in Annual Burden Hours: 76.

Net Decrease in Annual Burden Costs: $1,900.

PHMSA specifically requests comments on the information collection and recordkeeping burdens associated with developing, implementing, and maintaining these requirements for approval under this proposed rule.

Requests for a copy of this information collection should be directed to Steven Andrews or T. Glenn Foster, Office of Hazardous Materials Standards (PHH–12), Pipeline and Hazardous Materials Safety Administration, 1200 New Jersey Avenue SE, Washington, DC 20590–0001, Telephone (202) 366–8553.

Address written comments to the Dockets Unit as identified in the **ADDRESSES** section of this rulemaking. We must receive comments regarding information collection burdens prior to the close of the comment period identified in the **DATES** section of this rulemaking. In addition, you may submit comments specifically related to

the information collection burden to the PHMSA Desk Officer, Office of Management and Budget, at fax number (202) 395–6974.

G. Regulation Identifier Number (RIN)

A regulation identifier number (RIN) is assigned to each regulatory action listed in the Unified Agenda of Federal Regulations. The Regulatory Information Service Center publishes the Unified Agenda in April and October of each year. The RIN contained in the heading of this document may be used to cross-reference this action with the Unified Agenda.

H. Unfunded Mandates Reform Act of 1995

This proposed rule does not impose unfunded mandates under the Unfunded Mandates Reform Act of 1995. It does not result in costs of $141.3 million or more to either state, local or tribal governments, in the aggregate, or to the private sector, and is the least burdensome alternative that achieves the objective of the rule.

I. Environmental Assessment and Finding of No Significant Impact

The National Environmental Policy Act, 42 U.S.C. 4321–4375, requires that federal agencies consider the consequences of major Federal actions and prepare a detailed statement on actions significantly affecting the quality of the human environment. The Council on Environmental Quality (CEQ) regulations require federal agencies to conduct an environmental review considering: (1) The need for the action; (2) alternatives to the action; (3) probable environmental impacts of the action and alternatives; and (4) the agencies and persons consulted during the consideration process (40 CFR 1508.9(b)).

Introduction

PHMSA is proposing to amend the HMR by establishing standards for the safe transportation of bulk explosives. This rulemaking specifically focuses on reviewing the Institute of Makers of Explosives (IME) Safety Library Publication (SLP) 23 (SLP–23: Recommendations for the Transportation of Explosives, Division 1.5, Ammonium Nitrate Emulsions, Division 5.1, Combustible Liquids, Class 3, and Corrosives, Class 8 in Bulk Packagings) and nine special permits related to multipurpose bulk trucks (MBTs) used to transport various explosives, oxidizers, flammable liquids, and corrosive liquids on the same transport vehicle. The objective of this rulemaking is to develop a set of standards related to the safe transportation of these materials in MBTs that will no longer require a special permit because the standard will be in the HMR.

Through this notice of proposed rulemaking (NPRM) PHMSA is proposing to incorporate SLP–23 and establish requirements of general applicability governing the transportation of bulk explosive materials. In addition, PHMSA is proposing requirements for new construction and MBTs undergoing modifications, including fire suppression systems, emergency shut-off/battery disconnect, and compliance with Federal Motor Vehicle Safety Standard (FMVSS).

Background

This rulemaking is responsive to two petitions for rulemaking submitted by industry representatives, P–1557 concerning the elimination of the need to operate under special permits by incorporating them into the HMR, and P–1583 concerning the incorporation of an industry standard publication. Further, developing these requirements would provide wider access to the regulatory flexibility currently only offered by special permit and competent authorities.

This rulemaking specifically focuses on reviewing IME SLP–23 (SLP–23: Recommendations for the Transportation of Explosives, Division 1.5, Ammonium Nitrate Emulsions, Division 5.1, Combustible Liquids, Class 3, and Corrosives, Class 8 in Bulk Packagings) and nine special permits related to MBTs used to transport various explosives, oxidizers, flammable liquids, and corrosive liquids on the same transport vehicle. The objective of this rulemaking is to develop a set of standards related to the safe transportation of these materials in MBTs that will no longer require the need to apply for a special permit as the standard will be in the HMR.

This NPRM is published under the authority of 49 U.S.C. 5103(b), which authorizes the Secretary to prescribe regulations for the safe transportation, including security, of hazardous material in intrastate, interstate, and foreign commerce. 49 U.S.C. 5117(a) authorizes the Secretary of Transportation to issue a special permit from a regulation prescribed in 5103(b), 5104, 5110, or 5112 of the Federal Hazardous Materials Transportation Law to a person transporting, or causing to be transported, hazardous material in a way that achieves a safety level at least equal to the safety level required under the law, or consistent with the public interest, if a required safety level does not exist. If adopted, the final rule would amend the regulations by incorporating provisions from certain widely used and longstanding special permits that have established a history of safety and that may, therefore, be converted into the regulations for general use.

Purpose and Need

PHMSA proposes to amend the HMR to establish standards for the safe transportation of bulk explosives. Developing such provisions of the HMR is intended to provide wider access to the regulatory flexibility that currently only is offered by way of obtaining a special permit. For example, the adoption of a regulatory standard in the HMR would eliminate the need for persons who hold a special permit to apply for renewal in the future.

In this NPRM, PHMSA is proposing to revise the HMR by amending the regulations to establish standards for the safe transportation of bulk explosives. The following is a description of the action and the need for the action.

A. Incorporation of SLP–23 Into the HMR

Action: PHMSA proposes to incorporate SLP–23 and establish requirements of general applicability governing the transportation of bulk explosive materials. As such, PHMSA proposes to revise the 49 CFR 171.7 table of material incorporated by reference to include SLP–23, and establish a new section for the bulk explosives requirements.

Need: PHMSA has concluded that the incorporation of SLP–23 into the HMR will provide wider access to the regulatory flexibility currently only offered by special permit and competent authorities. PHMSA believes this will benefit the government and the industry, as it will eliminate the need for firms to apply individually to transport certain classes of bulk materials in MBTs, provide regulatory flexibility and relief while maintaining an high level of safety, promote safer transportation practices, facilitate commerce, reduce paperwork burdens, and eliminate unnecessary regulatory requirements.

B. Requirements for Fire Suppression Systems in New Construction and Modified Multipurpose Bulk Trucks

Action: All new construction and modified MBTs must include a Fire Suppression System conforming to the following specifications. The Fire Suppression System must be an engineered system connected to the

engine and transmission compartments. The system shall be activated by manual switch or passive means in the event of a fire. All fire extinguishers used as components of the system must meet the requirements of 49 CFR 393.95(a) and the applicable National Fire Protection Association (NFPA) codes and standards. The Fire Suppression System's design must be verified and certified by the Design Certifying Engineer (DCE) of the vehicle. The design must be tested through engineering analysis or physical testing to verify the initial design or future modification(s) to the current fire suppression system. The Fire Suppression System must be visually inspected annually for defects, flaws, damage, etc., and ensure none are present. The system must be pneumatically tested every five years to ensure the system is free of debris, leaks, and damage, and to ensure the system will function properly.

Need: This specifies that all new construction and modified MBTs must conform to the requirements in the HMR and SLP–23 with respect to the Fire Suppression System. This proposed action also provides specific details as to the functionality, design, certification, and inspection of the Fire Suppression System.

C. Requirements for Emergency Shut-Off/Battery Disconnect in New Construction and Modified Multipurpose Bulk Trucks

Action: All new construction and modified MBTs must include an Emergency Shut-Off/Battery Disconnect system conforming to the following specifications. The batteries for the chassis must be equipped with three easily accessible manual disconnect switches. One manual disconnect switch must be located inside the driver's cab and does not include the ignition. The remaining two manual disconnect switches must be located on each side of the vehicle. All three switches must be connected to the positive battery terminal and the line of the switch must be protected from rubbing and abrasion that could cause a short circuit. The battery disconnect must isolate all manufacturing equipment except critical instrumentation which requires the maintenance of the electrical supply. The battery disconnect shall be tested monthly to ensure proper operation.

Need: This specifies that all new construction and modified MBTs must conform to the requirements in the HMR and SLP–23 with respect to Emergency Shut-Off and Battery Disconnect systems. This proposed action also provides specific details as to the functionality, design, and testing of the Emergency Shut-Off/Battery Disconnect system.

D. Federal Motor Vehicle Safety Standards for New Construction and Modified Multipurpose Bulk Trucks

Action: New or modified multipurpose bulk trucks constructed after the effective date of the Final Rule must be in compliance with the FMVSS found in 49 CFR part 571, as applicable. Furthermore, the multipurpose bulk truck manufacturer must maintain a certification record ensuring the final manufacturing is in compliance with the FMVSS, per the certification requirements found in 49 CFR part 567. These certification records must be made available to DOT representatives upon request.

Need: This specifies that all new construction and modified MBTs must conform to the FMVSS requirements.

Public Involvement

This rulemaking is responsive to two petitions for rulemaking submitted by industry representatives, P–1557 concerning the elimination of the need to operate under special permits by incorporating them into the HMR, and P–1583 concerning the incorporation of an industry standard publication. Developing these requirements would provide wider access to the regulatory flexibility currently only offered by special permit and competent authorities.

PHMSA is actively seeking public comment on this NPRM.

Market Segments Affected and Requirements of the Proposed Rule

This proposed rule proposes to incorporate elements of nine special permits that authorize multipurpose bulk truck operations not specifically permitted under the HMR. The proposed amendments will eventually eliminate the need for current grantees to reapply for renewal of special permits every four years and for PHMSA to process those renewal applications. It will also allow other operators to transport bulk explosives without a special permit, provided that the operators conform to the requirements of this rule, including those explicitly stated in SLP–23.

Alternatives Considered

Alternative 1: No Action

This would not be the preferred alternative. Under this option, PHMSA would continue existing requirements for Special Permits to transport bulk explosives by taking no action. However, PHMSA believes that there are considerable benefits (both environmental and economic) to taking action provided that a high level of safety is maintained. If no action is taken there will be no beneficial or adverse environmental effects compared to the status quo. Finally, this alternative would not impose any costs, but it would prevent the opportunity to realize any efficiency benefits.

Alternative 2: PHMSA Defers to Voluntary Standards

This would not be the preferred alternative. Under this option, PHMSA will defer to voluntary standards developed through organizations or trade associations. PHMSA will likely participate in standard-setting to develop standards that meet safety criteria that are in the interest of the United States. While compliance with voluntary standards is thought to be high by industry participants, firms do not have to comply with them, since they are voluntary. This creates some concern since the non-adoption may mean that those firms may not comply with minimum safety standards. A review of this alternative leads to a possibility that important environmental safety measures would not be implemented as completely as they would under proposed alternative (5). For example, the provisions: (1) Any non-DOT specification cargo tanks, portable tanks, sift-proof closed vehicles and closed bulk bins must be qualified, inspected, and maintained essentially the same as a DOT-specification bulk container (as set out in Appendix B of SLP–23); and (2) inspectors conducting inspections of non-DOT non-specification tanks must meet training qualifications outlined in Appendix B, would not be implemented if this alternative (#2: PHMSA Defers to Voluntary Standards) was selected. While there may be certain beneficial environmental effects with this alternative, there are certainly drawbacks too. Furthermore, this alternative does not ensure the level of safety that alternative (5) would because firms may not comply with a voluntary standard.

Alternative 3: Incorporate Special Permits That Have a Good Safety Record Into the HMR

This would not be the preferred alternative. Under this option, PHMSA would incorporate seven of the nine special permits into the HMR. These seven special permits have very good safety records. By incorporating these special permits, PHMSA would need to work through the Federal rulemaking

process to modify the HMR in response to technological enhancements and other matters relating to the transportation of the bulk explosives covered under the seven special permits. It may be more advantageous to incorporate standards developed by industry than for PHMSA to develop its own standards and incorporate them into the HMR. There may be beneficial environmental effects with this alternative, but not to the extent of the proposed action proposed in the NPRM because this alternative is not as comprehensive.

Alternative 4: Adopt Other National or International Standards

This would not be the preferred alternative. Under this option, PHMSA would adopt other national or international standards, such as those used by Canada, Australia, or the United Nations. These other standards do not conform well to existing U.S. law and to the nine special permits. For example, the U.S. Bridge Law (USBL) provides known standards for bridge construction, by, among other requirements, placing restrictions on the overall size of MBTs in service in the United States. Other standards do not conform to the USBL. Also, these standards are implemented in ways that may not be possible within the regulatory framework in the United States. This alternative will not have beneficial environmental effects beyond the status quo.

Alternative 5: Incorporate SLP–23 into the HMR With Additional Features

This option is the preferred alternative, because it would provide regulatory flexibility without imposing burdensome costs. SLP–23 recommends standards for MBT straight trucks that typically transport multiple hazardous materials in support of blasting operations and articulated cargo tanks that carry a single bulk blasting agent or oxidizer. Under this option, PHMSA would incorporate SLP–23 into the HMR with additional features. This rulemaking specifically proposes to adopt a combination of features, including incorporating by reference (IBR) the Institute of Makers of Explosives' (IME) Safety Library Publication No. 23 ''Recommendations for the Transportation of Explosives, Division 1.5, Ammonium Nitrate Emulsions, Division 5.1, Combustible Liquids, Class 3 and Corrosives, Class 8 in Bulk Packaging'' (referred to as SLP–23), requiring fire suppression systems in heat-containing compartments (e.g., engine, transmission) and emergency shut-off/battery disconnect of newly constructed or modified MBTs, and complying with certain National Highway Traffic Safety Administration (NHTSA) requirements. The proposed requirements are more comprehensive and have stricter standards than the nine special permits, and may eliminate some duplicative functions covered by other industry standards. While SLP–23 may need to be re-evaluated and changed to keep pace with technological enhancements and other matters, IME will perform this and publish the revised standards free of charge. SLP–23 was developed with input of IME members, stakeholders, and PHMSA. In addition to incorporating SLP–23, PHMSA would require fire suppressions systems to the vehicles similar to the designs authorized under the Canadian requirements. The fire suppression requirements would strengthen the performance standards, and further accomplish PHMSA's objective of enhancing safety. There are beneficial effects with the proposed action that are superior to those achieved by the other alternatives, and these environmental benefits (direct, indirect, and cumulative) are discussed below.

Analysis of Environmental Impacts

Routes used to transport bulk explosives traverse a variety of environments—from highly populated urban sites to remote, unpopulated rural areas. PHMSA manages the transportation of specific hazardous materials, including bulk explosives, with special permits that must achieve a level of safety at least equal to the level of safety achieved when transported under the HMR.

The physical environment potentially affected by the proposed rule includes the airspace, water resources (e.g., oceans, streams, lakes), cultural and historical resources (e.g., properties listed on the National Register of Historic Places), biological and ecological resources (e.g., coastal zones, wetlands, plant and animal species and their habitat, forests, grasslands, offshore marine ecosystems), and special ecological resources (e.g., threatened and endangered plant and animal species and their habitat, national and state parklands, biological reserves, Wild and Scenic Rivers) that exist directly adjacent to and within the vicinity of roads and routes used in the transportation of bulk explosives.

The proposed rule incorporates SLP–23 into the HMR and eliminates nine special permits. SLP–23 is more comprehensive and has stricter standards than the nine special permits, and it may eliminate some duplicative functions covered by other industry standards.

Direct Effects: The proposed rule will not increase and may decrease the frequency or severity of motor carrier incidents involving bulk explosives, as SLP–23 is more comprehensive and has stricter standards than the existing special permits. PHMSA assessment suggests that there are no adverse significant environmental impacts associated with the proposed rule.

Indirect Effects: The proposed rule will not increase and may decrease the frequency or severity of motor carrier incidents involving bulk explosive, and thus will not have an adverse indirect effect on the environment. PHMSA assessment suggests that there are no adverse significant environmental impacts associated with the proposed rule.

Cumulative Effects: The proposed rule will not increase and may decrease the frequency or severity of motor carrier incidents involving bulk explosives, as SLP–23 is more comprehensive and has stricter standards than the existing special permits. PHMSA assessment suggests that there are no adverse significant environmental impacts associated with the proposed rule.

Comments From Agencies and Public

In considering the potential environmental impacts of the proposed action, PHMSA does not anticipate that permitting the new alternative would result in any significant impact on the human environment because the process through which special permits for bulk explosives are developed and certified has historically demonstrated an equivalent level of safety of the HMR.

Conclusion

Given that this rulemaking proposes to amend the HMR to permit an alternative with equivalent and established safety records, these proposed changes in regulation have the potential to increase safety and environmental protections. However, PHMSA welcomes and will consider and address comments about foreseeable environmental impacts or risk that commenters believe PHMSA might have overlooked in this NPRM. As such, PHMSA solicits comments about potential environmental impacts associated with this rulemaking from other agencies, stakeholders, and citizens.

J. Privacy Act

Anyone is able to search the electronic form of all comments received into any of our dockets by the name of the individual submitting the

comments (or signing the comment, if submitted on behalf of an association, business, labor union, etc.). You may review DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (Volume 65, Number 70; Pages 19477–78) which may be viewed at: *http://www.gpo.gov/fdsys/pkg/FR-2000-04-11/pdf/00-8505.pdf*.

K. Executive Order 13609 and International Trade Analysis

Under E.O. 13609, agencies must consider whether the impacts associated with significant variations between domestic and international regulatory approaches are unnecessary or may impair the ability of American business to export and compete internationally. In meeting shared challenges involving health, safety, labor, security, environmental, and other issues, international regulatory cooperation can identify approaches that are at least as protective as those that are or would be adopted in the absence of such cooperation. International regulatory cooperation can also reduce, eliminate, or prevent unnecessary differences in regulatory requirements.

Similarly, the Trade Agreements Act of 1979 (Pub. L. 96–39), as amended by the Uruguay Round Agreements Act (Pub. L. 103–465), prohibits Federal agencies from establishing any standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. For purposes of these requirements, Federal agencies may participate in the establishment of international standards, so long as the standards have a legitimate domestic objective, such as providing for safety, and do not operate to exclude imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

PHMSA participates in the establishment of international standards in order to protect the safety of the American public, and we have assessed the effects of the proposed rule to ensure that it does not cause unnecessary obstacles to foreign trade. Accordingly, this rulemaking is consistent with E.O. 13609 and PHMSA's obligations under the Trade Agreement Act, as amended.

L. National Technology Transfer and Advancement Act

The National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) directs federal agencies to use voluntary consensus standards in their regulatory activities unless doing so would be inconsistent with applicable law or otherwise impractical. Voluntary consensus standards are technical standards (e.g. specification of materials, test methods, or performance requirements) that are developed or adopted by voluntary consensus standard bodies.

This proposed rulemaking involves one technical standard: IME Safety Library Publication No. 23 (SLP–23), Recommendations for the Transportation of Explosives Division 1.5, Ammonium Nitrate Emulsions Division 5.1, Combustible Liquids Class 3, and Corrosives Class 8 in Bulk Packagings, October 2011 version. This consensus technical standard is proposed to be listed in 49 CFR 171.7.

List of Subjects

49 CFR Part 171

Exports, Hazardous materials transportation, Hazardous waste, Imports, Incorporation by reference, Reporting and recordkeeping requirements, Definitions and abbreviations.

49 CFR Part 172

Education, Hazardous materials transportation, Hazardous waste, Incorporation by reference, Labeling, Markings, Packaging and containers, Reporting and recordkeeping requirements.

49 CFR Part 173

Hazardous materials transportation, Incorporation by reference, Packaging and containers, Radioactive materials, Reporting and recordkeeping requirements, Uranium.

49 CFR Part 177

Hazardous materials transportation, Loading and Unloading, Segregation and Separation.

In consideration of the foregoing, PHMSA is proposing to amend 49 CFR Chapter I as follows:

PART 171—GENERAL INFORMATION, REGULATIONS, AND DEFINITIONS

■ 1. The authority citation for part 171 continues to read as follows:

Authority: 49 U.S.C. 5101–5128, 44701; 49 CFR 1.81 and 1.97; Pub. L. 101–410 section 4 (28 U.S.C. 2461 note); Pub. L. 104–134, section 31001.

■ 2. In § 171.7, paragraph (r)(2) is revised to read as follows:

§ 171.7 Reference material.

* * * * *

(r) * * *

(2) IME Standard 23, IME Safety Library Publication No. 23 (SLP–23), Recommendations for the Transportation of Explosives Division 1.5, Ammonium Nitrate Emulsions Division 5.1, Combustible Liquids Class 3, and Corrosives Class 8 in Bulk Packagings, October 2011, into §§ 173.66; 177.835.

* * * * *

PART 172—HAZARDOUS MATERIALS TABLE, SPECIAL PROVISIONS, HAZARDOUS MATERIALS COMMUNICATIONS, EMERGENCY RESPONSE INFORMATION, TRAINING REQUIREMENTS, AND SECURITY PLANS

■ 3. The authority citation for part 172 continues to read as follows:

Authority: 49 U.S.C. 5101–5128; 44701; 49 CFR 1.97.

■ 4. In § 172.101, the Hazardous Materials Table is amended by revising the following entries to read as follows:

§ 172.101 Purpose and use of hazardous materials table.

* * * * *

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§ 172.101—HAZARDOUS MATERIALS TABLE

Symbols	Hazardous materials descriptions and proper shipping names	Hazard class or division	Identification Numbers	PG	Label Codes	Special Provisions (§ 172.102)	(8) Packaging (§ 173.***)			(9) Quantity limitations		(10) Vessel stowage	
							Exceptions	Non-bulk	Bulk	Passenger aircraft/rail	Cargo aircraft only	Location	Other
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8A)	(8B)	(8C)	(9A)	(9B)	(10A)	(10B)
	*		*		*		*		*		*		*
	Acetic acid solution, not less than 50 percent but not more than 80 percent acid, by mass	8	UN2790	II	8	148, A3, A6, A7, A10, B2, IB2, T7, TP2	154	202	242	1L	30L	A	
	Acetic acid solution, with more than 10 percent and less than 50 percent acid, by mass	8	UN2790	III	8	148, IB3, T4, TP1	154	203	242	5L	60L	A	
	*		*		*		*		*		*		*
	Ammonium nitrate based fertilizer	5.1	UN2067	III	5.1	52, 148, 150, B120, IB8, IP3, T1, TP33	152	213	240	25 kg	100 kg	B	25, 59, 60, 66, 117
	*		*		*		*		*		*		*

	Ammonium nitrate emulsion or Ammonium nitrate suspension or Ammonium nitrate gel, intermediate for blasting explosives	5.1	UN3375	II	5.1	147, 148, 163	None	214	214	Forbidden	Forbidden	D	25, 59, 60, 66, 124
D	Ammonium nitrate-fuel oil mixture containing only prilled ammonium nitrate and fuel oil	1.5D	NA0331	II	1.5D	148	None	62	None	Forbidden	Forbidden	03	25, 19E
	Ammonium nitrate, liquid (hot concentrated solution)	5.1	UN2426		5.1	148, B5, T7	None	None	243	Forbidden	Forbidden	D	59, 60
	*		*		*		*		*		*		*
	Ammonium nitrate, with not more than 0.2% total combustible material, including any organic substance, calculated as carbon to the exclusion of any other added substance	5.1	UN1942	III	5.1	148, A1, A29, B120, IB8, IP3, T1, TP33	152	213	240	25 kg	100 kg	A	25, 59, 60, 116
	*		*		*		*		*		*		*

G	Articles, explosive, n.o.s	1.4S	UN0349	II	1.4S	101, 148	None	62	None	25 kg	100 kg	01	25
	*		*		*		*		*		*		*
	Boosters, without detonator	1.1D	UN0042	II	1.1D	148	None	62	None	Forbidden	Forbidden	04	25
	*		*		*		*		*		*		*
D G	Combustible liquid, n.o.s.	Comb liq	NA1993	III	None	148, IB3, T1, T4, TP1	150	203	241	60 L	220 L	A	
	*		*		*		*		*		*		*
	Cord, detonating, flexible	1.1D	UN0065	II	1.1D	102, 148	63(a)	62	None	Forbidden	Forbidden	04	25
	Cord, detonating, flexible	1.4D	UN0289	II	1.4D	148	None	62	None	Forbidden	75 kg	02	25
	*		*		*		*		*		*		*
G	Corrosive liquid, acidic, organic, n.o.s.	8	UN3265	I	8	A6, B10, T14, TP2, TP27	None	201	243	0.5 L	2.5 L	B	40
				II	8	148, B2, IB2, T11, TP2, TP27	154	202	242	1 L	30 L	B	40
				III	8	IB3, T7, TP1, TP28	154	203	241	5 L	60 L	A	40
	*		*		*		*		*		*		*
	Detonator assemblies, non-electric, for blasting	1.1B	UN0360	II	1.1B	148	None	62	None	Forbidden	Forbidden	05	25

	Detonator assemblies, non-electric, for blasting	1.4B	UN0361	II	1.4B	103, 148	63(f), 63(g)	62	None	Forbidden	75 kg	05	25
	Detonator assemblies, non-electric, for blasting	1.4S	UN0500	II	1.4S	148, 347	63(f), 63(g)	62	None	25 kg	100 kg	01	25
	Detonators, electric, for blasting	1.1B	UN0030	II	1.1B	148	63(f), 63(g)	62	None	Forbidden	Forbidden	05	25
	Detonators, electric, for blasting	1.4B	UN0255	II	1.4B	103, 148	63(f), 63(g)	62	None	Forbidden	75 kg	05	25
	Detonators, electric, for blasting	1.4S	UN0456	II	1.4S	148, 347	63(f), 63(g)	62	None	25 kg	100 kg	01	25
	*		*		*		*		*		*		*
	Detonators, non-electric, for blasting	1.4S	UN0455	II	1.4S	148, 347	63(f), 63(g)	62	None	25 kg	100 kg	01	25
	*		*		*		*		*		*		*
	Explosive, blasting, type A	1.1D	UN0081	II	1.1D	148	None	62	None	Forbidden	Forbidden	04	25, 19E, 21E
	*		*		*		*		*		*		*
	Explosive, blasting, type B or Agent blasting, Type B	1.5D	UN0331	II	1.5D	105, 106, 148	None	62	None	Forbidden	Forbidden	03	25, 19E

	*		*		*		*		*		*		*
	Explosive, blasting, type E	1.1D	UN0241	II	1.1D	148	None	62	None	Forbidden	Forbidden	04	25, 19E
	Explosive, blasting, type E or Agent blasting, Type E	1.5D	UN0332	II	1.5D	105, 106, 148	None	62	None	Forbidden	Forbidden	03	25, 19E
	*		*		*		*		*		*		*
	Hypochlorite solutions	8	UN1791	II	8	148, A7, B2, B15, IB2, IP5, N34, T7, TP2, TP24	154	202	242	1 L	30 L	B	26
				III	8	IB3, N34, T4, TP2, TP24	154	203	241	5 L	60 L	B	26
	*		*		*		*		*		*		*
G	Nitrites, inorganic, aqueous solution, n.o.s	5.1	UN3219	II	5.1	148, IB1, T4, TP1	152	202	242	1 L	5 L	B	46, 56, 58, 133
				III	5.1	IB2, T4, TP1	152	203	241	2.5 L	30 L	B	46, 56, 58, 133
	*		*		*		*		*		*		*
G	Oxidizing liquid, n.o.s.	5.1	UN3139	I	5.1	62, 127, A2, A6	None	201	243	Forbidden	2.5 L	D	56, 58, 106, 138
				II	5.1	62, 127, 148, A2, IB2	152	202	242	1 L	5 L	B	56, 58, 106, 138

				III	5.1	62, 127, 148, A2, IB2	152	203	241	2.5 L	30 L	B	56, 58, 106, 138
	*		*		*		*		*		*		*
G	Oxidizing solid, n.o.s.	5.1	UN1479	I	5.1	62, IB5, IP1	None	211	242	1 kg	15 kg	D	56, 58, 106, 138
				II	5.1	62, IB8, IP2, IP4, T3, TP33	152	212	240	5 kg	25 kg	B	56, 58, 106, 138
				III	5.1	62, 148, IB8, IP3, T1, TP33	152	213	240	25 kg	100 kg	B	56, 58, 106, 138
	*		*		*		*		*		*		*

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■ 5. In § 172.102(c)(1), special provision 148 is added as follows:

§ 172.102 Special provisions.

* * * * *

(c) * * *

(1) * * *

148 For domestic transportation, this entry directs to § 173.66 for: (1) the standards for transporting a single bulk hazardous material for blasting by cargo tank motor vehicles; and (2) the standards for cargo tank motor vehicles capable of transporting multiple hazardous materials for blasting in bulk and non-bulk packagings.

* * * * *

PART 173—SHIPPERS—GENERAL REQUIREMENTS FOR SHIPMENTS AND PACKAGINGS

■ 6. The authority citation for part 173 continues to read as follows:

Authority: 49 U.S.C. 5101–5128, 44701; 49 CFR 1.81, 1.97.

■ 7. In Subpart C, § 173.66 is added to read as follows:

§ 173.66 Requirements for Bulk Explosives.

When § 172.101 of this subchapter specifies that Class 1 (explosive) materials may be transported in accordance with this section (per special provision 148 in § 172.102(c)(1)), only the bulk packagings specified for these materials in IME SLP–23 (IBR, see § 171.7 of this subchapter) are authorized, subject to the requirements of subparts A and B of this part and the special provisions in column 7 of the § 172.101 table. In addition, the requirements in paragraphs (a), (b), and (c) of this section apply to: a new multipurpose bulk truck constructed after December 31, 2014 (i.e., a motor vehicle authorized to transport the Class 1 (explosive) materials, Division 5.1 (oxidizing) materials, Class 8 (corrosive) materials, and Combustible Liquid, n.o.s., NA1993, III, as specified in IME SLP–23 (see § 177.835(d) of this subchapter)); and a modified existing multipurpose bulk truck (see § 173.66(d)).

(a) *Fire Suppression Systems*—(1) *Requirements.* The Fire Suppression System must be an engineered system connected to the engine and transmission compartments. The system shall be activated by manual switch or passive means in the event of a fire. All fire extinguishers used as components of the system must meet the requirements of 49 CFR Section 393.95(a) and the applicable NFPA codes and standards.

(2) *Qualification.* The Fire Suppression System's design must be verified and certified by the Design Certifying Engineer (DCE) of the vehicle. The design must be tested through engineering analysis or physical testing to verify the initial design or future modification(s) to the current fire suppression system.

(3) *Periodic inspection.* The Fire Suppression System must be visually inspected annually for defects, flaws, damage, etc., and ensure none are present. The system must be pneumatically tested every five years to ensure the system is free of debris, leaks, and damage, and to ensure the system will function properly.

(4) *Recordkeeping requirements.* Following the verification and certification of the vehicle's Fire Suppression System by the DCE of the vehicle, the DCE must prepare a test report and provide the test report to the manufacturer of the vehicle. At a minimum, the test report must contain the information and be maintained as follows:

(i) Name and address of the DCE and the DCE facility;

(ii) Name and address of the vehicle manufacturer. For a foreign manufacturer, the U.S. agent or importer must be identified;

(iii) A test report number, drawing(s) of the vehicle design, and description of the vehicle in sufficient detail to ensure that the test report is traceable (e.g. a unique product identifier) to a specific vehicle design;

(iv) The tests conducted through engineering analysis or physical testing and the results;

(v) A certification that the design was tested through engineering analysis or physical testing to verify the initial design or modification(s) to the current fire suppression system; and

(vi) For at least ten (10) years after testing, a copy of each test report must be maintained by the DCE. For as long as the vehicle design is being manufactured, and for at least ten (10) years thereafter, a copy of each test report must be maintained by the manufacturer of the vehicle. The manufacturer must provide a copy of the test report to the owner of the vehicle. The owner of the vehicle must maintain a copy of the test report for as long as the vehicle is owned. Test reports must be made available to a representative of the Department upon request.

(b) *Emergency shut-off/battery disconnect.* (1) The battery on the motor vehicle must be equipped with three easily accessible manual disconnect switches. One manual disconnect switch must be located inside the driver's cab and does not include the ignition. The remaining two manual disconnect switches must be located on each side of the vehicle. All three switches must be connected to the positive battery terminal and the line of the switch must be protected from rubbing and abrasion that could cause a short circuit.

(2) The battery disconnect must isolate all manufacturing equipment except critical instrumentation which requires the maintenance of the electrical supply. The battery disconnect shall be tested monthly to ensure proper operation.

(c) *Federal Motor Vehicle Safety Standard (FMVSS).* Multipurpose bulk trucks must be in compliance with the FMVSS found in 49 CFR part 571, as applicable. Furthermore, the multipurpose bulk truck manufacturer must maintain a certification record ensuring the final manufacturing is in compliance with the FMVSS, in accordance with the certification requirements found in 49 CFR part 567. These certification records must be made available to DOT representatives upon request.

(d) *Modification.* The term modification means any change to the original design and construction of a multipurpose bulk truck (MBT) that affects its structural integrity or lading retention capability, (e.g. rechassising, etc.). Excluded from this category are the following:

(1) A change to the MBT equipment such as lights, truck or tractor power train components, steering and brake systems, and suspension parts, and changes to appurtenances, such as fender attachments, lighting brackets, ladder brackets; and

(2) Replacement of components such as valves, vents, and fittings with a component of a similar design and of the same size.

PART 177—CARRIAGE BY PUBLIC HIGHWAY

■ 8. The authority citation for part 177 continues to read as follows:

Authority: 49 U.S.C. 5101–5127; 49 CFR 1.97.

■ 9. In § 177.835, paragraph (a) is revised and paragraph (d) is added to read as follows:

§ 177.835 Class 1 materials.

* * * * *

(a) *Engine stopped.* No Class 1 (explosive) materials may be loaded into or on or be unloaded from any motor vehicle with the engine running, except that the engine of a multipurpose bulk

truck (see paragraph (d) of this section) may be used for the operation of the pumping equipment of the vehicle during loading or unloading.

* * * * *

(d) *Multipurpose bulk trucks.* When § 172.101 of this subchapter specifies that Class 1 (explosive) materials may be transported in accordance with § 173.66 of this subchapter (per special provision 148 in § 172.102(c)(1)), these materials may be transported on the same vehicle with Division 5.1 (oxidizing) materials, or Class 8 (corrosive) materials, and/or Combustible Liquid, n.o.s., NA1993 only under the conditions and requirements set forth in SLP–23 (IBR, see § 171.7 of this subchapter) and paragraph (g) of this section. In addition, the segregation requirements in § 177.848 do not apply.

* * * * *

Issued in Washington, DC on July 8, 2014, under authority delegated in 49 CFR 1.97.

Magdy El-Sibaie,

Associate Administrator for Hazardous Materials Safety, Pipeline and Hazardous Materials Safety Administration.

[FR Doc. 2014–16382 Filed 7–14–14; 8:45 am]

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DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

50 CFR Part 17

[Docket No. FWS–R4–ES–2013–0108; 4500030114]

RIN 1018–AZ64

Endangered and Threatened Wildlife and Plants; Designation of Critical Habitat for Brickellia mosieri (Florida Brickell-bush) and Linum carteri var. carteri (Carter's Small-flowered Flax)

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Proposed rule; revision and reopening of comment period.

SUMMARY: We, the U.S. Fish and Wildlife Service (Service), announce the reopening of the public comment period on the October 3, 2013, proposed designation of critical habitat for *Brickellia mosieri* (Florida brickell-bush) and *Linum carteri* var. *carteri* (Carter's small-flowered flax) under the Endangered Species Act of 1973, as amended (Act). We also announce the availability of a draft economic analysis (DEA) of the proposed designation and an amended required determinations section of the proposal. In addition, we have made minor amendments to the proposed critical habitat units based on information received from other Federal agencies and from the public during our initial public comment period. We are reopening the comment period to allow all interested parties an opportunity to comment simultaneously on the original proposed rule, the revisions to the proposal described in this document, the associated DEA, and the amended required determinations section. Comments previously submitted need not be resubmitted, as they will be fully considered in preparation of the final rule.

DATES: We will consider comments received or postmarked on or before August 14, 2014. Comments submitted electronically using the Federal eRulemaking Portal (see **ADDRESSES** section, below) must be received by 11:59 p.m. Eastern Time on the closing date.

ADDRESSES: *Document availability:* You may obtain copies of the proposed rule and the draft economic analysis on the Internet at *http://www.regulations.gov* at Docket No. FWS–R4–ES–2013–0108 or by mail from the South Florida Ecological Services Field Office (see **FOR FURTHER INFORMATION CONTACT**).

Written Comments: You may submit written comments by one of the following methods:

(1) *Electronically:* Go to the Federal eRulemaking Portal: *http://www.regulations.gov.* Submit comments on the critical habitat proposal and associated draft economic analysis by searching for Docket No. FWS–R4–ES–2013–0108, which is the docket number for this rulemaking.

(2) *By hard copy:* Submit comments on the critical habitat proposal and associated draft economic analysis by U.S. mail or hand-delivery to: Public Comments Processing, Attn: FWS–R4–ES–2013–0108; Division of Policy and Directives Management; U.S. Fish and Wildlife Service; 4401 N. Fairfax Drive, MS 2042–PDM; Arlington, VA 22203.

We request that you send comments only by the methods described above. We will post all comments on *http://www.regulations.gov.* This generally means that we will post any personal information you provide us (see the **Public Comments** section below for more information).

FOR FURTHER INFORMATION CONTACT: Craig Aubrey, Field Supervisor, U.S. Fish and Wildlife Service, South Florida Ecological Services Field Office, 1339 20th Street, Vero Beach, FL 32960; telephone 772–562–3909; or facsimile 772–562–4288. Persons who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 800–877–8339.

SUPPLEMENTARY INFORMATION:

Public Comments

We will accept written comments and information during this reopened comment period on our proposed designation of critical habitat for *Brickellia mosieri* and *Linum carteri* var. *carteri* that was published in the **Federal Register** on October 3, 2013 (78 FR 61293), the revisions to the proposal described in this document, our DEA of the proposed designation, and the amended required determinations provided in this document. We will consider information and recommendations from all interested parties. We are particularly interested in comments concerning:

(1) The reasons why we should or should not designate habitat as ''critical habitat'' under section 4 of the Act (16 U.S.C. 1531 *et seq.*), including whether there are threats to *Brickellia mosieri* or *Linum carteri* var. *carteri* from human activity, the degree of which can be expected to increase due to the designation, and whether that increase in threat outweighs the benefit of designation such that the designation of critical habitat is not prudent.

(2) Specific information on:

(a) The amount and distribution of *Brickellia mosieri* and *Linum carteri* var. *carteri* and their habitats;

(b) What may constitute ''physical or biological features essential to the conservation of the species,'' within the geographical range currently occupied by these plants;

(c) Where these features are currently found;

(d) Whether any of these features may require special management considerations or protection;

(e) What areas, that were occupied at the time of listing (or are currently occupied) and that contain features essential to the conservation of these plants, should be included in the designation and why; and

(f) What areas not occupied at the time of listing are essential for the conservation of these plants and why.

(3) Land use designations and current or planned activities in the areas occupied by *Brickellia mosieri* or *Linum carteri* var. *carteri* or proposed to be designated as critical habitat, and possible impacts of these activities on these plants and proposed critical habitat.

(4) Information on the projected and reasonably likely impacts of climate change on *Brickellia mosieri* and *Linum carteri* var. *carteri* and proposed critical habitat.

(5) Any probable economic, national security, or other relevant impacts that may result from designating any area that may be included in the final designation. We are particularly interested in any impacts on small entities, and the benefits of including or excluding areas from the proposed designation that are subject to these impacts.

(6) Information on the extent to which the description of economic impacts in the draft economic analysis is a reasonable estimate of the likely economic impacts.

(7) Whether any specific areas we are proposing for critical habitat designation should be considered for exclusion under section 4(b)(2) of the Act, and whether the benefits of potentially excluding any specific area outweigh the benefits of including that area under section 4(b)(2) of the Act.

(8) Information specific to the management of pine rocklands under Miami-Dade County's Environmentally Endangered Lands Covenant Program that might allow us to evaluate potential exclusions.

(9) Whether our approach to designating critical habitat could be improved or modified in any way to provide for greater public participation and understanding, or to assist us in accommodating public concerns and comments.

If you submitted comments or information on the proposed rule (78 FR 61293) during the initial comment period from October 3, 2013, to December 2, 2013, please do not resubmit them. We will incorporate them into the public record as part of this comment period, and we will fully consider them in the preparation of our final determination. Our final determination concerning critical habitat will take into consideration all written comments and any additional information we receive during both comment periods. On the basis of public comments, we may, during the development of our final determination, find that areas proposed are not essential, are appropriate for exclusion under section 4(b)(2) of the Act, or are not appropriate for exclusion.

You may submit your comments and materials concerning the proposed rule, the revisions to the proposal described in this document, or the DEA by one of the methods listed in the **ADDRESSES** section. We request that you send comments only by the methods described in the **ADDRESSES** section.

If you submit a comment via *http://www.regulations.gov,* your entire comment—including any personal identifying information—will be posted on the Web site. We will post all hardcopy comments on *http://www.regulations.gov* as well. If you submit a hardcopy comment that includes personal identifying information, you may request at the top of your document that we withhold this information from public review. However, we cannot guarantee that we will be able to do so.

Comments and materials we receive, as well as supporting documentation we used in preparing the proposed rule, this document, and the DEA, will be available for public inspection on *http://www.regulations.gov* at Docket No. FWS–R4–ES–2013–0108, or by appointment, during normal business hours, at the U.S. Fish and Wildlife Service, South Florida Ecological Services Field Office (see **FOR FURTHER INFORMATION CONTACT**). You may obtain copies of the proposed rule, this document, and the DEA on the Internet at *http://www.regulations.gov* at Docket No. FWS–R4–ES–2013–0108, or by mail from the South Florida Ecological Services Field Office (see **FOR FURTHER INFORMATION CONTACT**).

Background

It is our intent to discuss only those topics directly relevant to the designation of critical habitat for *Brickellia mosieri* and *Linum carteri* var. *carteri* in this document. On October 3, 2013, we published both a proposed rule to list *B. mosieri* and *L. c.* var. *carteri* as endangered (78 FR 61273) and a proposed rule to designate critical habitat for both plants (78 FR 61293).

In the proposed critical habitat rule, we proposed to designate a combined total of approximately 2,707 acres (ac) (1,096 hectares (ha)) in seven units located in Miami-Dade County, Florida, as critical habitat. That proposal had a 60-day comment period, ending December 2, 2013. We intend to submit for publication in the **Federal Register** a final critical habitat designation for *Brickellia mosieri* and *Linum carteri* var. *carteri* on or before October 3, 2014.

For more information on previous Federal actions concerning *B. mosieri* and *L. c.* var. *carteri,* refer to the proposed rules, which are available online at *http://www.regulations.gov* or from the South Florida Ecological Services Field Office (see **FOR FURTHER INFORMATION CONTACT**).

Critical Habitat

Section 3 of the Act defines critical habitat as the specific areas within the geographical area occupied by a species, at the time it is listed in accordance with the Act, on which are found those physical or biological features essential to the conservation of the species and that may require special management considerations or protection, and specific areas outside the geographical area occupied by a species at the time it is listed, upon a determination that such areas are essential for the conservation of the species. If the proposed rule is made final, section 7 of the Act will prohibit destruction or adverse modification of critical habitat by any activity funded, authorized, or carried out by any Federal agency. Federal agencies proposing actions affecting critical habitat must consult with us on the effects of their proposed actions, under section 7(a)(2) of the Act.

Changes From Previously Proposed Critical Habitat

In the proposed critical habitat rule (78 FR 61293), we proposed seven units (Units 1–7) as critical habitat for both *Brickellia mosieri* and *Linum carteri* var. *carteri.* In the final rule, we intend to change unit names to be specific to each plant; for example, Unit 1 would be Unit BM1 for *B. mosieri* and Unit LCC1 for *L. c.* var. *carteri.* Additionally, the large overall unit boundaries described in the original proposed rule encompass multiple, smaller designations within each unit; in the final rule, we would add subunit names that identify individual patches, or multiple patches having the same occupancy status that are only separated by a road. These changes would provide more detail to help clarify locations and needs for each plant within the larger unit areas. The unit naming conventions we intend to adopt in the final rule are summarized in Table 1.

TABLE 1—NAMING CONVENTIONS OF UNITS AND SUBUNITS FOR THE CRITICAL HABITAT DESIGNATION OF BRICKELLIA MOSIERI AND LINUM CARTERI VAR. CARTERI.

Unit name in October 3, 2013, proposed rule	Brickellia mosieri critical habitat		Linum carteri var. carteri critical habitat	
	Unit name for final rule	Subunits	Unit name for final rule	Subunits
Unit 1: Trinity Pineland and surrounding areas.	BM1	BM1A, BM1B (2 subunits)	LCC1	LCC1A–LCC1C (3 subunits)
Unit 2: Nixon Smiley Pineland Preserve and surrounding areas.	BM2	BM2A–BM2G (7 subunits)	LCC2	LCC2A–LCC2F (6 subunits)
Unit 3: U.S. Department of Agriculture (USDA) Subtropical Horticultural Research Station and surrounding areas.	BM3	BM3A–BM3G (7 subunits)	LCC3	LCC3A–LCC3H (8 subunits)
Unit 4: Richmond Pinelands and surrounding areas.	BM4	BM4A–BM4G (7 subunits)	LCC4	LCC4A–LCC4C (3 subunits)
Unit 5: Quail Roost Pineland and surrounding areas.	BM5	BM5A–BM5K (11 subunits)	LCC5	LCC5A–LCC5J (10 subunits)
Unit 6: Camp Owaissa Bauer and surrounding areas.	BM6	BM6A–BM6L (12 subunits)	LCC6	LCC6A–LCC6U (21 subunits)
Unit 7: Navy Wells Pineland Preserve and surrounding areas.	BM7	BM7A–BM7I (9 subunits)	LCC7	LCC7A–LCC7G (7 subunits)

Finally, as a result of coordination meetings and our initial public comment period, we received new information concerning the current habitat condition of proposed areas, as well as information regarding additional areas of suitable habitat that were not included in the proposed designation but that meet the definition of critical habitat. Based on this new information, we are proposing to substantively revise the critical habitat designation as follows:

Proposed Deletion

We propose to remove State-owned Navy Wells #23 from Unit 7 of the proposed critical habitat designation for *Brickellia mosieri.* This area is unoccupied, and is composed of State-owned and neighboring private land (totaling approximately 45.0 ac (18.2 ha)). We propose this change based on new information regarding the current condition of these lands. Recent observations indicate that Navy Wells #23 has a dense understory of hammock trees and shrubs, and that the neighboring private land is not native habitat (i.e., it is an exotic-dominated, disturbed area). Based on this new information, we have determined that the area is no longer essential to the conservation of the species.

Proposed Revisions

We propose to revise the boundaries of three previously proposed, unoccupied areas: Camp Matecumbe (in Unit 2 for both plants), Tamiami Pineland Complex Addition (in Unit 2 for *Linum carteri* var. *carteri*), and U.S. Coast Guard (USCG) lands (in Unit 4 for both plants), as a result of information we received from partners and other Federal agencies. These revisions reflect the best scientific information on current site conditions within individual units. Because the following changes are fairly small and are not likely to be discernable at the scale of the published critical habitat maps, we instead describe these proposed revisions by text as follows:

- Addition of two small, suitable, unoccupied pine rockland areas, totaling approximately 2.7 ac (1.1 ha) and managed by Miami-Dade County, located adjacent to the east boundary of Camp Matecumbe, to the critical habitat designation for both *Brickellia mosieri* and *Linum carteri* var. *carteri.* Based on onsite observations, these two areas consist of suitable habitat for both plants as well as functioning as buffers to the previously proposed, adjacent habitat within Camp Matecumbe, and are considered essential to the conservation of both plants. Their inclusion in the unit is also consistent with the habitat delineation methodology used for proposed critical habitat, as well as with our approach to supplemental areas (i.e., where the addition of the habitat increases conservation quality of adjacent proposed critical habitat).
- Inclusion of suitable unoccupied habitat for *Linum carteri* var. *carteri* within a utility corridor, totaling approximately 11.2 ac (4.5 ha) and owned by Florida Power and Light, located adjacent to the north boundary of Tamiami Pineland Complex, in the critical habitat designation for *L. c.* var. *carteri.* Based on onsite observations, this area is suitable habitat for *L. c.* var. *carteri,* and is considered essential to the conservation of the plant. Its inclusion in the unit is also consistent with the habitat delineation methodology used for proposed critical habitat, which includes cleared areas occurring over pine rockland soils.
- Revision of unoccupied critical habitat on USCG land for both *Brickellia mosieri* and *Linum carteri* var. *carteri* to remove a recreational area from the critical habitat polygon (approximately 7.0 ac (2.8 ha)). This revision is based on our recent coordination with the USCG, during which we learned that the subject area was an existing park with high use, including military training, sporting events, and camping throughout the area. Based on this new information, we believe the removed area is unlikely to serve as suitable habitat for either plant, and we have determined that it is no longer essential to the conservation of either plant. This revision is also consistent with the habitat delineation methodology used for proposed critical habitat, which avoids delineating areas with existing high human use (such as parks).

Proposed Additions

We also propose to add three small, unoccupied areas as a result of new information received since the publication of the proposed rule. These areas are adjacent to or near previously proposed areas. Revised maps, set forth in the Proposed Regulation Promulgation section of this document, indicate these additional areas, as well as areas already proposed in only those relevant units; the revised maps of those units use the naming conventions we intend to adopt in the final rule (described above under Changes from Previously Proposed Critical Habitat) for all of the critical habitat units. A description of the three areas follows:

• Addition of suitable, unoccupied pine rocklands within Bill Sadowski Park, totaling approximately 19.5 ac (7.9 ha) and owned and managed by Miami-Dade County, to the critical habitat designation for both *Brickellia mosieri* and *Linum carteri* var. *carteri.* Bill Sadowski Park is shown on the revised maps for Units BM3 and LCC3, as subunits BM3H and LCC3I, respectively. Onsite observations indicate that the habitat quality of these pine rocklands is higher than previously assessed (using aerial imagery) in our analysis for the proposed critical habitat rule. Based on this new information, we have determined that the habitat is essential to the conservation of both plants.

• Addition of suitable unoccupied pine rockland within Eachus Pineland, totaling approximately 17.3 ac (7.0 ha) and owned and managed by Miami-Dade County, to the critical habitat designation for both *Brickellia mosieri* and *Linum carteri* var. *carteri.* Eachus Pineland is shown on the revised maps for Units BM4 and LCC4, as subunits BM4H and LCC4D, respectively. Onsite observations indicate that the habitat quality of this pine rockland is higher than previously assessed (using aerial imagery) in our analysis for the proposed critical habitat rule. Based on this new information, we have determined that the habitat is essential to the conservation of both plants.

• Addition of up to three unoccupied areas on Department of Defense lands (Homestead Air Reserve Base and U.S. Special Operations Command South) was also suggested during the initial comment period. Onsite observations indicate that these areas consist of suitable pine rockland habitat for both plants. One of these areas (approximately 12.9 ac (5.2 ha)) meets the criteria used in our methodology for designating proposed unoccupied critical habitat for *Brickellia mosieri,* and is considered essential to the conservation of the species. This area is shown on the revised map for Unit BM6, as subunit BM6M. All three areas (totaling approximately 17.3 ac (7.0 ha)) meet the criteria used in our methodology for designating proposed unoccupied critical habitat for *Linum carteri* var. *carteri,* and are considered essential to the conservation of the plant. These areas are shown on the revised map for Unit LCC6, as subunits LCC6V and LCC6W. However, all three areas may be subject to an integrated natural resources management plan (INRMP), as described in the October 3, 2013, proposed rule. We are currently reviewing relevant INRMPs and want to notify the public that these areas may be exempted from the final rule under section 4(a)(3) of the Act.

As a result of the deletions and revisions described above, we are now proposing approximately 1,067 ha (2,637 ac) of critical habitat for *Brickellia mosieri,* and 1,079 ha (2,666 ac) for *Linum carteri* var. *carteri.*

Consideration of Impacts Under Section 4(b)(2) of the Act

Section 4(b)(2) of the Act requires that we designate or revise critical habitat based upon the best scientific data available, after taking into consideration the economic impact, impact on national security, or any other relevant impact of specifying any particular area as critical habitat. We may exclude an area from critical habitat if we determine that the benefits of excluding the area outweigh the benefits of including the area as critical habitat, provided such exclusion will not result in the extinction of the species.

When considering the benefits of inclusion for an area, we consider among other factors, the additional regulatory benefits that an area would receive through the analysis under section 7 of the Act addressing the destruction or adverse modification of critical habitat as a result of actions with a Federal nexus (activities conducted, funded, permitted, or authorized by Federal agencies), the educational benefits of identifying areas containing essential features that aid in the recovery of the listed species, and any ancillary benefits triggered by existing local, State or Federal laws as a result of the critical habitat designation.

When considering the benefits of exclusion, we consider, among other things, whether exclusion of a specific area is likely to incentivize or result in conservation; the continuation, strengthening, or encouragement of partnerships; or implementation of a management plan. In the case of *Brickellia mosieri* and *Linum carteri* var. *carteri,* the benefits of critical habitat include public awareness of the presence of *B. mosieri* and *L. c.* var. *carteri* and the importance of habitat protection, and, where a Federal nexus exists, increased habitat protection for *B. mosieri* and *L. c.* var. *carteri* due to protection from adverse modification or destruction of critical habitat. In practice, situations with a Federal nexus exist primarily on Federal lands or for projects undertaken by Federal agencies.

We have not proposed to exclude any areas from critical habitat. However, the final decision on whether to exclude any areas will be based on the best scientific data available at the time of the final designation, including information obtained during the comment periods and information about the economic impact of designation. Accordingly, we have prepared a draft economic analysis concerning the proposed critical habitat designation (DEA), which is available for review and comment (see **ADDRESSES**).

Consideration of Economic Impacts

Section 4(b)(2) of the Act and its implementing regulations require that we consider the economic impact that may result from a designation of critical habitat. To assess the probable economic impacts of a designation, we must first evaluate specific land uses or activities and projects that may occur in the area of the critical habitat. We then must evaluate the impacts that a specific critical habitat designation may have on restricting or modifying specific land uses or activities for the benefit of the species and its habitat within the areas proposed. We then identify which conservation efforts may be the result of the species being listed under the Act versus those attributed solely to the designation of critical habitat for this particular species. The probable economic impact of a proposed critical habitat designation is analyzed by comparing scenarios ''with critical habitat'' and ''without critical habitat.'' The ''without critical habitat'' scenario represents the baseline for the analysis, which includes the existing regulatory and socio-economic burden imposed on landowners, managers, or other resource users potentially affected by the designation of critical habitat (e.g., under the Federal listing as well as other Federal, State, and local regulations). The baseline, therefore, represents the costs of all efforts attributable to the listing of the species under the Act (i.e., conservation of the species and its habitat incurred regardless of whether critical habitat is designated). The ''with critical habitat'' scenario describes the incremental impacts associated specifically with the designation of critical habitat for the species. The incremental conservation efforts and associated impacts would not be expected without the designation of critical habitat for the species. In other words, the incremental costs are those attributable solely to the designation of critical habitat, above and beyond the baseline costs. These are the costs we use when evaluating the benefits of inclusion and exclusion of particular areas from the final designation of critical habitat should we choose to conduct an optional section 4(b)(2) exclusion analysis.

For this designation, we developed an incremental effects memorandum (IEM)

considering the probable incremental economic impacts that may result from the proposed designation of critical habitat as published in the **Federal Register** on October 3, 2013. The information contained in our IEM was then used to develop a screening analysis of the probable effects of the designation of critical habitat for *Brickellia mosieri* and *Linum carteri* var. *carteri* (Industrial Economics, Incorporated, March 25, 2014). We began by conducting a screening analysis of the proposed designation of critical habitat in order to focus our analysis on the key factors that are likely to result in incremental economic impacts. The purpose of the screening analysis is to filter out the geographic areas in which the critical habitat designation is unlikely to result in probable incremental economic impacts. In particular, the screening analysis considers baseline costs (i.e., absent critical habitat designation) and includes probable economic impacts where land and water use may be subject to conservation plans, land management plans, best management practices, or regulations that protect the habitat area as a result of the Federal listing status of the species. The screening analysis filters out particular areas of critical habitat that are already subject to such protections and are, therefore, unlikely to incur incremental economic impacts. Ultimately, the screening analysis allows us to focus our analysis on evaluating the specific areas or sectors that may incur probable incremental economic impacts as a result of the designation. The screening analysis also assesses whether units are unoccupied by the species and may require additional management or conservation efforts as a result of the critical habitat designation and may incur incremental economic impacts. This screening analysis, combined with the information contained in our IEM, constitutes our draft economic analysis (DEA) of the proposed critical habitat designation for *B. mosieri* and *L. c.* var. *carteri* and is summarized in the narrative below.

Executive Orders (E.O.s) 12866 and 13563 direct Federal agencies to assess the costs and benefits of available regulatory alternatives in quantitative (to the extent feasible) and qualitative terms. Consistent with the E.O.s' regulatory analysis requirements, our effects analysis under the Act may take into consideration impacts to both directly and indirectly impacted entities, where practicable and reasonable. We assess, to the extent practicable and if sufficient data are available, the probable impacts to both directly and indirectly impacted entities. As part of our screening analysis, we considered the types of economic activities that are likely to occur within the areas likely affected by the critical habitat designation. In our evaluation of the probable incremental economic impacts that may result from the proposed designation of critical habitat for *Brickellia mosieri* and *Linum carteri* var. *carteri,* we first identified, in the IEM and its subsequent revision, dated February 7, 2014, and March 11, 2014, respectively, probable incremental economic impacts associated with the following categories of activities: (1) Federal lands management (U.S. Department of Agriculture, U.S. Coast Guard; National Oceanic and Atmospheric Administration; U.S. Prisons Bureau; and the U. S. Army Corps of Engineers); (2) inadequate fire management; (3) roadway and bridge construction; (4) agriculture; (5) groundwater pumping; (6) commercial or residential development; and (7) recreation. We considered each industry or category individually. Additionally, we considered whether their activities have any Federal involvement. Critical habitat designation will not affect activities that do not have any Federal involvement; designation of critical habitat only affects activities conducted, funded, permitted, or authorized by Federal agencies. In areas where *B. mosieri* and *L. c.* var. *carteri* are present, Federal agencies already are required to confer with the Service under section 7 of the Act on activities they fund, permit, or implement that may affect the species. If we finalize this proposed critical habitat designation, consultations to avoid the destruction or adverse modification of critical habitat would be incorporated into the existing consultation process. Therefore, disproportionate impacts to any geographic area or sector are not likely as a result of this critical habitat designation.

In our IEM, we attempted to clarify the distinction between the effects that would result from the species being listed and those attributable to the critical habitat designation (i.e., difference between the jeopardy and adverse modification standards) for *Brickellia mosieri* and *Linum carteri* var. *carteri.* Because the designation of critical habitat for *B. mosieri* and *L. c.* var. *carteri* was proposed concurrently with the listing, it has been our experience that it is more difficult to discern which conservation efforts are attributable to the species being listed and those which would result solely from the designation of critical habitat. However, the following specific circumstances in this case help to inform our evaluation: (1) The essential physical and biological features identified for critical habitat are the same features essential for the life requisites of the species, and (2) any actions that would result in sufficient harm or harassment to constitute jeopardy to *B. mosieri* and *L. c.* var. *carteri* would also likely adversely affect the essential physical and biological features of critical habitat. The IEM outlines our rationale concerning this limited distinction between baseline conservation efforts and incremental impacts of the designation of critical habitat for this species. This evaluation of the incremental effects has been used as the basis to evaluate the probable incremental economic impacts of the proposed designation of critical habitat.

To prepare the screening analysis, Industrial Economics, Inc., relied on: (1) The proposed rule and associated geographic information systems (GIS) data layers provided by the Service; (2) the Service's incremental effects memorandum; (3) the results of the Service's outreach efforts to other Federal agencies concerning the likely effects of critical habitat; and (4) limited interviews with relevant stakeholders.

The screening analysis determined that critical habitat designation for *Brickellia mosieri* and *Linum carteri* var. *carteri* is unlikely to generate costs exceeding $100 million in a single year. Data limitations prevent the quantification of benefits.

In occupied areas, the economic impacts of implementing the rule through section 7 of the Act would most likely be limited to additional administrative effort to consider adverse modification. This finding is based on the following factors:

- Upon listing of the species, any activities with a Federal nexus occurring within occupied habitat would be subject to section 7 consultation requirements regardless of critical habitat designation, due to the presence of the listed species; and
- In most cases, project modifications requested to avoid adverse modification are likely to be the same as those needed to avoid jeopardy in occupied habitat.

In unoccupied areas, incremental section 7 costs would include both the administrative costs of consultation and the costs of developing and implementing conservation measures needed to avoid adverse modification of critical habitat. Therefore, this analysis focuses on the likely impacts to activities occurring in unoccupied areas

of the proposed critical habitat designation.

This analysis forecasts the total number and administrative cost of future consultations likely to occur for transportation and land management activities undertaken by or funded by Federal agencies within unoccupied habitat. In addition, the analysis forecasts costs associated with conservation efforts that may be recommended in consultation for those activities occurring in unoccupied areas. The total incremental section 7 costs associated with the proposed designation are estimated to be $120,000 (2013 dollars) in a single year for both administrative and conservation effort costs.

The designation of critical habitat is unlikely to trigger additional requirements under State or local regulations. This assumption is based on the protective status currently afforded pine rocklands habitat. Additionally, the designation of critical habitat may cause developers to perceive that private lands would be subject to use restrictions, resulting in perceptional effects. Such costs, if they occur, are unlikely to result in costs reaching $100 million when combined with anticipated annual section 7 costs.

As we stated earlier, we are soliciting data and comments from the public on the DEA, as well as all aspects of the proposed rule, the revisions described in this document, and our amended required determinations. We may revise the proposed rule or supporting documents to incorporate or address information we receive during the public comment period. In particular, we may exclude an area from critical habitat if we determine that the benefits of excluding the area outweigh the benefits of including the area, provided the exclusion will not result in the extinction of these species.

Required Determinations—Amended

In our October 3, 2013, proposed rule (78 FR 61293), we indicated that we would defer our determination of compliance with several statutes and executive orders until we had evaluated the probable effects on landowners and stakeholders and the resulting probable economic impacts of the designation. Following our evaluation of the probable incremental economic impacts resulting from the designation of critical habitat for *Brickellia mosieri* and *Linum carteri* var. *carteri,* we have affirmed or amended our determinations below. Specifically, we affirm the information in our proposed rule concerning Executive Orders (E.O.s) 12866 and 13563 (Regulatory Planning and Review), E.O. 13132 (Federalism), E.O. 12988 (Civil Justice Reform), E.O. 13211 (Energy Supply, Distribution, or Use), the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), the National Environmental Policy Act (42 U.S.C. 4321 *et seq.*), and the President's memorandum of April 29, 1994, ''Government-to-Government Relations with Native American Tribal Governments'' (59 FR 22951). However, based on our evaluation of the probable incremental economic impacts of the proposed designation of critical habitat for *B. mosieri* and *L. c.* var. *carteri,* we are amending our required determinations concerning the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), Takings (E.O. 12630), and the Unfunded Mandates Reform Act (2 U.S.C. 1501 *et seq.*).

Regulatory Flexibility Act (5 U.S.C. 601 et seq.)

Under the Regulatory Flexibility Act (RFA; 5 U.S.C. 601 *et seq.*), as amended by the Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA; 5 U.S.C. 801 *et seq.*), whenever an agency is required to publish a notice of rulemaking for any proposed or final rule, it must prepare and make available for public comment a regulatory flexibility analysis that describes the effects of the rule on small entities (i.e., small businesses, small organizations, and small government jurisdictions). However, no regulatory flexibility analysis is required if the head of the agency certifies the rule will not have a significant economic impact on a substantial number of small entities. The SBREFA amended the RFA to require Federal agencies to provide a certification statement of the factual basis for certifying that the rule will not have a significant economic impact on a substantial number of small entities.

According to the Small Business Administration, small entities include small organizations such as independent nonprofit organizations; small governmental jurisdictions, including school boards and city and town governments that serve fewer than 50,000 residents; and small businesses (13 CFR 121.201). Small businesses include manufacturing and mining concerns with fewer than 500 employees, wholesale trade entities with fewer than 100 employees, retail and service businesses with less than $5 million in annual sales, general and heavy construction businesses with less than $27.5 million in annual business, special trade contractors doing less than $11.5 million in annual business, and agricultural businesses with annual sales less than $750,000. To determine if potential economic impacts to these small entities are significant, we considered the types of activities that might trigger regulatory impacts under this designation as well as types of project modifications that may result. In general, the term ''significant economic impact'' is meant to apply to a typical small business firm's business operations.

The Service's current understanding of the requirements under the RFA, as amended, and following recent court decisions, is that Federal agencies are only required to evaluate the potential incremental impacts of rulemaking on those entities directly regulated by the rulemaking itself, and are, therefore, not required to evaluate the potential impacts to indirectly regulated entities. The regulatory mechanism through which critical habitat protections are realized is section 7 of the Act, which requires Federal agencies, in consultation with the Service, to ensure that any action authorized, funded, or carried by the agency is not likely to adversely modify critical habitat. Therefore, under these circumstances only Federal action agencies are directly subject to the specific regulatory requirement (avoiding destruction and adverse modification) imposed by critical habitat designation. Under these circumstances, it is our position that only Federal action agencies will be directly regulated by this designation. Federal agencies are not small entities and to this end, there is no requirement under RFA to evaluate the potential impacts to entities not directly regulated. Therefore, because no small entities are directly regulated by this rulemaking, the Service certifies that, if promulgated, the proposed critical habitat designation will not have a significant economic impact on a substantial number of small entities.

In summary, we have considered whether the proposed designation would result in a significant economic impact on a substantial number of small entities. For the above reasons and based on currently available information, we certify that, if promulgated, the proposed critical habitat designation will not have a significant economic impact on a substantial number of small business entities. Therefore, an initial regulatory flexibility analysis is not required.

E.O. 12630 (Takings)

In accordance with E.O. 12630 (Government Actions and Interference with Constitutionally Protected Private Property Rights), we have analyzed the potential takings implications of designating critical habitat for *Brickellia*

mosieri and *Linum carteri* var. *carteri* in a takings implications assessment. As discussed above, the designation of critical habitat affects only Federal actions. Although private parties that receive Federal funding, assistance, or require approval or authorization from a Federal agency for an action may be indirectly impacted by the designation of critical habitat, the legally binding duty to avoid destruction or adverse modification of critical habitat rests squarely on the Federal agency. The economic analysis found that no significant economic impacts are likely to result from the designation of critical habitat for *B. mosieri* and *L. c.* var. *carteri*. Because the Act's critical habitat protection requirements apply only to Federal agency actions, few conflicts between critical habitat and private property rights should result from this designation. Based on information contained in the economic analysis and described within this document, it is not likely that economic impacts to a property owner would be of a sufficient magnitude to support a takings action. Therefore, the takings implications assessment concludes that this designation of critical habitat for *B. mosieri* and *L. c.* var. *carteri* does not pose significant takings implications for lands within or affected by the designation.

Unfunded Mandates Reform Act (2 U.S.C. 1501 et seq.)

Based on our review and the results of our economic analysis, we do not believe that this rule will significantly or uniquely affect small governments because it would not produce a Federal mandate of $100 million or greater in any year; that is, it is not a ''significant regulatory action'' under the Unfunded Mandates Reform Act . The designation of critical habitat imposes no obligations on State or local governments. Consequently, we do not believe that the critical habitat designation would significantly or uniquely affect small government entities. As such, a Small Government Agency Plan is not required.

Authors

The primary authors of this notice are the staff members of the South Florida Ecological Services Field Office, Southeast Region, U.S. Fish and Wildlife Service.

List of Subjects in 50 CFR Part 17

Endangered and threatened species, Exports, Imports, Reporting and recordkeeping requirements, Transportation.

Proposed Regulation Promulgation

Accordingly, we propose to further amend part 17, subchapter B of chapter I, title 50 of the Code of Federal Regulations, as proposed to be amended on October 3, 2013, at 78 FR 61293, as set forth below:

PART 17—ENDANGERED AND THREATENED WILDLIFE AND PLANTS

■ 1. The authority citation for part 17 continues to read as follows:

Authority: 16 U.S.C. 1361–1407; 1531–1544; 4201–4245, unless otherwise noted.

■ 2. Amend § 17.96(a) by:

■ a. Revising paragraphs (8), (9), and (11) in the entry proposed at 78 FR 61293 for ''Family Asteraceae: *Brickellia mosieri* (Florida brickell-bush)'' to read as follows; and

■ b. Revising paragraphs (1) and (3) and adding paragraphs (4), (5), and (6) to the entry proposed at 78 FR 61293 for ''Family Linaceae: *Linum carteri* var. *carteri* (Carter's small-flowered flax)'' to read as follows.

§ 17.96 Critical habitat—plants.

(a) *Flowering plants.*

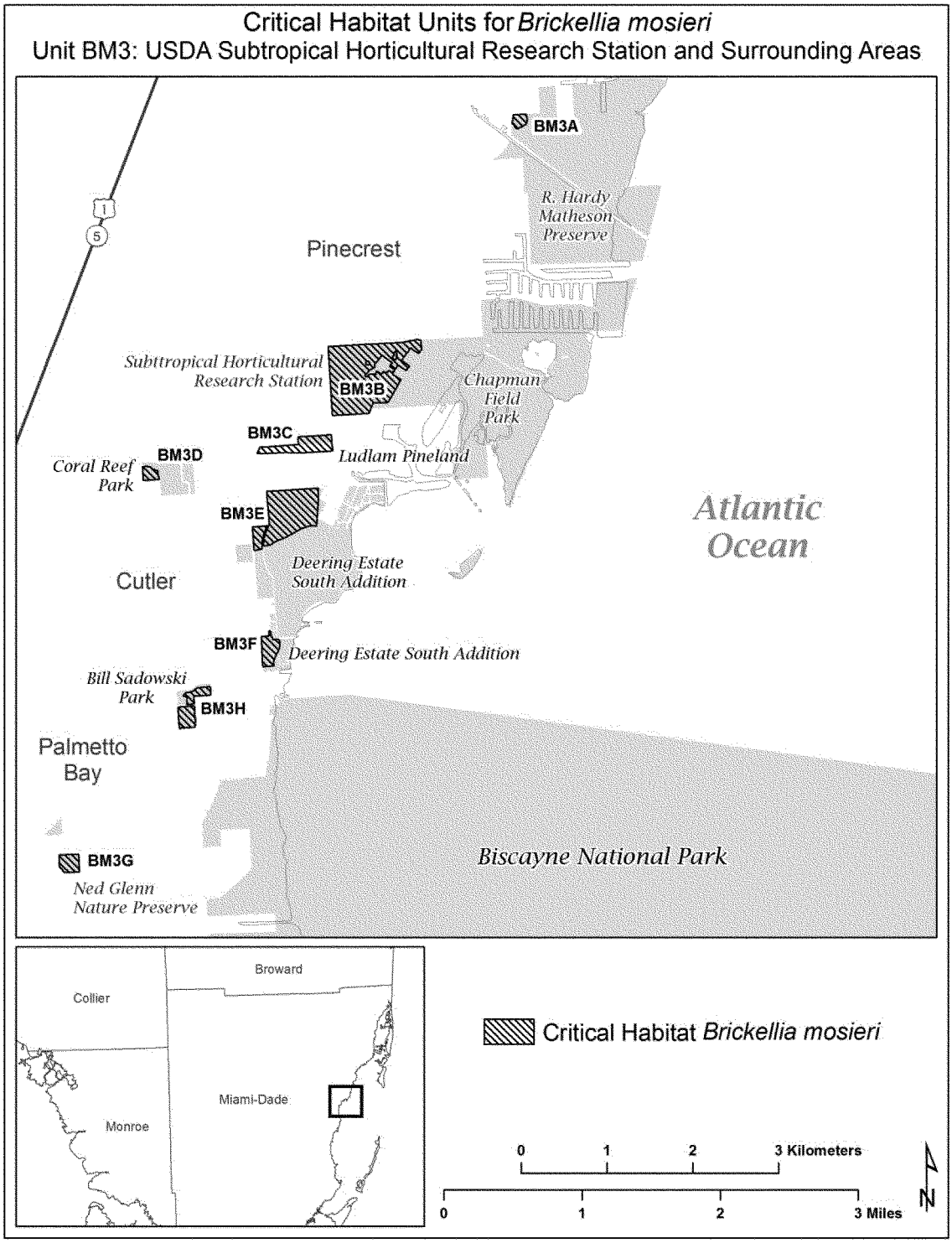
* * * * *

Family Asteraceae: *Brickellia mosieri* (Florida brickell-bush)

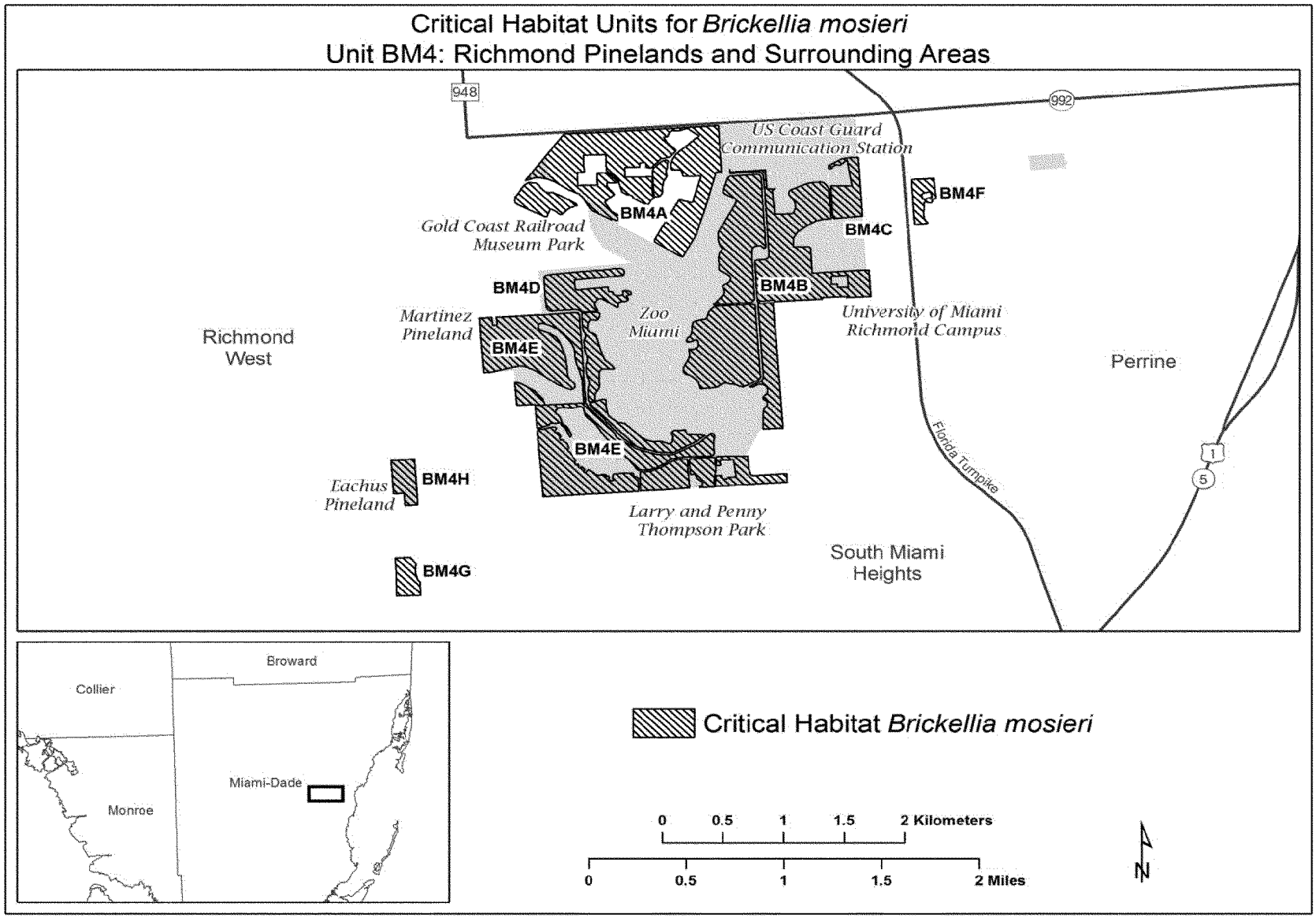
* * * * *

(8) Unit BM3: Miami-Dade County, Florida. Map of Unit BM3 follows:

BILLING CODE 4310–55–P

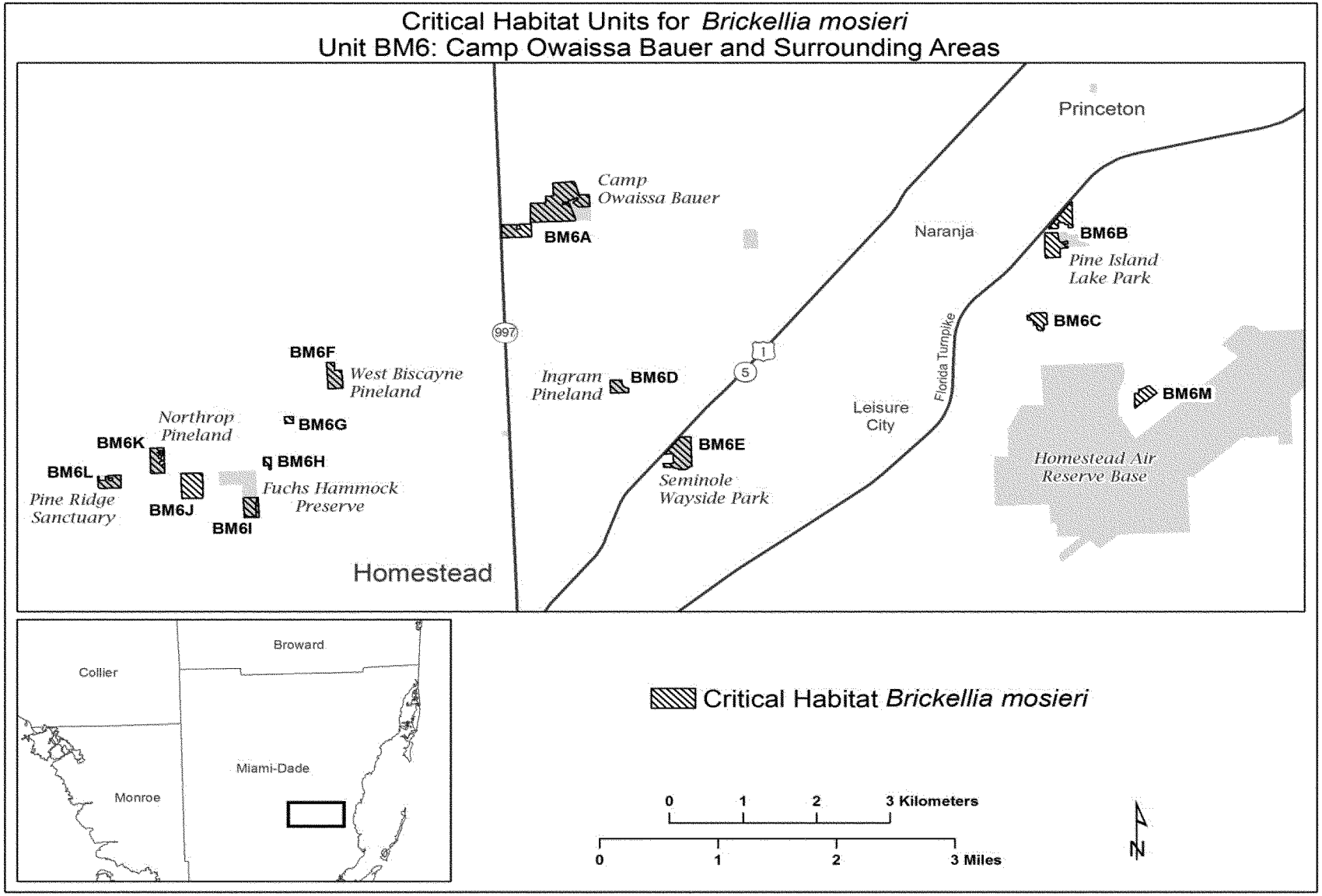

Critical Habitat Units for Brickellia mosieri
Unit BM3: USDA Subtropical Horticultural Research Station and Surrounding Areas
BM3A
R. Hardy Matheson Preserve
Pinecrest
Subttropical Horticultural Research Station
BM3B
Chapman Field Park
BM3C
Ludlam Pineland
BM3D
Coral Reef Park
BM3E
Atlantic Ocean
Deering Estate South Addition
Cutler
BM3F
Deering Estate South Addition
Bill Sadowski Park
BM3H
Palmetto Bay
BM3G
Ned Glenn Nature Preserve
Biscayne National Park
Broward
Collier
Miami-Dade
Monroe
Critical Habitat Brickellia mosieri
0 1 2 3 Kilometers
0 1 2 3 Miles
N

(9) Unit BM4: Miami-Dade County, Florida. Map of Unit BM4 follows:



* * * * *

(11) Unit BM6: Miami-Dade County, Florida. Map of Unit BM6 follows:



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* * * * *

Family Linaceae: *Linum carteri* var. *carteri* (Carter's small-flowered flax)

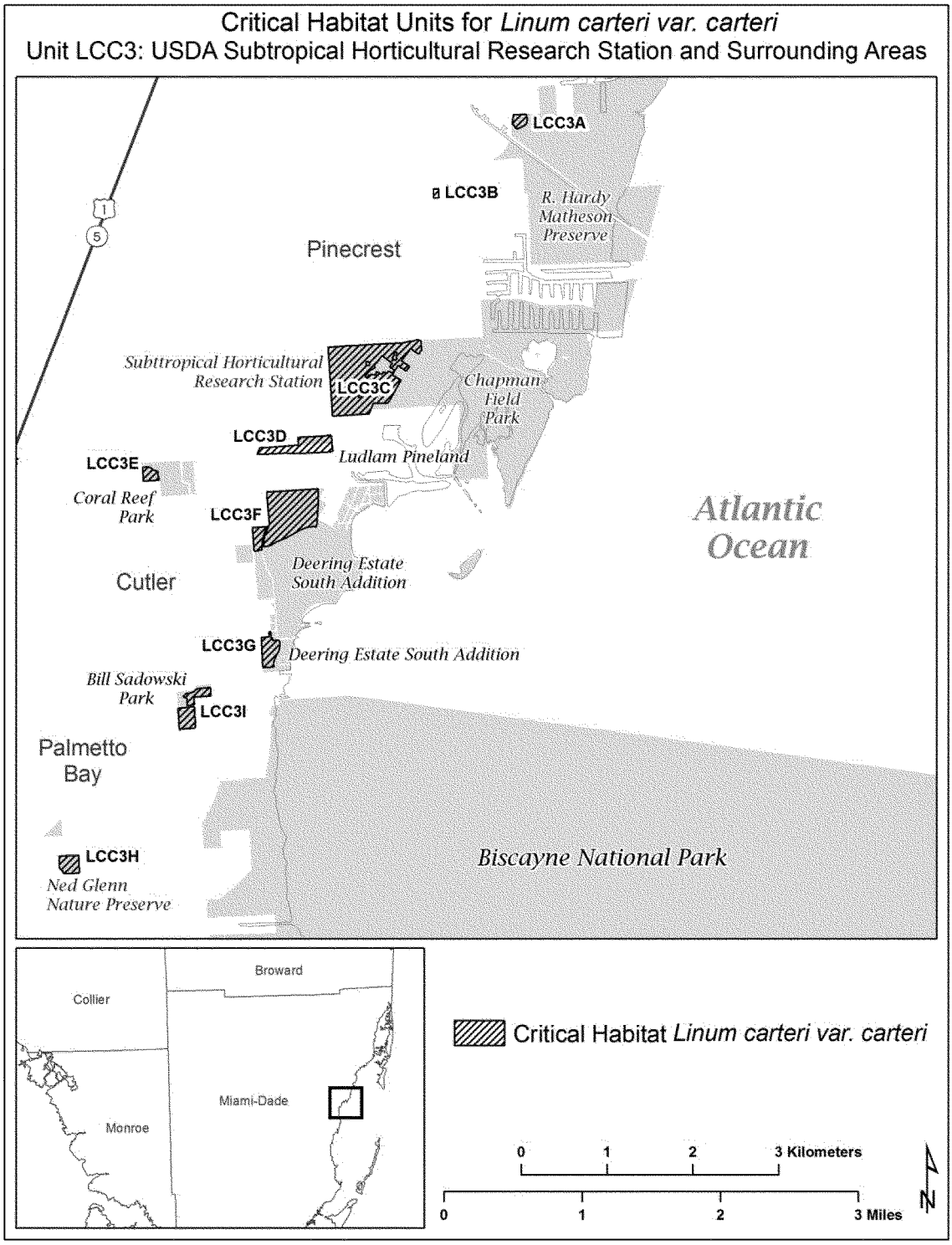
(1) Critical habitat units for *Linum carteri* var. *carteri* in Miami-Dade County, Florida, are set forth on the maps in paragraphs (4), (5), and (6) of this entry and in paragraphs (6), (7), (10), and (12) of the entry for Family Asteraceae: *Brickellia mosieri* (Florida brickell-bush) in this paragraph (a). The index map of all of the critical habitat units is provided at paragraph (5) of the entry for Family Asteraceae: *Brickellia mosieri* (Florida brickell-bush) in this paragraph (a).

* * * * *

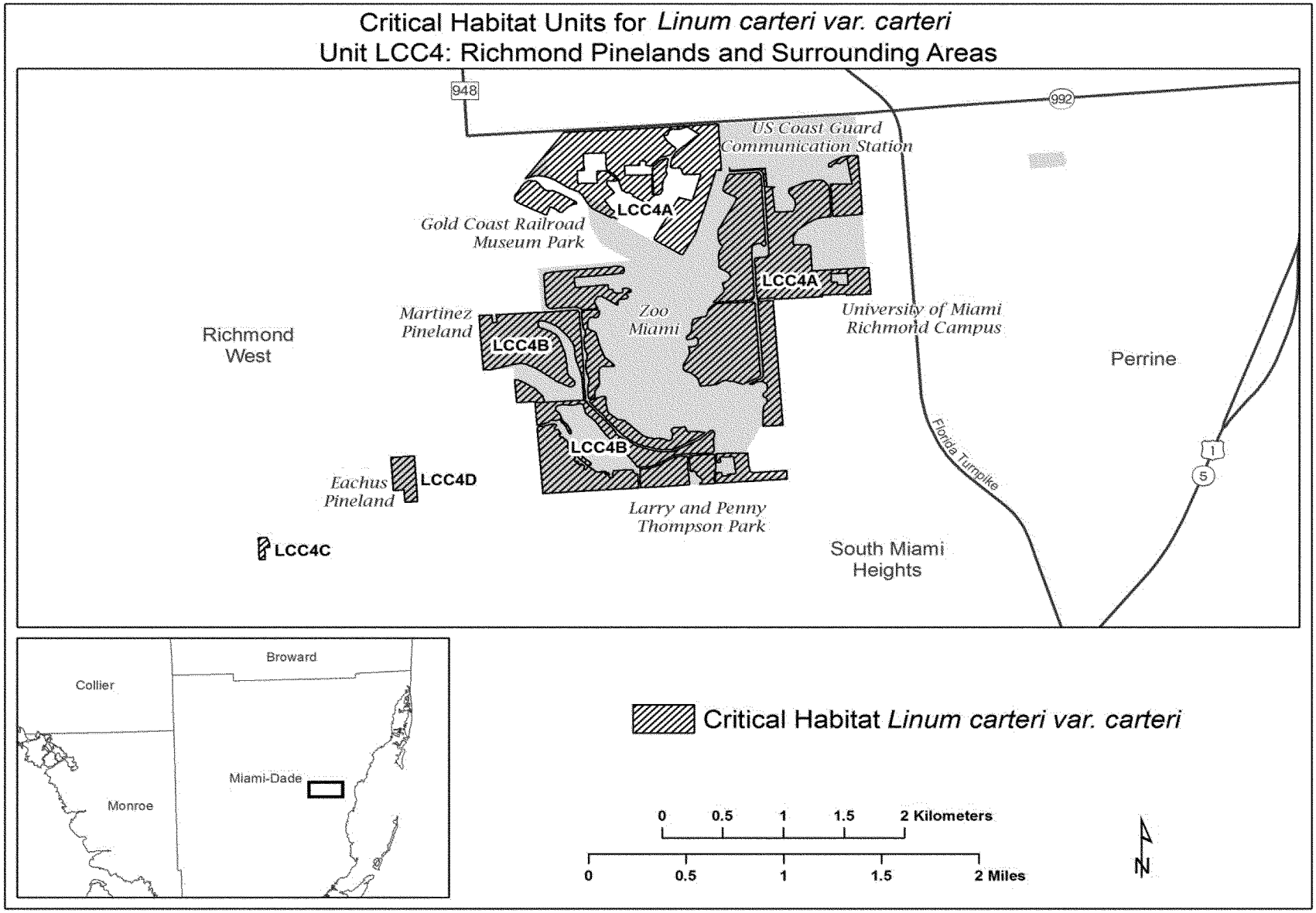
(3) *Critical habitat map units.* Unit maps were developed using ESRI ArcGIS mapping software along with various spatial data layers. ArcGIS was also used to calculate the size of habitat areas. The projection used in mapping and calculating distances and locations within the units was North American Albers Equal Area Conic, NAD 83. The maps in this entry, and the relevant maps in the entry for Family Asteraceae: *Brickellia mosieri* (Florida brickell-bush) in this paragraph (a), as modified by any accompanying regulatory text, establish the boundaries of the critical habitat designation for *Linum carteri* var. *carteri.* The coordinates or plot points or both on which each map is based are available to the public at the Service's Internet site at *http://www.fws.gov/verobeach/,* at the Federal eRulemaking Portal (*http://www.regulations.gov* at Docket No. FWS–R4–ES–2013–0108), and at the field office responsible for this designation. You may obtain field office location information by contacting one of the Service regional offices, the addresses of which are listed at 50 CFR 2.2.

(4) Unit LCC3: Miami-Dade County, Florida. Map of Unit LCC3 follows:

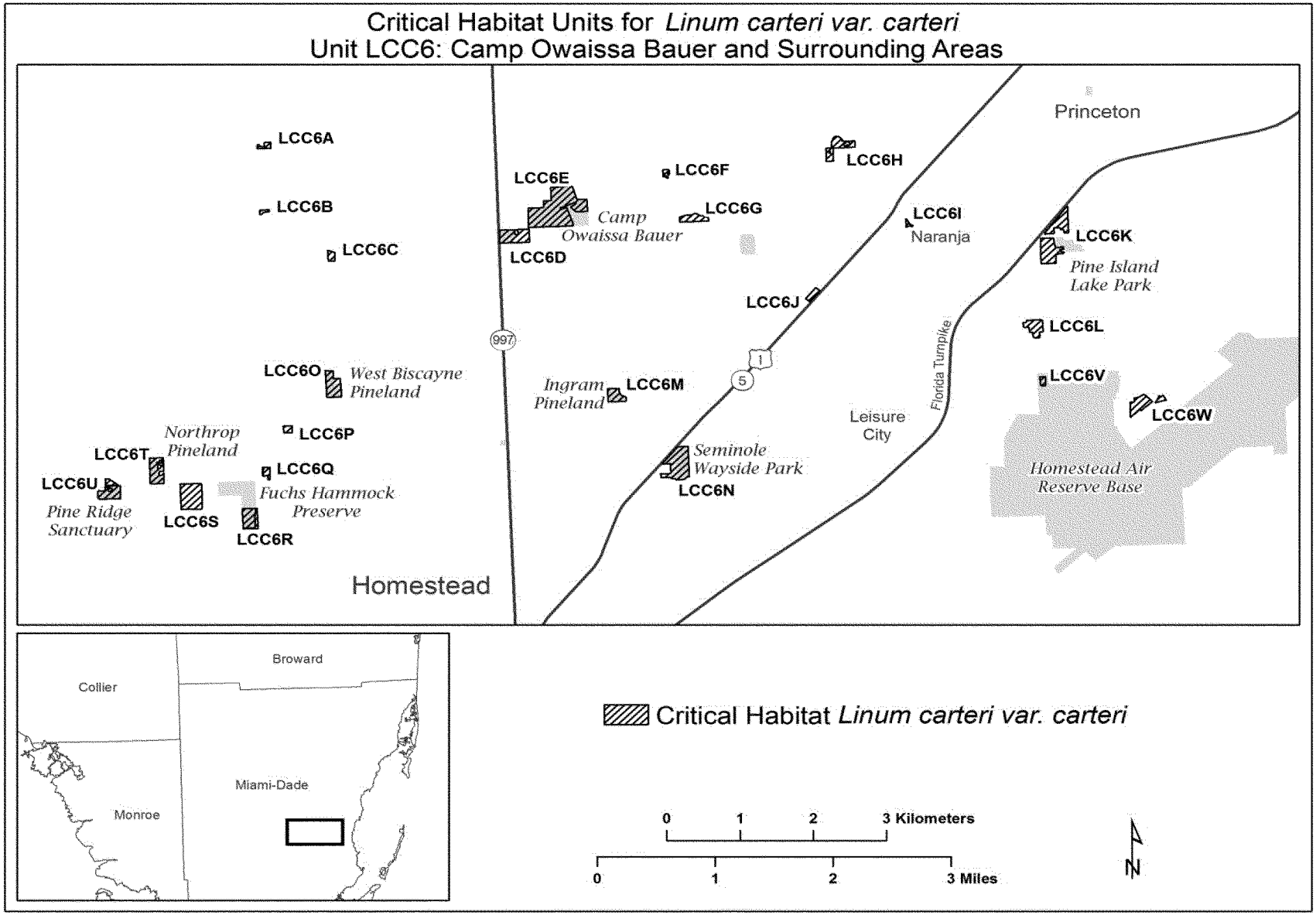
BILLING CODE 4310–55–P


Critical Habitat Units for *Linum carteri var. carteri*
Unit LCC3: USDA Subtropical Horticultural Research Station and Surrounding Areas
LCC3A
LCC3B
R. Hardy Matheson Preserve
Pinecrest
Subttropical Horticultural Research Station
LCC3C
Chapman Field Park
LCC3D
Ludlam Pineland
LCC3E
Coral Reef Park
LCC3F
Atlantic Ocean
Deering Estate South Addition
Cutler
LCC3G
Deering Estate South Addition
Bill Sadowski Park
LCC3I
Palmetto Bay
LCC3H
Ned Glenn Nature Preserve
Biscayne National Park
Broward
Collier
Miami-Dade
Monroe
Critical Habitat *Linum carteri var. carteri*
0 1 2 3 Kilometers
0 1 2 3 Miles
N

(5) Unit LCC4: Miami-Dade County, Florida. Map of Unit LCC4 follows:



(6) Unit LCC6: Miami-Dade County, Florida. Map of Unit LCC6 follows:



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* * * * *

Dated: June 13, 2014.

Rachel Jacobson,

Principal Deputy Assistant Secretary for Fish and Wildlife and Parks.

[FR Doc. 2014–16164 Filed 7–14–14; 8:45 am]

BILLING CODE 4310–55–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

50 CFR Part 17

[Docket No. FWS–R8–ES–2013–0105; 4500030114]

RIN 1018–AZ91

Endangered and Threatened Wildlife and Plants; Designation of Critical Habitat for Mount Charleston Blue Butterfly (Plebejus shasta charlestonensis)

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Proposed rule.

SUMMARY: We, the U.S. Fish and Wildlife Service, propose to designate critical habitat for the Mount Charleston blue butterfly (*Plebejus shasta charlestonensis*) under the Endangered Species Act. In total, approximately 5,561 acres (2,250 hectares) are being proposed for designation as critical habitat. The proposed critical habitat is located in the Spring Mountains of Clark County, Nevada. If we finalize this rule as proposed, it would extend the Act's protections to this species' critical habitat. We also announce the availability of a draft economic analysis of the proposed designation of critical habitat for the Mount Charleston blue butterfly.

DATES: We will accept comments on the proposed rule or draft economic analysis that are received or postmarked on or before September 15, 2014. Comments submitted electronically using the Federal eRulemaking Portal (see **ADDRESSES**) must be received by 11:59 p.m. Eastern Time on the closing date.

We must receive requests for public hearings, in writing, at the address shown in **FOR FURTHER INFORMATION CONTACT** by August 29, 2014.

Public Meeting: We will hold a public meeting on this proposed rule on August 19, 2014, from 6 to 8 p.m. at the location specified in **ADDRESSES**. People needing reasonable accommodations in order to attend and participate in the public meeting should contact Dan Balduini, Nevada Fish and Wildlife Office, as soon as possible (see **FOR FURTHER INFORMATION CONTACT**).

ADDRESSES: You may submit comments on the proposed rule or draft economic analysis by one of the following methods:

(1) *Electronically:* Go to the Federal eRulemaking Portal: *http://www.regulations.gov*. In the Search box, enter FWS–R8–ES–2013–0105, which is the docket number for this rulemaking. You may submit a comment by clicking on ''Comment Now!''

(2) *By hard copy:* Submit by U.S. mail or hand-delivery to: Public Comments Processing, Attn: FWS–R8–ES–2013–0105; Division of Policy and Directives Management; U.S. Fish and Wildlife Service; 4401 N. Fairfax Drive, MS 2042–PDM; Arlington, VA 22203.

We request that you send comments only by the methods described above. We will post all comments on *http://www.regulations.gov*. This generally means that we will post any personal information you provide us (see the Public Comments section below for more information).

Document availability: The draft economic analysis is available at *http://www.fws.gov/Nevada,* at *http://www.regulations.gov* at Docket No. FWS–R8–ES–2013–0105, and at the Nevada Fish and Wildlife Office (see **FOR FURTHER INFORMATION CONTACT**). The coordinates or plot points or both from which the map in the rule portion is generated, as well as any additional tools or supporting information that we may develop for this critical habitat designation, will also be available from these sources and included in the administrative record for this critical habitat designation.

Public meeting: The public meeting regarding the proposed critical habitat designation for the Mount Charleston blue butterfly will be held at the U.S. Fish and Wildlife Service office building, 4701 N. Torrey Pines Drive, Las Vegas, Nevada.

FOR FURTHER INFORMATION CONTACT: Edward D. Koch, Field Supervisor, U.S. Fish and Wildlife Service, Nevada Fish and Wildlife Office, 1340 Financial Blvd., Suite 234, Reno, Nevada 89502–7147; telephone (775) 861–6300 or facsimile (775) 861–5231. If you use a telecommunications device for the deaf (TDD), call the Federal Information Relay Service (FIRS) at 800–877–8339.

SUPPLEMENTARY INFORMATION:

Executive Summary

Why we need to publish a rule. This is a proposed rule to designate critical habitat for the endangered Mount Charleston blue butterfly (*Plebejus shasta charlestonensis*). Under the Act, critical habitat shall be designated, to the maximum extent prudent and determinable, for any species determined to be an endangered or threatened species under the Act. Designations and revisions of critical habitat can be completed only by issuing a rule. In total, we are proposing approximately 5,561 acres (2,250 hectares) for designation as critical habitat for the Mount Charleston blue butterfly in the Spring Mountains of Clark County, Nevada. This proposal fulfills obligations to submit a proposed critical habitat rule or finalize a not prudent determination for critical habitat for the Mount Charleston blue butterfly to the **Federal Register** in accordance with *In re: Endangered Species Act Section 4 Deadline Litig., Misc. Action No. 10–377 (EGS), MDL Docket No. 2165 (D.D.C.).*

The basis for our action. Section 4(b)(2) of the Endangered Species Act states that the Secretary shall designate and make revisions to critical habitat on the basis of the best available scientific data after taking into consideration the economic impact, national security impact, and any other relevant impact of specifying any particular area as critical habitat. The Secretary may exclude an area from critical habitat if she determines that the benefits of such exclusion outweigh the benefits of specifying such area as part of the critical habitat, unless she determines, based on the best scientific data available, that the failure to designate such area as critical habitat will result in the extinction of the species.

We prepared an economic analysis of the proposed designation of critical habitat. In order to consider the economic impacts of the proposed critical habitat designation, we prepared an analysis of the economic impacts of the proposed critical habitat designation and related factors. We are announcing the availability of the draft economic analysis, and seek public review and comment.

We will seek peer review. We are seeking comments from knowledgeable individuals with scientific expertise to review our analysis of the best available science and application of that science and to provide any additional scientific information to improve this proposed rule. We have invited peer reviewers to comment on our specific assumptions and conclusions in this critical habitat designation. Because we will consider all comments and information received during the comment period, our final determinations may differ from this proposal.

Information Requested

We intend that any final action resulting from this proposed rule will be based on the best scientific and commercial data available and be as accurate and as effective as possible. Therefore, we request comments or information from other concerned government agencies, the scientific community, industry, or any other interested party concerning this proposed rule. We particularly seek comments concerning:

(1) The reasons why we should or should not designate habitat as ''critical habitat'' under section 4 of the Act (16 U.S.C. 1531 *et seq.*) including whether there are threats to the species from human activity, the degree of which can be expected to increase due to the designation, and whether that increase in threat outweighs the benefit of designation such that the designation of critical habitat may not be prudent.

(2) Specific information on:

(a) The amount and distribution of Mount Charleston blue butterfly habitat;

(b) What areas, that were occupied at the time of listing (or are currently occupied) and that contain features essential to the conservation of the species, should be included in the designation and why;

(c) Special management considerations or protection that may be needed in critical habitat areas we are proposing, including managing for the potential effects of climate change;

(d) What areas not occupied at the time of listing are essential for the conservation of the species and why; and

(e) The larval host or adult nectar plants: *Astragalus calycosus* var. *calycosus* (Torrey's milkvetch), *Oxytropis oreophila* var. *oreophila* (mountain oxytrope), *Astragalus platytropis* (Broad keeled milkvetch) and *Erigeron clokeyi* (Clokey's fleabane), *Hymenoxys lemmonii* (Lemmon bitterweed), *Hymenoxys cooperi* (Cooper rubberweed), and *Eriogonum umbellatum* var. *versicolor* (sulphur-flower buckwheat).

(f) Potential effects from the Carpenter 1 Fire that occurred in July 2013 to populations and distribution of the Mount Charleston blue butterfly, and changes to the amount and distribution of habitat for the Mount Charleston blue butterfly that may have been altered by the fire, including information on the ability of the Mount Charleston blue butterfly or its habitat to recover from the effects of the Carpenter 1 Fire.

(3) Land use designations and current or planned activities in the subject areas and their possible impacts on proposed critical habitat.

(4) Whether we should remove some areas from the final designation of critical habitat due to high levels of recreational use that may have significantly diminished the presence or quality of the physical and biological features of this habitat, as discussed below in *Areas Surrounding Recreation Infrastructure* in the Proposed Critical Habitat Designation section. These locations are within the established boundaries or developed infrastructure (for example, roads, parking areas, fire pits, etc.) of campgrounds and day use areas that have extremely high levels of public visitation and associated recreational disturbance. We are specifically seeking public comment on whether the locations, identified in *Areas Surrounding Recreation Infrastructure* below, contain the physical or biological features essential to the conservation of the species to inform our determination of whether they meet the definition of critical habitat. A map of the specific locations for potential removal can be found on the Nevada Fish and Wildlife Office Web site at: *http://www.fws.gov/nevada/* and at *http://www.regulations.gov* at Docket No. FWS–R8–ES–2013–0105.

(5) Information on the projected and reasonably likely impacts of climate change on the Mount Charleston blue butterfly and proposed critical habitat.

(6) Any probable economic, national security, or other relevant impacts of designating any area that may be included in the final designation, and the benefits of including or excluding areas that exhibit these impacts.

(7) Information on the extent to which the description of economic impacts in the draft economic analysis is a reasonable estimate of the likely economic impacts.

(8) The likelihood of adverse social reactions to the designation of critical habitat, as discussed in the associated documents of the draft economic analysis, and how the consequences of such reactions, if likely to occur, would relate to the conservation and regulatory benefits of the proposed critical habitat designation.

(9) Whether any specific areas we are proposing for critical habitat designation should be considered for exclusion under section 4(b)(2) of the Act, and whether the benefits of potentially excluding any specific area outweigh the benefits of including that area under section 4(b)(2) of the Act.

(10) Whether we could improve or modify our approach to designating critical habitat in any way to provide for greater public participation and understanding, or to better accommodate public concerns and comments.

You may submit your comments and materials concerning this proposed rule by one of the methods listed in **ADDRESSES**. We request that you send comments only by the methods described in **ADDRESSES**.

All comments submitted electronically via *http://www.regulations.gov* will be presented on the Web site in their entirety as submitted. For comments submitted via hard copy, we will post your entire comment—including your personal identifying information—on *http://www.regulations.gov*. You may request at the top of your document that we withhold personal information such as your street address, phone number, or email address from public review; however, we cannot guarantee that we will be able to do so.

Comments and materials we receive, as well as supporting documentation we used in preparing this proposed rule, will be available for public inspection on *http://www.regulations.gov,* or by appointment, during normal business hours, at the U.S. Fish and Wildlife Service, Nevada Fish and Wildlife Office (see **FOR FURTHER INFORMATION CONTACT**).

Previous Federal Actions

In an earlier **Federal Register** volume, we published a final rule to list the Mount Charleston blue butterfly as endangered (78 FR 57750, September 19, 2013). This proposed critical habitat designation is based upon determinations made in the final listing rule. For additional information on previous Federal actions, please refer to the September 19, 2013, final listing rule.

On September 27, 2012, we published a proposed rule (77 FR 59518) to list the Mount Charleston blue butterfly as endangered, and the lupine blue butterfly, Reakirt's blue butterfly, Spring Mountains icarioides blue butterfly, and two Spring Mountains dark blue butterflies as threatened due to similarity of appearance to the Mount Charleston blue butterfly. A 60-day comment period following publication of this proposed rule closed on November 13, 2012. Based on comments we received during this period, we determined that designation of critical habitat for the Mount Charleston blue butterfly is prudent. This document consists of a proposed rule to designate critical habitat for the Mount Charleston blue butterfly.

Background

It is our intent to discuss below only those topics directly relevant to the designation of critical habitat for the Mount Charleston blue butterfly in this proposed rule. For further information on the subspecies' biology and habitat, population abundance and trends, distribution, demographic features, habitat use and conditions, threats, and conservation measures, please see the final listing rule for Mount Charleston blue butterfly, published September 19, 2013 (78 FR 57750); the September 27, 2012, proposed rule (77 FR 59518); and the 12-month finding for the species (76 FR 12667; March 8, 2011). These documents are available from the Environmental Conservation Online System (ECOS) (*http://ecos.fws.gov/ecos/indexPublic.do*), the Nevada Fish and Wildlife Office Web site (*http://www.fws.gov/nevada/*), or from the Federal eRulemaking Portal (*http://www.regulations.gov*).

Prudency Determination

In our proposed listing rule for the Mount Charleston blue butterfly (76 FR 59518; September 27, 2012), we concluded that designation of critical habitat was not prudent in accordance with 50 CFR 424.12(a)(1), because collection was a threat to the Mount Charleston blue butterfly, and designation was expected to increase the degree of this threat to the subspecies and its habitat. In that proposal, we requested information from the public during the public comment period and solicited information from peer reviewers on whether the determination of critical habitat was prudent and determinable, what physical or biological features were essential to the conservation of the subspecies, and what areas contained those features or were otherwise essential for the conservation of the species.

In the final listing rule, we reported that peer reviewers commented that designating critical habitat would not increase the threat to the Mount Charleston blue butterfly from collection, because those individuals interested in collecting Mount Charleston blue butterflies would be able to obtain occurrence locations from other sources, such as the internet. In addition, the U.S. Department of Agriculture's Forest Service (Forest Service) issued a closure order to butterfly collecting in areas where the Mount Charleston blue butterfly occurs, thus minimizing the threat of collection (78 FR 57750). Based on information gathered from peer reviewers and the public during the comment period, we determined that it was prudent to designate critical habitat for the Mount Charleston blue butterfly (78 FR 57750).

For more information regarding our determination to designate critical habitat, please see our responses to comments in the final listing determination for Mount Charleston blue butterfly published September 19, 2013. Based on the information we received on the physical or biological features essential to the Mount Charleston blue butterfly, and information on areas otherwise essential for the subspecies, we have determined that the designation of critical habitat is prudent and determinable, and we are proposing critical habitat at this time.

Species Information

Taxonomy and Species Description

The Mount Charleston blue butterfly is a distinct subspecies of the wider ranging Shasta blue butterfly (*Plebejus shasta*), which is a member of the Lycaenidae family. Pelham (2008, pp. 25–26) recognized seven subspecies of Shasta blue butterflies: *P. s. shasta, P. s. calchas, P. s. pallidissima, P. s. minnehaha, P. s. charlestonensis, P. s. pitkinensis,* and *P. s. platazul* in ''A catalogue of the butterflies of the United States and Canada with a complete bibliography of the descriptive and systematic literature'' published in volume 40 of the Journal of Research on the Lepidoptera (2008, pp. 379–380). The Mount Charleston blue butterfly is known to occur only in the high elevations of the Spring Mountains, located approximately 40 kilometers (km) (25 miles (mi)) west of Las Vegas in Clark County, Nevada (Austin 1980, p. 20; Scott 1986, p. 410). The first mention of the Mount Charleston blue butterfly as a unique taxon was in 1928 by Garth (p. 93), who recognized it as distinct from the species Shasta blue butterfly (Austin 1980, p. 20). Howe (in 1975, Plate 59) described specimens from the Spring Mountains as the *P. s. shasta* form *comstocki*. However, in 1976, Ferris (p. 14) placed the Mount Charleston blue butterfly with the wider ranging Minnehaha blue subspecies. Finally, Austin asserted that Ferris had not included specimens from the Sierra Nevada Mountains of extreme western Nevada in his study, and in light of the geographic isolation and distinctiveness of the Shasta blue butterfly population in the Spring Mountains and the presence of at least three other well-defined races (subspecies) of butterflies endemic to the area, it was appropriate to name this population as a subspecies, *P. s. charlestonensis* (Austin 1980, p. 20).

Our use of the genus name *Plebejus,* rather than the synonym *Icaricia,* reflects recent treatments of butterfly taxonomy (Opler and Warren 2003, p. 30; Pelham 2008, p. 265). The Integrated Taxonomic Information System (ITIS) recognizes the Mount Charleston blue butterfly as a valid subspecies based on Austin (1980) (Retrieved May 1, 2013, from the Integrated Taxonomic Information System on-line database, *http://www.itis.gov*). The ITIS is hosted by the United States Geological Survey (USGS) Center for Biological Informatics (CBI) and is the result of a partnership of Federal agencies formed to satisfy their mutual needs for scientifically credible taxonomic information.

As a subspecies, the Mount Charleston blue butterfly is similar to other Shasta blue butterflies, with a wingspan of 19 to 26 millimeters (mm) (0.75 to 1 inch (in)) (Opler 1999, p. 251). The Mount Charleston blue butterfly is sexually dimorphic; males and females occur in two distinct forms. The upper side of males is dark to dull iridescent blue, and females are brown with some blue basally (Opler 1999, p. 251). The species has a row of submarginal black spots on the dorsal side of the hind wing and a discal black spot on the dorsal side of the forewing and hind wing, which when viewed up close distinguishes it from other small, blue butterflies occurring in the Spring Mountains (Austin 1980, pp. 20, 23; Boyd and Austin 1999, p. 44). The underside of the wings is gray, with a pattern of black spots, brown blotches, and pale wing veins giving it a mottled appearance (Opler 1999, p. 251). The underside of the hind wing has an inconspicuous band of submarginal metallic spots (Opler 1999, p. 251). Based on morphology, the Mount Charleston blue butterfly is most closely related to the Great Basin populations of the Minnehaha blue butterfly (Austin 1980, p. 23), and it can be distinguished from other Shasta blue butterfly subspecies by the presence of a clearer, sharper, and blacker post-median spot row on the underside of the hind wing (Austin 1980, p. 23; Scott 1986, p. 410).

Distribution

Based on current and historical occurrences or locations (Austin 1980, pp. 20–24; Weiss *et al.* 1997, Map 3.1; Boyd and Murphy 2008, p. 4, Pinyon 2011, Figure 9–11; Andrew *et al.* 2013 pp. 1–93; Thompson *et al.* 2014, pp. 97–158), the geographic range of the Mount Charleston blue butterfly is in the upper elevations of the Spring Mountains, centered on lands managed by the

Forest Service in the Spring Mountains National Recreation Area of the Humboldt-Toiyabe National Forest within Upper Kyle and Lee Canyons, Clark County, Nevada. The majority of the occurrences or locations are along the upper ridges in the Mount Charleston Wilderness and in Upper Lee Canyon area, while a few are in Upper Kyle Canyon. Please refer to Table 1 of the final rule listing the Mount Charleston blue butterfly as an endangered species (78 FR 57750) for a synopsis of locations where the Mount Charleston blue butterfly has been detected since 1928.

Habitat and Biology

Weiss *et al.* (1997, pp. 10–11) describe the natural habitat for the Mount Charleston blue butterfly as relatively flat ridgelines above 2,500 m (8,200 ft), but isolated individuals have been observed as low as 2,000 m (6,600 ft). Boyd and Murphy (2008, p. 19) indicate that areas occupied by the subspecies feature exposed soil and rock substrates with limited or no canopy cover or shading.

Other than observations by surveyors, little information is available regarding most aspects of the subspecies' biology and the key determinants for the interactions among the Mount Charleston blue butterfly's life history and environmental conditions. Observations indicate that above- or below-average precipitation, coupled with above- or below-average temperatures, influence the phenology of this subspecies (Weiss *et al.* 1997, pp. 2–3 and 32; Boyd and Austin 1999, p. 8) and are likely responsible for the fluctuation in population numbers from year to year (Weiss *et al.* 1997, pp. 2–3 and 31–32).

Like most butterfly species, the Mount Charleston blue butterfly is dependent on specific plant species for the adult butterfly flight period (nectar plants), when breeding and egg-laying occurs, and for larval development (described under Physical and Biological Features, below (Weiss *et al.* 1994, p. 3; Weiss *et al.* 1997, p. 10; Boyd 2005, p. 1; DataSmiths 2007, p. 21; Boyd and Murphy 2008, p. 9; Andrew *et al.* 2013, pp. 4–12; Thompson *et al.* 2014, pp. 97–158)). The typical flight and breeding period for the butterfly is early July to mid-August with a peak in late July, although the subspecies has been observed as early as mid-June and as late as mid-September (Austin 1980, p. 22; Boyd and Austin 1999, p. 17; Forest Service 2006, p. 9, Thompson *et al.* 2014, pp. 105–116).

Like all butterfly species, both the phenology (timing) and number of Mount Charleston blue butterfly individuals that emerge and fly to reproduce during a particular year appear to be reliant on the combination of many environmental factors that may constitute a successful (''favorable'') or unsuccessful (''poor'') year for the subspecies. Specific information regarding diapause of the Mount Charleston blue butterfly is lacking, and while geographic and subspecific variation in life histories can vary, we presume information on the diapause of the closely related Shasta blue butterfly is similar to that of the Mount Charleston blue butterfly. The Shasta blue butterfly is generally thought to diapause at the base of its larval host plant or in the surrounding substrate (Emmel and Shields 1978, p. 132) as an egg the first winter and as a larva near maturity the second winter (Ferris and Brown 1981, pp. 203–204; Scott 1986, p. 411); however, Emmel and Shields (1978, p. 132) suggested that diapause was passed as partly grown larvae, because freshly hatched eggshells were found near newly laid eggs (indicating that the eggs do not overwinter). More recent observations of late summer hatched and overwintering unhatched eggs of the Mount Charleston blue butterfly eggs laid in the Spring Mountains may indicate that it has an environmentally cued and mixed diapause life cycle; however, further observations supporting egg viability are needed to confirm this (Thompson *et al.* 2014, p. 131).

Prolonged or multiple years of diapause has been documented for several butterfly families, including Lycaenidae (Pratt and Emmel 2010, p. 108). For example, the pupae of the variable checkerspot butterfly (*Euphydryas chalcedona,* which is in the Nymphalid family) are known to persist in diapause up to 5 to 7 years (Scott 1986, p. 28). The number of years the Mount Charleston blue butterfly can remain in diapause is unknown. Boyd and Murphy (2008, p. 21) suggest the Mount Charleston blue butterfly may be able to delay maturation during drought or the shortened growing seasons that follow winters with heavy snowfall and late snowmelt by remaining as eggs. Experts have hypothesized and demonstrated that, in some species of Lepidoptera, a prolonged diapause period may be possible in response to unfavorable environmental conditions (Scott 1986, pp. 26–30; Murphy 2006, p. 1; DataSmiths 2007, p. 6; Boyd and Murphy 2008, p. 22), and this has been hypothesized for the Mount Charleston blue butterfly as well (Thompson *et al.* 2013a, presentation). Little has been confirmed regarding the length of time or life stage in which the Mount Charleston blue butterfly diapauses.

Most butterfly populations exist as regional metapopulations (Murphy *et al.* 1990, p. 44). Boyd and Austin (1999, pp. 17 and 53) suggest this is true of the Mount Charleston blue butterfly. Small habitat patches tend to support smaller butterfly populations that are frequently extirpated by events that are part of normal variation (Murphy *et al.* 1990, p. 44). According to Boyd and Austin (1999, p. 17), smaller colonies of the Mount Charleston blue butterfly may be ephemeral in the long term, with the larger colonies of the subspecies more likely than smaller populations to persist in ''poor'' years, when environmental conditions do not support the emergence, flight, and reproduction of individuals. The ability of the Mount Charleston blue butterfly to move between habitat patches has not been studied; however, field observations indicate the subspecies has low vagility (capacity or tendency of a species to move about or disperse in a given environment), on the order of 10 to 100 m (33 to 330 ft) (Weiss *et al.* 1995, p. 9), and nearly sedentary behavior (DataSmiths 2007, p. 21; Boyd and Murphy 2008, pp. 3 and 9). Furthermore, movement of lycaenid butterflies, in general, is limited and on the order of hundreds of meters (Cushman and Murphy 1993, p. 40); however, there are small portions of a population that can make substantially long movements (Arnold 1983, pp. 47–48).

Based on this information, the likelihood of dispersal more than hundreds of meters is low for the Mount Charleston blue butterfly, but it may occur. Thompson *et al.* (2013a, presentation) have hypothesized that the Mount Charleston blue butterfly could diapause for multiple years (more than 2) as larvae and pupae until vegetation conditions are favorable to support emergence, flight, and reproduction (Thompson *et al.* 2013a, presentation). This could account for periodic high numbers of butterflies observed at more sites in years with favorable conditions, as was documented by Weiss *et al.* in 1995, than years with unfavorable conditions. Additional future research regarding diapause patterns of the Mount Charleston blue butterfly is needed to further our understanding of this subspecies.

Critical Habitat

Background

Critical habitat is defined in section 3 of the Act as:

(1) The specific areas within the geographical area occupied by the species, at the time it is listed in accordance with the Act, on which are found those physical or biological features

(a) Essential to the conservation of the species, and

(b) Which may require special management considerations or protection; and

(2) Specific areas outside the geographical area occupied by the species at the time it is listed, upon a determination that such areas are essential for the conservation of the species.

Conservation, as defined under section 3 of the Act, means to use and the use of all methods and procedures that are necessary to bring an endangered or threatened species to the point at which the measures provided pursuant to the Act are no longer necessary. Such methods and procedures include, but are not limited to, all activities associated with scientific resources management such as research, census, law enforcement, habitat acquisition and maintenance, propagation, live trapping, and transplantation, and, in the extraordinary case where population pressures within a given ecosystem cannot be otherwise relieved, may include regulated taking.

Critical habitat receives protection under section 7 of the Act through the requirement that Federal agencies ensure, in consultation with the Service, that any action they authorize, fund, or carry out is not likely to result in the destruction or adverse modification of critical habitat. The designation of critical habitat does not affect land ownership or establish a refuge, wilderness, reserve, preserve, or other conservation area. Such designation does not allow the government or public to access private lands. Such designation does not require implementation of restoration, recovery, or enhancement measures by non-Federal landowners. Where a landowner requests Federal agency funding or authorization for an action that may affect a listed species or critical habitat, the consultation requirements of section 7(a)(2) of the Act would apply, but even in the event of a destruction or adverse modification finding, the obligation of the Federal action agency and the landowner is not to restore or recover the species, but to implement reasonable and prudent alternatives to avoid destruction or adverse modification of critical habitat.

Under the first prong of the Act's definition of critical habitat, areas within the geographical area occupied by the species at the time it was listed are included in a critical habitat designation if they contain physical or biological features (1) which are essential to the conservation of the species and (2) which may require special management considerations or protection. For these areas, critical habitat designations identify, to the extent known using the best scientific and commercial data available, those physical or biological features that are essential to the conservation of the species (such as space, food, cover, and protected habitat). In identifying those physical and biological features within an area, we focus on the principal biological or physical constituent elements (primary constituent elements such as roost sites, nesting grounds, seasonal wetlands, water quality, tide, soil type) that are essential to the conservation of the species. Primary constituent elements are those specific elements of the physical or biological features that provide for a species' life-history processes and are essential to the conservation of the species.

Under the second prong of the Act's definition of critical habitat, we can designate critical habitat in areas outside the geographical area occupied by the species at the time it is listed, upon a determination that such areas are essential for the conservation of the species. We designate critical habitat in areas outside the geographical area presently occupied by a species only when a designation limited to its present range would be inadequate to ensure the conservation of the species.

Section 4 of the Act requires that we designate critical habitat on the basis of the best scientific data available. Further, our Policy on Information Standards Under the Endangered Species Act (published in the **Federal Register** on July 1, 1994 (59 FR 34271)), the Information Quality Act (section 515 of the Treasury and General Government Appropriations Act for Fiscal Year 2001 (Pub. L. 106–554; H.R. 5658)), and our associated Information Quality Guidelines, provide criteria, establish procedures, and provide guidance to ensure that our decisions are based on the best scientific data available. They require our biologists, to the extent consistent with the Act and with the use of the best scientific data available, to use primary and original sources of information as the basis for recommendations to designate critical habitat.

When we are determining which areas should be designated as critical habitat, our primary source of information is generally the information developed during the listing process for the species. Additional information sources may include the recovery plan for the species, articles in peer-reviewed journals, conservation plans developed by States and counties, scientific status surveys and studies, biological assessments, other unpublished materials, or experts' opinions or personal knowledge.

Habitat is dynamic, and species may move from one area to another over time. We recognize that critical habitat designated at a particular point in time may not include all of the habitat areas that we may later determine are necessary for the recovery of the species. For these reasons, a critical habitat designation does not signal that habitat outside the designated area is unimportant or may not be needed for recovery of the species. Areas that are important to the conservation of the species, both inside and outside the critical habitat designation, will continue to be subject to: (1) Conservation actions implemented under section 7(a)(1) of the Act, (2) regulatory protections afforded by the requirement in section 7(a)(2) of the Act for Federal agencies to ensure their actions are not likely to jeopardize the continued existence of any endangered or threatened species, and (3) section 9 of the Act's prohibitions on taking any individual of the species, including taking caused by actions that affect habitat. Federally funded or permitted projects affecting listed species outside their designated critical habitat areas may still result in jeopardy findings in some cases. These protections and conservation tools will continue to contribute to recovery of this species. Similarly, critical habitat designations made on the basis of the best available information at the time of designation will not control the direction and substance of future recovery plans, habitat conservation plans, or other species conservation planning efforts if new information available at the time of these planning efforts calls for a different outcome.

Prudency Determination

Section 4(a)(3) of the Act, as amended, and implementing regulations (50 CFR 424.12), require that, to the maximum extent prudent and determinable, the Secretary shall designate critical habitat at the time the species is determined to be an

endangered or threatened species. Our regulations (50 CFR 424.12(a)(1)) state that the designation of critical habitat is not prudent when one or both of the following situations exist:

(1) The species is threatened by taking or other human activity, and identification of critical habitat can be expected to increase the degree of threat to the species, or

(2) such designation of critical habitat would not be beneficial to the species.

Based on information received after publication of the proposed listing rule, we determined that the threat of take attributed to collection under Factor B has been reduced with the implementation of a Forest Service closure order to limit collection in the Spring Mountains. We also determined from peer and public review of the proposed listing rule that identification and mapping of critical habitat is not expected to exacerbate the threat of collection, because location information is available on the internet and the closure order reduces the threat of collection. In the absence of finding that the designation of critical habitat would increase threats to a species, if there are any benefits to a critical habitat designation, then a prudent finding is warranted. Here, the potential benefits of designation include: (1) Triggering consultation under section 7 of the Act, in new areas for actions in which there may be a Federal nexus where it would not otherwise occur because, for example, it is or has become unoccupied or the occupancy is in question; (2) focusing conservation activities on the most essential features and areas; (3) providing educational benefits to State or county governments or private entities; and (4) preventing people from causing inadvertent harm to the species. Therefore, because we have determined that the designation of critical habitat will not likely increase the degree of threat to the species and may provide some measure of benefit, we find that designation of critical habitat is prudent for the Mount Charleston blue butterfly.

Critical Habitat Determinability

Having determined that designation is prudent, under section 4(a)(3) of the Act we must find whether critical habitat for the Mount Charleston blue butterfly is determinable. Our regulations at 50 CFR 424.12(a)(2) state that critical habitat is not determinable when one or both of the following situations exist:

(i) Information sufficient to perform required analyses of the impacts of the designation is lacking, or

(ii) The biological needs of the species are not sufficiently well known to permit identification of an area as critical habitat.

When critical habitat is not determinable, the Act allows the Service an additional year to publish a critical habitat designation (16 U.S.C. 1533(b)(6)(C)(ii)).

We reviewed the available information pertaining to the biological needs of the species and habitat characteristics where this species is located. This and other information represent the best scientific data available and led us to conclude that the designation of critical habitat is determinable for the Mount Charleston blue butterfly.

Physical or Biological Features

In accordance with section 3(5)(A)(i) and 4(b)(1)(A) of the Act and regulations at 50 CFR 424.12, in determining which areas within the geographical area occupied by the species at the time of listing to designate as critical habitat, we consider the physical or biological features that are essential to the conservation of the species and which may require special management considerations or protection. These include, but are not limited to:

(1) Space for individual and population growth and for normal behavior;

(2) Food, water, air, light, minerals, or other nutritional or physiological requirements;

(3) Cover or shelter;

(4) Sites for breeding, reproduction, or rearing (or development) of offspring; and

(5) Habitats that are protected from disturbance or are representative of the historic geographical and ecological distributions of a species.

We derive the specific physical or biological features essential to the Mount Charleston blue butterfly from studies of this species' habitat, ecology, and life history as described below. Additional information can be found in the final listing rule published in the **Federal Register** of September 19, 2013 (78 FR 57750). We have determined that the following physical or biological features are essential to the Mount Charleston blue butterfly:

Space for Individual and Population Growth and for Normal Behavior

The Mount Charleston blue butterfly is known to occur only in the high elevations of the Spring Mountains, located approximately 40 km (25 mi) west of Las Vegas in Clark County, Nevada (Austin 1980, p. 20; Scott 1986, p. 410). Historically, the Mount Charleston blue butterfly was detected at elevations as low as 1,830 m (6,000 ft) in the Spring Mountains (Austin 1980, p. 22; Austin 1981, p. 66; Weiss *et al.* 1995, p. 5). Currently, the Mount Charleston blue butterfly is presumed or known to occupy habitat occurring between 2,500 m (8,200 ft) elevation and 3,500 m elevation (11,500 ft) (Austin 1980, p. 22; Weiss *et al.* 1997, p. 10; Boyd and Austin 1999, p. 17; Pinyon 2011, p. 17; Andrew *et al.* 2013, pp. 20–61; Thompson *et al.* 2014, pp. 97–158). Dominant plant communities between these elevation bounds are variable (Forest Service 1998, pp. 11–12), but locations that support the Mount Charleston blue butterfly are characterized by open areas bordered, near, or surrounded by forests composed of ponderosa pine (*Pinus ponderosa*), Great Basin bristlecone pine (*Pinus longaeva*), and white fir (*Abies concolor*) (Andrew *et al.* 2013, p. 5). These open forest conditions are often created by disturbances such as fire and avalanches (Weiss *et al.* 1995, p. 5; DataSmiths 2007, p. 21; Boyd and Murphy 2008, pp. 23–24; Thompson *et al.* 2014, pp. 97–158), but the open forest conditions may also exist as a function of an area's ecological system (Provencher 2008, p. 134).

The Mount Charleston blue butterfly is described to occur on relatively flat ridgetops, gently sloping hills, or meadows, where tree cover is absent to less than 50 percent (Austin 1980, p. 22; Weiss *et al.* 1995, pp. 5–6; Weiss *et al.* 1997, pp. 10, 32–34; Boyd and Austin 1999, p. 17; Boyd and Murphy 2008, p. 19; Andrews *et al.* 2013, p. 3; Thompson *et al.* 2014, p. 138). These locations and characteristics are likely correlated with the ecological requirements of the Mount Charleston blue butterfly's larval host plants (Weiss *et al.* 1997, p. 22) and adult nectar plants (described below).

Therefore, based on the information above, we identify flat or gently sloping areas between 2,500 m (8,200 ft) and 3,500 m (11,500 ft) elevation in the Spring Mountains as a physical or biological feature essential to the Mount Charleston blue butterfly for space for individual and population growth and for normal behavior.

Food, Water, Air, Light, Minerals, or Other Nutritional or Physiological Requirements

The best scientific information available regarding food, water, air, light, minerals, and other nutritional or physiological requirements of the Mount Charleston blue butterfly's life stages (egg, larva, pupa, adult) result from observations by surveyors, and research to determine the requirements and environmental conditions essential to the Mount Charleston blue butterfly.

In general, resources that are thought to fulfill these requirements occur in open areas with exposed soil and rock substrates with short, widely spaced forbs and grasses. These areas allow light to reach the ground in order for adult nectar and larval host plants to grow.

Adult Mount Charleston blue butterflies have been documented feeding on nectar from a number of different flowering plants, but most frequently these species are *Erigeron clokeyi* (Clokey's fleabane), *Eriogonum umbellatum* var. *versicolor* (sulphur-flower buckwheat), *Hymenoxys cooperi* (Cooper rubberweed), and *Hymenoxys lemmonii* (Lemmon bitterweed) (Weiss *et al.* 1997, p. 11; Boyd and Murphy 2008, pp. 13, 16; Pinyon 2011, p. 17; Andrew 2013, pp. 3–4; Thompson *et al.* 2014, pp. 117–118). Densities of nectar plants generally occur at more than 2 per square meter (m^2) (20 per square foot (ft^2)) for smaller plants such as *E. clokeyi* and more than 0.1 per m^2 (1 per ft^2) for larger and taller plants such as *Hymenoxys* sp. and *E. umbellatum* (Thompson *et al.* 2014, p. 138). Nectar plants typically occur within 10 m (33 ft) of larval host plants and in combination provide nectar during the adult flight period between mid-July and early August (Thompson *et al.* 2014, p. 138). Other species which adult Mount Charleston blue butterflies have been documented using as nectar plants include *Antennaria rosea* (rosy pussy toes), *Cryptantha* species (cryptantha; the species *C. angustifolia* originally reported is likely a misidentification because this species occurs in much lower elevation desert habitat (Niles and Leary 2007, p. 26)), *Ericameria nauseosa* (rubber rabbitbrush), *Erigeron flagellaris* (trailing daisy), *Guiterrezia sarothrae* (broom snake weed), *Monardella odoratissima* (horsemint), *Petradoria pumila* var. *pumila* (rock-goldenrod), and *Potentilla concinna* var. *concinna* (Alpine cinquefoil) (Boyd and Murphy 2008, pp. 13, 16; Thompson *et al.* 2014, pp. 117–118).

Based on surveyors' observations, several species appear to be important food plants for the larval life stage of the Mount Charleston blue butterfly. Therefore, we consider those plants on which surveyors have documented Mount Charleston blue butterfly eggs to be larval host or food plants (hereafter, referred to as larval host plants). Based on this, *Astragalus calycosus* var. *calycosus, Oxytropis oreophila* var. *oreophila,* and *Astragalus platytropis* are all considered larval host plants for the Mount Charleston blue butterfly (Weiss *et al.* 1997, p. 10; Austin and Leary 2008, p. 86; Andrew *et al.* 2013, pp. 7–8; Thompson *et al.* pp. 121–131) (See *Sites for Breeding, Reproduction, or Rearing (or Development) of Offspring* below for more details). Note that in the final listing rule for the Mount Charleston blue butterfly (78 FR 57750; September 19, 2013) we reported *Astragalus lentiginosus* var. *kernensis* (Kern plateau milkvetch) as a larval host plant (Andrew *et al.* 2013, p. 3); however, this host plant was subsequently determined to be *Oxytropis oreophila* var. *oreophila* (mountain oxytrope) (Thompson *et al. 2014,* pp. 97–158), and has been described as such in this final rule. Future surveys and research may document the importance of other plant species as food resources for Mount Charleston blue butterfly larvae. Densities of host plants are generally greater than two per m^2 (20 per ft^2) (Weiss 1997, p. 34; Andrew *et al.* 2013, p. 9; Thompson *et al.* 2014, p. 138).

In addition, the Mount Charleston blue butterfly requires open canopy cover (open forest). Specifically, the Mount Charleston blue butterfly requires areas where tree cover is absent or low. This may be due to ecological requirements of the larval host plants or adult nectar plants or due to the flight behavior of the Mount Charleston blue butterfly. As with most butterflies, the Mount Charleston blue butterfly typically flies during sunny conditions, which are particularly important for this subspecies given the cooler air temperatures at high elevations in the Spring Mountains of Nevada (Weiss *et al.* 1997, p. 31).

The areas where the Mount Charleston blue butterfly occurs often have shallow exposed soil and rock substrates with short, widely spaced forbs and grasses (Weiss *et al.* 1997, pp. 10, 27, and 31; Boyd 2005, p. 1; Service 2006a, p. 1; Kingsley 2007, pp. 9–10; Boyd and Murphy 2008, p. 19; Pinyon 2011, pp. 17, 21; Andrew *et al.* 2013, pp. 9–13; Thompson *et al.* 2014, pp. 137–143). These vegetative characteristics may be important as they would not impede the Mount Charleston blue butterfly's low flight behavior (Weiss *et al.* 1997, p. 31) (reported to be 15 centimeters (cm) (38 in) or less (Thompson *et al.* 2014, p. 118)). Some taller grass or forb plants may be present when their density is less than five per m^2 (Thompson *et al.* 2014, pp. 138–139).

Therefore, based on the information above, we identify open habitat that permits light to reach the ground, nectar plants for adults and host plants for larvae, and exposed soil and rock substrates with short, widely spaced forbs and grasses to be physical or biological features for this subspecies that provide food, water, air, light, minerals, or other nutritional or physiological requirements.

Cover or Shelter

The study and delineation of habitat for many butterflies has often been associated with larval host plants, breeding resources, and nectar sources for adults (Dennis 2004, p. 37). Similar to other butterfly species (Dennis 2004, p. 37), there is little to no information available about the structural elements required by the Mount Charleston blue butterfly for cover or shelter. However, we infer that, because of their low vagility, cover or shelter used by any life stage of the Mount Charleston blue butterfly will be in close association or proximity to larval or adult food resources in its habitat.

For larvae, diapause is generally thought to occur at the base of the larval host plant or in the surrounding substrate (Emmel and Shields 1978, p. 132). Mount Charleston blue butterfly larvae feed after diapause. Like other butterflies, after larvae become large enough, they pupate (Scott 1986, p. 24). Pupation most likely occurs in the ground litter near a main stem of the larval host plant (Emmel and Shields 1978, p. 132). After pupation, adults feed and mate in the same areas where larvae diapause and pupation occurs. In addition, no specific areas for overnight roosting by adult Mount Charleston blue butterflies have been reported. However, adults have been observed using areas in moderately dense forest stands immediately adjacent to low-cover areas with larval host and nectar plants (Thompson *et al.* 2014, p. 120).

Therefore, based on the information above, we identify areas with larval host plants and adult nectar plants, and areas immediately adjacent to these plants, to be a physical or biological feature for this subspecies that provides cover or shelter.

Sites for Breeding, Reproduction, or Rearing (or Development) of Offspring

The Mount Charleston blue butterfly has specific site requirements for its flight period when breeding and reproduction occur, and these requirements may be correlated to its limited vagility and short lifespan. The typical flight and breeding period for the Mount Charleston blue butterfly is early July to mid-August with a peak in late July, although the subspecies has been observed as early as mid-June and as late as mid-September (Austin 1980, p. 22; Boyd and Austin 1999, p. 17; Forest Service 2006, p. 9; Thompson *et al.* 2014, pp. 104–116). Breeding

opportunities for individual Mount Charleston blue butterflies are presumably short in duration during its lifespan, which may range from 2 to 12 days, as has been reported for other closely related species (Arnold 1983, Plebejinae in Table 44). Therefore, the Mount Charleston blue butterfly may generally be constrained to areas where adult nectar resources are in close proximity to plants on which to breed and lay eggs. Researchers have documented Mount Charleston blue butterfly breeding behavior in close spatial association with larval host and adult nectar plants (Thompson *et al.* 2014, pp. 121–125).

The presence of Mount Charleston blue butterfly adult nectar plants, such as *Erigeron clokeyi,* appears to be strongly associated with its larval host plants (Andrew *et al.* 2013, p. 9). Female Mount Charleston blue butterflies have been observed ovipositing a single egg per host plant, which appears to weakly adhere to the host plant surface; this has been observed most typically within basal leaves (Thompson *et al.* 2014, p. 129). Ovipositing by butterflies on plants is not absolute evidence of larval feeding or survival (Austin and Leary 2008, p. 1), but may provide a stronger inference in combination with close adult associations and repeated observations. Presuming the Mount Charleston blue butterfly's diapause behavior is similar to the closely related Shasta blue butterfly, the Mount Charleston blue butterfly diapauses as an egg or as a larva at the base of its egg and larval host plants or in the surrounding substrate (Emmel and Shields 1978, p. 132; Ferris and Brown 1981, pp. 203–204; Scott 1986, p. 411).

In 1987, researchers documented two occasions when Mount Charleston blue butterflies oviposited on *Astragalus calycosus* var. *calycosus* (= var. *mancus*) (Austin and Leary 2008, p. 86). Based on this documentation and subsequent observations of adult Mount Charleston blue butterflies, *Astragalus calycosus* var. *calycosus* was the only known larval host plant for the Mount Charleston blue butterfly (Austin and Leary 2008, p. 86). In 2011 and 2012, researchers from the University of Nevada Las Vegas observed female Mount Charleston blue butterflies landing on and ovipositing on *Oxytropis oreophila* var. *oreophila* (mountain oxytrope) and *Astragalus platytropis* (broadkeeled milkvetch), which presumably also function as larval host plants (Andrew *et al.* 2013, pp. 4–12; Thompson *et al.* 2014, pp. 122–134). Andrew *et al.* (2013, p. 5) also documented Mount Charleston blue butterfly eggs on all three plant species. Other subspecies of Shasta blue butterflies have been reported to use more than one plant during larval development, including *Astragalus platytropis* (Austin and Leary 2008, pp. 85–86). Because the subspecies has been documented ovipositing on these three plant species and other subspecies of Shasta blue butterflies are known to use multiple larval host plants, we consider *Astragalus calycosus* var. *calycosus, Oxytropis oreophila* var. *oreophila,* and *Astragalus platytropis* to be the host plants used during Mount Charleston blue butterfly larval development.

Therefore, based on the information above, we identify areas with larval host plants, especially *Astragalus calycosus* var. *calycosus, Oxytropis oreophila* var. *oreophila,* or *Astragalus platytropis,* and adult nectar plants, especially *Erigeron clokeyi, Eriogonum umbellatum* var. *versicolor, Hymenoxys cooperi,* and *Hymenoxys lemmonii,* during the flight period of the Mount Charleston blue butterfly to be a physical or biological feature for this subspecies that provides sites for breeding, reproduction, or rearing (or development) of offspring.

Habitats That Are Protected From Disturbance or are Representative of the Historical, Geographical, and Ecological Distributions of the Subspecies

Habitat for the Mount Charleston blue butterfly that is protected from disturbance or representative of the historical, geographical, and ecological distributions of the subspecies occurs in locations with limited canopy cover that comprise the appropriate species of larval host and adult nectar plants. Although some of these open locations occur due to wind and other environmental stresses that inhibit tree and shrub growth, fire is one of the most prevalent disturbances across the landscape of the Mount Charleston blue butterfly. To better understand the fire frequency and severity at Mount Charleston blue butterfly locations, we characterized fire regimes at these locations using condition classes developed by Provencher (2008, Appendix II; Barrett *et al.* 2010, p. 15). Fire regime condition classes are classified by fire frequency, which is the average number of years between fires, and fire severity, which represents the percent replacement of dominant overstory vegetation (Barrett *et al.* 2010, p. 15). Fire regimes can be broadly categorized for Mount Charleston blue butterfly locations based on elevation. Higher elevation locations, generally above 2,740 m (9,000 ft) elevation, occur in fire regime condition classes 4 and 5 (Provencher 2008, Appendix II). Lower elevation locations, generally below 2,740 m (9,000 ft), occur in fire regime condition classes 2 and 3 (Provencher 2008, Appendix II).

In higher elevation locations where the Mount Charleston blue butterfly is known or presumed to occur (South Loop Trail, Mummy Springs, upper Bonanza Trail, and Griffith Peak), disturbance from fire is relatively infrequent, with variable severity (fire regime condition classes 4 and 5 in Provencher 2008, Appendix II), occurring every 35 to 200 years at a high severity, or occurring more frequently than every 200 years with a variable but generally high severity (Barrett *et al.* 2010, p. 15). Other disturbances likely to occur at the high-elevation Mount Charleston blue butterfly locations are from wind and other weather phenomena (Provencher 2008, Appendix II). At these high-elevation habitats, fire frequency and severity are relatively similar to historic regimes (Provencher 2008, Table 4, 5 and Appendix II), so vegetation succession should be within the normal range of variation. Vegetation succession at some high-elevation areas that currently lack trees may cause these areas to become more forested, but other areas that are scoured by wind or exposed to other severe environmental stresses may remain non-forested (for example, South Loop Trail; Andrew *et al.* 2013, pp. 20–27) (Provencher and Anderson 2011, pp. 1–116; NVWAP 2012, p. 177). Thus, we expect higher elevation locations will be able to continue to provide open areas with the appropriate vegetation necessary to support individuals and populations of Mount Charleston blue butterflies.

In contrast, at lower elevation locations where the Mount Charleston blue butterfly is known or presumed to occur (Las Vegas Ski and Snowboard Resort (LVSSR), Foxtail, Youth Camp, Gary Abbott, Lower LVSSR Parking, Lee Meadows, Bristlecone Trail, and lower Bonanza Trail), disturbance from fire is likely to occur less than every 35 years with more than 75 percent being high-severity fires, or is likely to occur more than every 35 years at mixed-severity and low-severity (fire regime condition classes 2 and 3 in Provencher 2008, Appendix II). At these lower elevation habitats, fire frequency and severity appear to have departed from historic regimes (Provencher 2008, Table 4, 5 and Appendix II). Lack of fire due to fire exclusion or reduction in natural fire cycles as has been demonstrated in the Spring Mountains (Entrix 2008, p. 113) and other proximate mountain ranges (Amell 2006, pp. 2–3), has likely resulted in long-term successional changes, including increased forest area

and forest structure (higher canopy cover, more young trees, and more trees intolerant of fire) (Nachlinger and Reese 1996, p. 37; Amell 2006, pp. 6–9; Boyd and Murphy 2008, pp. 22–28; Denton *et al.* 2008, p. 21; Abella *et al.* 2012, pp. 128, 130) at these lower elevation locations. Without fire in some of these locations, herbs and small forbs may be nearly absent as the vegetation moves towards later successional classes with increasing tree overstory cover (Provencher 2008, Appendix II). Therefore, habitat at the lower elevation Mount Charleston blue butterfly locations is more dissimilar from what would be expected based on historic fire regimes (Provencher 2008, Table 4, 5 and Appendix II). Thus, in order for Mount Charleston blue butterfly individuals and populations to be maintained at lower elevation locations, active habitat management will likely be necessary.

In July 2013, the Carpenter 1 Fire burned into habitat of the Mount Charleston blue butterfly along the ridgelines between Griffith Peak and South Loop spanning a distance of approximately 3 miles (5 km). Within this area there are low-, moderate-, or high-quality patches of Mount Charleston blue butterfly habitat intermixed with non-habitat. The majority of Mount Charleston blue butterfly moderate- or high-quality habitat through this area was classified as having a very low or low soil-burn severity (Kallstrom 2013, p. 4). The characteristics of Mount Charleston blue butterfly habitat in this area of widely spaced grass and forbs, exposed soil and rocks, and low tree canopy cover result in lower fuel loading and continuity, which likely contributed to its low burn severities. While areas of moderate- and high-quality Mount Charleston blue butterfly habitat may have had a very low or low soil-burn severity rating, it is unknown to what extent butterflies in egg, larval, pupal, or adult life stages were exposed to lethal levels of smoke, gases, and convection or radiant heat from the fire. Until surveys are performed on the ground, damage to larval host and adult nectar plants in unburned, very low or low soil-burn severity areas cannot be determined. Butterflies in an adult life stage may have been able to escape the fire.

Areas with the highest observed concentrations of Mount Charleston blue butterflies in moderate- and high-quality habitat were outside the fire perimeter in an area slightly lower in elevation, below a topographic crest, and may have been unaffected by heat and smoke from the fire. Butterflies in these areas may have received topographic protection with rising smoke and convective heat moving above them; however, it is unknown if they were exposed to lethal radiant heat. Life stages of the butterfly low to the ground, in the soil, or among the rocks also may have been afforded some protection from the smoke and heat.

Areas of lower quality habitat appear to have had higher tree-canopy cover and generally experienced low to moderate soil-burn severity. Only a small percentage of documented Mount Charleston blue butterfly locations occurred in these areas. Some effects of the fire may improve habitat for the Mount Charleston blue butterfly in the long term by opening the tree canopy, providing additional areas for larval host and nectar plants to grow, and releasing stored nutrients; however, improvements will depend upon successional conditions, such as soil types and moisture, and seed sources.

Recreational activities, trail-associated erosion, and the introduction of weeds or invasive grasses are likely the greatest threats that could occur within areas of Mount Charleston blue butterfly habitat burned by the Carpenter 1 Fire. Other potential threats to the Mount Charleston blue butterfly habitat associated with the fire may include trampling or grazing of new larval host or nectar plants by wild horses (*Equus ferus*) and elk (*Cervus elaphus*). However, use of this Mount Charleston blue butterfly habitat in these watersheds by wild horses and elk is currently very low.

Effects on the Mount Charleston blue butterfly or its habitat from climate change will vary across its range because of topographic heterogeneity (Luoto and Heikkinen 2008, p. 487). The Intergovernmental Panel on Climate Change (IPCC) has high confidence in predictions that extreme weather events, warmer temperatures, and regional drought are very likely to increase in the northern hemisphere as a result of climate change (IPCC 2007, pp. 15–16). Climate models show the southwestern United States has transitioned into a more arid climate of drought that is predicted to continue into the next century (Seager *et al.* 2007, p. 1181). In the past 60 years, the frequency of storms with extreme precipitation has increased in Nevada by 29 percent (Madsen and Figdor 2007, p. 37). Changes in local southern Nevada climatic patterns cannot be definitively tied to global climate change; however, they are consistent with IPCC-predicted patterns of extreme precipitation, warmer than average temperatures, and drought (Redmond 2007, p. 1). Therefore, we believe that climate change will impact the Mount Charleston blue butterfly and its high-elevation habitat through predicted increases in extreme precipitation and drought. Alternating extreme precipitation and drought may exacerbate threats already facing the subspecies as a result of its small population size and threats to its habitat.

Based on the information above, we identify habitat where natural disturbance, such as fire which creates and maintains openings in the canopy (fire regime condition classes 2, 3, 4, and 5), to be a physical or biological feature for this subspecies that provides habitats that are representative of the historical, geographical, and ecological distributions of the subspecies.

Primary Constituent Elements for Mount Charleston Blue Butterfly

Under the Act and its implementing regulations, we are required to identify the physical or biological features essential to the conservation of Mount Charleston blue butterfly in areas occupied at the time of listing, focusing on the features' primary constituent elements. We consider primary constituent elements to be those specific elements of the physical or biological features that provide for a species' life-history processes and are essential to the conservation of the species.

Based on our current knowledge of the physical or biological features and habitat characteristics required to sustain the species' life-history processes, we determine that the primary constituent elements specific to Mount Charleston blue butterfly are:

(1) Areas of dynamic habitat between 2,500 m (8,200 ft) and 3,500 m (11,500 ft) elevation with openings or where disturbance provides openings in the canopy that have no more than 50 percent tree cover (allowing sunlight to reach the ground), widely spaced low (< 15 cm (0.5 ft)) forbs and grasses, and exposed soil and rock substrates. When taller grass and forb plants greater than or equal to 15 cm (0.5 ft) in height are present, the density is less than five per m^2 (50 per ft^2).

(2) The presence of one or more species of host plants required by larvae of the Mount Charleston blue butterfly for feeding and growth. Known larval host plants are *Astragalus calycosus* var. *calycosus, Oxytropis oreophila* var. *oreophila,* and *Astragalus platytropis.* Densities of host plants must be greater than two per m^2 (20 per ft^2).

(3) The presence of one or more species of nectar plants required by adult Mount Charleston blue butterflies for reproduction, feeding, and growth.

Common nectar plants include *Erigeron clokeyi, Hymenoxys lemmonii, Hymenoxys cooperi* and *Eriogonum umbellatum* var. *versicolor.* Densities of nectar plants must occur at more than two per m^2 (20 per ft^2) for smaller plants, such as *E. clokeyi,* and above 0.1 per m^2 (1 per ft^2) for larger and taller plants such as *Hymenoxys* sp. and *E. umbellatum.* Nectar plants typically occur within 10 m (33 ft) of larval host plants and in combination provide nectar during the adult flight period between mid-July and early August. Additional nectar sources that could be present in combination with the common nectar plants include *Antennaria rosea, Cryptantha* sp., *Ericameria nauseosa* ssp., *Erigeron flagellaris* (Trailing daisy), *Guiterrezia sarothrae, Monardella odoratissima, Petradoria pumila* var. *pumila,* and *Potentilla concinna* var. *concinna.*

Special Management Considerations or Protection

When designating critical habitat, we assess whether the specific areas within the geographical area occupied by the subspecies at the time of listing contain features which are essential to the conservation of the subspecies and which may require special management considerations or protection. Special management considerations or protection may be necessary to eliminate or reduce the magnitude of threats that affect the subspecies. Threats to the Mount Charleston blue butterfly and its features identified in the final listing rule for the Mount Charleston blue butterfly (78 FR 57750) include: (1) loss and degradation of habitat due to changes in natural fire regimes and succession; (2) implementation of recreational development projects and fuels reduction projects; (3) increases of nonnative plants; (4) collection; (5) small population size and few occurrences; and (6) exacerbation of other threats from the impacts of climate change, which is anticipated to increase drought and extreme precipitation events. In addition to these threats, (7) wild horses present an additional threat by causing the loss and degradation of habitat resulting from trampling of host and nectar plants as well as the direct mortality of Mount Charleston blue butterfly where it is present (Boyd and Murphy 2008, pp. 7 and 27; Andrew *et al.* 2013, pp. 37–66; Thompson *et al.* 2014, pp. 150–152).

Threats to the Mount Charleston blue butterfly and its habitat and recommendations for ameliorating them have been described for each location and the subspecies in general (Boyd and Murphy 2008, pp. 1–41; Andrew *et al.* 2013 pp. 1–93; Thompson *et al.* 2014, pp. 97–158, 267–288). Management activities that could ameliorate these threats include (but are not limited to): (1) Reestablishment and maintenance of habitat and landscape connectivity within and between populations; (2) habitat restoration and control of invasive nonnative species; (3) monitoring of ongoing habitat loss and nonnative plant invasion; (4) management of recreational activities to protect and prevent disturbance of Mount Charleston blue butterflies to reduce loss or deterioration of habitat; (5) maintenance of the Forest Service closure order prohibiting collection of the Mount Charleston blue butterfly and other blue butterfly species without a permit, in order to minimize the detrimental effects of collecting rare species; (6) removal or exclusion of wild horses in Mount Charleston blue butterfly habitat; and (7) providing educational and outreach opportunities to inform the public regarding potential adverse impacts to the species or sensitive habitat from disturbance caused by recreational activities in the summer or winter. These management activities will protect the physical and biological features by avoiding or minimizing activities that negatively affect the Mount Charleston blue butterfly and its habitat while promoting activities that are beneficial to them. Additionally, management of critical habitat lands will help maintain or enhance the necessary environmental components, foster recovery, and sustain populations currently in decline.

All of the areas proposed to be designated as critical habitat occur within the Spring Mountains National Recreation Area, and are covered by the 1998 Spring Mountains National Recreation Area (SMNRA) Conservation Agreement. To date, the Conservation Agreement has not always been effective in protecting existing habitat for the Mount Charleston blue butterfly or yielding significant conservation benefits for the species. The Forest Service is currently in the process of revising the SMNRA Conservation Agreement, and the Service is a cooperator in this process. However, since the Conservation Agreement is currently under revision, and completion has not occurred prior to publication of this proposed rule, it is unclear what level of protection or conservation benefit the final SNMRA Conservation Agreement will provide for the Mount Charleston blue butterfly.

Criteria Used To Identify Critical Habitat

As required by section 4(b)(2) of the Act, we use the best scientific data available to designate critical habitat. We review available information pertaining to the habitat requirements of the species. In accordance with the Act and its implementing regulation at 50 CFR 424.12(e), we consider whether designating additional areas—outside of the geographical area currently occupied—are necessary to ensure the conservation of the species. We are proposing to designate critical habitat in areas within the geographical area occupied by the subspecies at the time of listing in October 2013 because such areas contain the physical or biological features that are essential to the conservation of the subspecies. We are not proposing to designate areas outside the geographical area occupied by the subspecies at the time of listing because they would provide limited benefit and are not needed to conserve the species.

When determining the possible distribution of areas that meet the definition of critical habitat for the Mount Charleston blue butterfly, we considered all known suitable habitat patches remaining within the subspecies' historical range from Willow Creek, south to Griffith Peak within the SMNRA. For the Mount Charleston blue butterfly, we included locations of known populations and suitable habitat immediately adjacent to, or areas between, known populations that provide connectivity between these locations.

This section provides the details of the process we used to delineate the proposed critical habitat for the Mount Charleston blue butterfly. The areas being proposed for critical habitat in this proposed rule are areas where the Mount Charleston blue butterfly occur and that contain the physical and biological features essential to the conservation of the species. These areas have been identified through incidental observations and systematic surveys or studies occurring over a period of several years. This information comes from multiple sources, such as reports, journal articles, and Forest Service project information. Based on this information, we are proposing to designate critical habitat in specific areas within the geographical area currently occupied by the Mount Charleston blue butterfly that contain the physical and biological features essential to the conservation of the species.

We delineated the proposed critical habitat boundaries using the following steps:

(1) We compiled and mapped Mount Charleston blue butterfly observation locations (points) and polygons of habitat that included larval host and nectar plants, or only larval host plants delineated in previous studies or surveys from Austin (1980), Weiss *et al.* (1997), Service (2006b), DataSmiths (2007), Newfields 2008, SWCA (2008), Carsey *et al.* 2011, Holthuijzen *et al.* (2011), Pinyon (2011), Andrew *et al.* (2013), and Thompson *et al.* (2014). The location information from the data sources used provided enough information to identify specific geographic areas by corroborating narratively described locations and mapped locations. These surveys are the best available data on the current distribution, habitat, and features that provide the basis for identifying areas of critical habitat for the Mount Charleston blue butterfly.

(2) Observed locations of Mount Charleston blue butterflies described above were used to create larger polygons of suitable habitat by buffering observed locations by 100 meters (330 feet). These polygons assumed that suitable habitat was present up to 100 m (330 ft) around an observed location, because it is estimated that individual Mount Charleston blue butterflies can utilize areas between 10 to 100 m (33 to 330 ft; Weiss *et al.* 1995, Table 1) from observed locations.

(3) Polygons of suitable habitat were identified from previously delineated habitat described above and were considered suitable if the habitat polygon contained: (a) observed locations of Mount Charleston blue butterflies; (b) delineated habitat that was rated by the investigator (Pinyon 2011, pp. 1–39) as either ''moderate'' or ''good'' quality; and (c) contained both larval host and nectar plants, or only larval host plants. It was inferred that nectar plants would also be present in areas where only larval host plants were detected and butterflies were observed since both larval host and nectar plants must be in close proximity for Mount Charleston blue butterflies to be present (Boyd and Murphy 2008, pp. 1–31).

(4) Connectivity corridors were included, as they provide important areas for dispersal of butterfly populations between or adjacent to areas of suitable habitat. We approximated connectivity corridors by buffering polygons of suitable habitat by 2,440 m (8,005 ft), to simulate dispersal ability of the Mount Charleston blue butterfly. Buffered areas were considered to be within connectivity corridors if they were between or adjacent to areas of suitable habitat, and contained larval host and nectar plants or only larval host plants, and included areas not within 100 m (330 ft) of observed butterfly locations. Areas that did not contain surveyed habitat or were rated as ''poor'' quality or ''inadequate'' habitat by investigators were excluded. Quarter-quarter sections (see below for description of quarter-quarter section) that were bounded on all sides by other quarter-quarter sections meeting the above criteria were included to avoid creating ''doughnut holes'' within corridors. In contrast to distances moved within a single patch of habitat, which has been estimated to be between 10 to 100 m (33 to 330 ft), dispersal can be defined as movement between patches of habitat (Bowler and Benton 2005, p. 207). Studies suggest that mobility in closely related butterfly species is similar (Burke *et al.* 2011, p. 2284). Therefore, we approximated the dispersal distance of the Mount Charleston blue butterfly to be up to 2,440 m (8,005 ft), based on documented movement distances observed during a mark-and-recapture study of a subspecies (Mission blue butterfly [*Plebejus icariodes missionensis*]) (Arnold 1983, p. 48), which is a subspecies of the closely related Boisduval's blue butterfly (*Plebejus icarioides*) (Gompert *et al.* 2008, Figure 2; Burke *et al.* 2011, Supplementary File S4).

(5) Observed locations, suitable habitat, and connectivity corridors, as described above, are all considered to be within the present geographic range of the subspecies.

(6) Critical habitat boundaries were delineated using a data layer of the Public Land Survey System (PLSS), which includes quarter–quarter sections (16 ha (40 ac)). Quarter–quarter sections are proposed as critical habitat if they contain observed locations, suitable habitat, or connectivity corridors. Quarter–quarter sections were used to delineate critical habitat boundaries because they provide a readily available systematic method to identify areas that encompass the physical and biological features essential to the conservation of the Mount Charleston blue butterfly and they provide boundaries that are easy to describe and interpret for the general public and land management agencies. Critical habitat boundaries were derived from the outer boundary of the polygons selected from the PLSS quarter–quarter sections in the previous steps.

When determining proposed critical habitat boundaries, we made every effort to avoid including developed areas such as lands covered by buildings, pavement, and other structures because such lands lack physical or biological features necessary for Mount Charleston blue butterfly. The scale of the maps we prepared under the parameters for publication within the Code of Federal Regulations may not reflect the exclusion of such developed lands. Any such lands inadvertently left inside critical habitat boundaries shown on the maps of this proposed rule have been excluded by text in the proposed rule and are not proposed for designation as critical habitat. Therefore, if the critical habitat is finalized as proposed, a Federal action involving these lands would not trigger section 7 consultation with respect to critical habitat and the requirement of no adverse modification unless the specific action would affect the physical or biological features in the adjacent critical habitat.

We are proposing for designation of critical habitat lands that we have determined are occupied at the time of listing and contain the physical or biological features to support life-history processes that we have determined are essential to the conservation of Mount Charleston blue butterfly. Three units are proposed for designation based on the physical or biological features being present to support Mount Charleston blue butterfly life-history processes. All units contain all of the identified physical or biological features and support multiple life-history processes.

The critical habitat designation is defined by the map, as modified by any accompanying regulatory text, presented at the end of this document in the rule portion. We include more detailed information on the boundaries of the critical habitat designation in the preamble of this document. We will make the coordinates or plot points or both on which the map is based available to the public on *http://www.regulations.gov* at Docket No. FWS–R8–ES–2013–0105, on our Internet site *http://www.fws.gov/nevada/nv_species/mcb_butterfly.html,* and at the field office responsible for the designation (see **FOR FURTHER INFORMATION CONTACT** above).

Proposed Critical Habitat Designation

We are proposing three units as critical habitat for Mount Charleston blue butterfly that total 5,561 ac (2,250 ha). The critical habitat areas we describe below constitute our current best assessment of areas that meet the definition of critical habitat for Mount Charleston blue butterfly. The three areas we propose as critical habitat are: (1) South Loop, (2) Lee Canyon, and (3)

North Loop. We are requesting additional information and comment on the potential removal of some specific areas in the Lee Canyon Unit within localities commonly referred to as Foxtail, Old Mill, McWilliams and Las Vegas Ski and Snowboard Resort lower parking lot that have extremely high levels of public visitation and associated recreational disturbance. These areas are specifically described in the Information Requested section above. All the proposed critical habitat units are occupied at the time of listing (are currently occupied). Table 1 shows the occupied units; the approximate area of each proposed critical habitat unit is also shown in Table 1.

TABLE 1—PROPOSED CRITICAL HABITAT UNITS FOR MOUNT CHARLESTON BLUE BUTTERFLY

[Area estimates reflect all land within critical habitat unit boundaries]

Critical habitat unit	Land ownership by type	Size of unit in acres (Hectares)
1. South Loop	Federal	2,308 (934)
	State	0
	Local	0
	Private	0
2. Lee Canyon	Federal	2,833 (1,146)
	State	0
	Local	4(2)
	Private	3(1)
3. North Loop	Federal	413 (167)
	State	0
	Local	0
	Private	0
Total	Federal	5,554 (2,247)
	State	0
	Local	4(2)
	Private	3(1)

Note: Area sizes may not sum due to rounding.

We present brief descriptions below of all units and reasons why they meet the definition of critical habitat for Mount Charleston blue butterfly.

Unit 1: South Loop

Unit 1 consists of 2,308 ac (934 ha) and is located in Clark County, Nevada. This unit extends south and southeast from near the summit of Charleston Peak along high- elevation ridges to Griffith Peak. The unit likely represents the largest population of Mount Charleston blue butterflies and is the southernmost area identified as critical habitat for the subspecies.

The unit is within the geographic area occupied by the Mount Charleston blue butterfly at the time of listing. It contains the physical or biological features essential to the conservation of the subspecies, including: elevations between 2,500 m (8,200 ft) and 3,500 m (11,500 ft) elevation; no tree cover or no more than 50 percent tree cover; widely spaced, low (less than 15 cm (0.5 ft)) forbs and grasses, with exposed soil and rock substrates; the presence of one or more species of larval host plants; and the presence of one or more species of nectar plants.

Habitat in the unit is threatened by the impacts associated with climate change, such as increased drought and extreme precipitation events. Therefore, the physical or biological features essential to the conservation of the species in this unit may require special management considerations or protection to minimize impacts resulting from this threat (see Special Management Considerations or Protection section above).

A portion of this unit was burned in July 2013, as part of the Carpenter 1 Fire, which burned into habitat of the Mount Charleston blue butterfly along the ridgelines between Griffith Peak and South Loop, spanning a distance of approximately 3 mi (5 km). Within this area, there are low-, moderate-, or high-quality patches of Mount Charleston blue butterfly habitat intermixed with non-habitat. The majority of Mount Charleston blue butterfly habitat of moderate or high quality in this area was classified as having a very low burn-severity or low soil burn-severity (Kallstrom 2013, p. 4). Areas with the highest observed concentrations of Mount Charleston blue butterflies within moderate- and high-quality habitat were outside the fire perimeter. Areas of lower quality habitat appear to have had higher tree canopy cover and generally experienced low to moderate soil burn-severity.

Although the burn in this unit may have had short-term impacts to larval host or nectar plants, it is likely that the burn may have long-term benefits to Mount Charleston blue butterfly habitat by reducing canopy cover, thereby providing additional areas for larval host and nectar plants to grow, and releasing nutrients (Brown and Smith 2000, p. 26) into the soil, improving overall plant health and vigor, depending upon successional conditions such as soil types and moisture, and seed sources (Kallstrom 2013, p. 4). Therefore, we have proposed critical habitat designation for areas that contained the physical or biological features essential to the conservation of the Mount Charleston blue butterfly prior to the Carpenter 1 Fire, but may have been burned by the fire, because we expect that these areas continue to contain the physical or biological features essential to conservation of the subspecies.

This unit is completely within the boundaries of the U.S. Department of Agriculture, Humboldt-Toiyabe National Forest, Spring Mountains National Recreation Area. The entire unit is within the Mount Charleston Wilderness, and southwestern portions of the unit overlap with the Carpenter Canyon Research Natural Area. This unit is within the area addressed by the Spring Mountains National Recreation Area Conservation Agreement.

Unit 2: Lee Canyon

Unit 2 consists of 2,833 ac (1,146 ha) of Federal land, 4 ac (2 ha) of local land, and 3 ac (1 ha) of private land, and is located in Clark County, Nevada. This

unit extends south and southeast from McFarland Peak and along the Bonanza Trail through Lee Canyon to slopes below the north side of the North Loop Trail and the west side of Mummy Mountain. This unit represents the northernmost area identified as critical habitat for the subspecies.

The unit is within the geographic area occupied by the Mount Charleston blue butterfly at the time of listing. It contains the physical or biological features essential to the conservation of the subspecies including: elevations between 2,500 m (8,200 ft) and 3,500 m (11,500 ft); no tree cover or no more than 50 percent tree cover; widely spaced, low (< 15 cm (0.5 ft)) forbs and grasses, with exposed soil and rock substrates; the presence of one or more species of larval host plants; and the presence of one or more species of nectar plants.

Habitat in the unit is threatened by: loss and degradation of habitat due to changes in natural fire regimes and succession; implementation of recreational development projects and fuels reduction projects; increases of nonnative plants; and the exacerbation of other threats from the impacts of climate change, which is anticipated to increase drought and extreme precipitation events. Therefore, the features essential to the conservation of the species in this unit require special management considerations or protection to minimize impacts resulting from these threats (see Special Management Considerations or Protection section above).

This unit is completely within the boundaries of the U.S. Department of Agriculture, Humboldt-Toiyabe National Forest, Spring Mountains National Recreation Area with less than 1 percent owned by private landowners or Clark County. Approximately 33 percent of the west side of the unit is within the Mount Charleston Wilderness. This unit is within the area addressed by the Spring Mountains National Recreation Area Conservation Agreement.

Unit 3: North Loop

Unit 3 consists of 413 ac (167 ha) and is located in Clark County, Nevada. This unit extends northeast from an area between Mummy Spring and Fletcher Peak along high-elevation ridges down to an area above the State Highway 158. The unit represents the easternmost area identified as critical habitat for the subspecies.

The unit is within the geographic area occupied by the Mount Charleston blue butterfly at the time of listing. It contains the physical or biological features essential to the conservation of the subspecies including: elevations between 2,500 m (8,200 ft) and 3,500 m (11,500 ft); no tree cover or no more than 50 percent tree cover; widely spaced, low (less than 15 cm (0.5 ft)) forbs and grasses with exposed soil and rock substrates; the presence of one or more species of larval host plants; and the presence of one or more species of nectar plants.

Habitat in the unit is threatened by the impacts associated with climate change, such as increased drought and extreme precipitation events. Therefore, the features essential to the conservation of the species in this unit require special management considerations or protection to minimize impacts resulting from this threat (see Special Management Considerations or Protection section above).

This unit is completely within the boundaries of the U.S. Department of Agriculture, Humboldt-Toiyabe National Forest, Spring Mountains National Recreation Area. Approximately 92 percent of the unit is within the Mount Charleston Wilderness. This unit is within the area addressed by the Spring Mountains National Recreation Area Conservation Agreement.

Areas Surrounding Recreation Infrastructure

We may remove locations identified below from the critical habitat designation based on information received through the notice and comment process on this proposed rule. These locations overlap slightly with Mount Charleston blue butterfly habitat previously mapped by DataSmiths 2007. These locations are at the fringe of previously mapped habitat and most of these areas may lack one or more of the physical or biological features or are heavily impacted by public recreation. We may remove a 25-meter (m) (82-foot (ft)) perimeter distance around established boundaries or developed infrastructure that is consistent with the conclusions of a study on the Karner blue butterfly (*Lycaeides melissa samuelis*), which indicated that habitat within short distances of recreational features may be insufficient to offset recreational impacts on butterfly behavior (Bennett *et al.* 2010, p. 27, Bennett *et al.* 2013, pp. 1794–1795). This distance also is consistent with observations that impacts associated with the campgrounds, day use areas, and roads tend to be concentrated within a 25-m (82-ft) buffer (Cole 1993, p. 111; Cole 2004, p. 55; Monz *et al.*2010, p. 556; Randy Swick, pers. obs.).

Specifically, we may remove locations referred to as Dolomite Campground, Foxtail Girl Scout Camp, Foxtail Group Picnic Area, Foxtail Snow Play Area, Lee Canyon Guard Station, Lee Meadows (extirpated Mount Charleston blue butterfly location), McWilliams Campground, Old Mill Picnic Area and Youth Camp. These locations are within the established boundaries or developed infrastructure (for example, roads, parking areas, fire pits, etc.) for the above-listed campgrounds and day use areas that have extremely high levels of public visitation and associated recreational disturbance. High levels of recreational disturbance in these areas have either severely degraded available habitat including host and nectar plants, or the intense level of recreational activity severely limits or precludes the use of these areas by the Mount Charleston blue butterfly. Additionally, small ''doughnut holes'' and slivers of land encircled by the buffered areas would be included within the areas that may be removed from the final designation, because these fragments would not meet the definition of critical habitat for this species. We do not intend to remove areas larger than 0.10 acres (0.04 hectares) occurring between the above areas from critical habitat designation, including the ridge between Foxtail Day Use Area and Lee Meadows, because of the potential for these areas to contain physical or biological features essential to the conservation of the species.

We are specifically seeking public comment on whether the locations mentioned above contain the physical or biological features essential to the conservation of the species to aid us in our decision of whether to remove them from this critical habitat designation. A map of the specific locations for potential removal can be found on the Nevada Fish and Wildlife Office at: *http://www.fws.gov/nevada/* and at *http://www.regulations.gov* at Docket No. FWS–R8–ES–2013–0105.

Effects of Critical Habitat Designation

Section 7 Consultation

Section 7(a)(2) of the Act requires Federal agencies, including the Service, to ensure that any action they fund, authorize, or carry out is not likely to jeopardize the continued existence of any endangered species or threatened species or result in the destruction or adverse modification of designated critical habitat of such species. In addition, section 7(a)(4) of the Act requires Federal agencies to confer with the Service on any agency action that is likely to jeopardize the continued

existence of any species proposed to be listed under the Act or result in the destruction or adverse modification of proposed critical habitat.

Decisions by the 5th and 9th Circuit Courts of Appeals have invalidated our regulatory definition of ''destruction or adverse modification'' (50 CFR 402.02) (see *Gifford Pinchot Task Force* v. *U.S. Fish and Wildlife Service,* 378 F. 3d 1059 (9th Cir. 2004) and *Sierra Club* v. *U.S. Fish and Wildlife Service et al.,* 245 F.3d 434, 442 (5th Cir. 2001)), and we do not rely on this regulatory definition when analyzing whether an action is likely to destroy or adversely modify critical habitat. Under the statutory provisions of the Act, we determine destruction or adverse modification on the basis of whether, with implementation of the proposed Federal action, the affected critical habitat would continue to serve its intended conservation role for the species.

If a Federal action may affect a listed species or its critical habitat, the responsible Federal agency (action agency) must enter into consultation with us. Examples of actions that are subject to the section 7 consultation process are actions on State, tribal, local, or private lands that require a Federal permit (such as a permit from the U.S. Army Corps of Engineers under section 404 of the Clean Water Act (33 U.S.C. 1251 *et seq.*) or a permit from the Service under section 10 of the Act) or that involve some other Federal action (such as funding from the Federal Highway Administration, Federal Aviation Administration, or the Federal Emergency Management Agency). Federal actions not affecting listed species or critical habitat, and actions on State, tribal, local, or private lands that are not federally funded or authorized, do not require section 7 consultation.

As a result of section 7 consultation, we document compliance with the requirements of section 7(a)(2) through our issuance of:

(1) A concurrence letter for Federal actions that may affect, but are not likely to adversely affect, listed species or critical habitat; or

(2) A biological opinion for Federal actions that may affect and are likely to adversely affect, listed species or critical habitat.

When we issue a biological opinion concluding that a project is likely to jeopardize the continued existence of a listed species and/or destroy or adversely modify critical habitat, we provide reasonable and prudent alternatives to the project, if any are identifiable, that would avoid the likelihood of jeopardy and/or destruction or adverse modification of critical habitat. We define ''reasonable and prudent alternatives'' (at 50 CFR 402.02) as alternative actions identified during consultation that:

(1) Can be implemented in a manner consistent with the intended purpose of the action,

(2) Can be implemented consistent with the scope of the Federal agency's legal authority and jurisdiction,

(3) Are economically and technologically feasible, and

(4) Would, in the Director's opinion, avoid the likelihood of jeopardizing the continued existence of the listed species and/or avoid the likelihood of destroying or adversely modifying critical habitat.

Reasonable and prudent alternatives can vary from slight project modifications to extensive redesign or relocation of the project. Costs associated with implementing a reasonable and prudent alternative are similarly variable.

Regulations at 50 CFR 402.16 require Federal agencies to reinitiate consultation on previously reviewed actions in instances where we have listed a new species or subsequently designated critical habitat that may be affected and the Federal agency has retained discretionary involvement or control over the action (or the agency's discretionary involvement or control is authorized by law). Consequently, Federal agencies sometimes may need to request reinitiation of consultation with us on actions for which formal consultation has been completed, if those actions with discretionary involvement or control may affect subsequently listed species or designated critical habitat.

Application of the ''Adverse Modification'' Standard

The key factor related to the adverse modification determination is whether, with implementation of the proposed Federal action, the affected critical habitat would continue to serve its intended conservation role for the subspecies. Activities that may destroy or adversely modify critical habitat are those that alter the physical or biological features to an extent that appreciably reduces the conservation value of critical habitat for Mount Charleston blue butterfly. As discussed above, the role of critical habitat is to support life-history needs of the subspecies and provide for the conservation of the subspecies. Generally, the conservation roles of Mount Charleston blue butterfly critical habitat units are to support viable self-sustaining populations of the subspecies.

Section 4(b)(8) of the Act requires us to briefly evaluate and describe, in any proposed or final regulation that designates critical habitat, activities involving a Federal action that may destroy or adversely modify such habitat, or that may be affected by such designation.

Activities that may affect critical habitat, when carried out, funded, or authorized by a Federal agency, should result in consultation for the Mount Charleston blue butterfly. These activities include, but are not limited, to actions that would cause the quality, quantity, functionality, accessibility, or fragmentation of habitat or features to change unfavorably for Mount Charleston blue butterfly. Such activities could include, but are not limited to: ground or soil disturbance, either mechanically or manually; clearing or grading; erosion control; silviculture; fuels management; fire suppression; development; snow management; recreation; wild horse or burro management; and herbicide or pesticide use. These activities could alter: invasion rates of invasive or nonnative species; habitat necessary for the growth and reproduction of these butterflies and their host or nectar plants; and movement of adults between habitat patches. Such alterations may directly or cumulatively cause adverse effects to Mount Charleston blue butterflies and their life cycles.

Exemptions

Application of Section 4(a)(3) of the Act

The Sikes Act Improvement Act of 1997 (Sikes Act) (16 U.S.C. 670a) required each military installation that includes land and water suitable for the conservation and management of natural resources to complete an integrated natural resources management plan (INRMP) by November 17, 2001. An INRMP integrates implementation of the military mission of the installation with stewardship of the natural resources found on the base. Each INRMP includes:

(1) An assessment of the ecological needs on the installation, including the need to provide for the conservation of listed species;

(2) A statement of goals and priorities;

(3) A detailed description of management actions to be implemented to provide for these ecological needs; and

(4) A monitoring and adaptive management plan.

Among other things, each INRMP must, to the extent appropriate and

applicable, provide for fish and wildlife management; fish and wildlife habitat enhancement or modification; wetland protection, enhancement, and restoration where necessary to support fish and wildlife; and enforcement of applicable natural resource laws.

The National Defense Authorization Act for Fiscal Year 2004 (Pub. L. 108–136) amended the Act to limit areas eligible for designation as critical habitat. Specifically, section 4(a)(3)(B)(i) of the Act (16 U.S.C. 1533(a)(3)(B)(i)) now provides: ''The Secretary shall not designate as critical habitat any lands or other geographic areas owned or controlled by the Department of Defense, or designated for its use, that are subject to an integrated natural resources management plan prepared under section 101 of the Sikes Act (16 U.S.C. 670a), if the Secretary determines in writing that such plan provides a benefit to the species for which critical habitat is proposed for designation.''

There are no Department of Defense lands with a completed INRMP within the proposed critical habitat designation.

Exclusions

Application of Section 4(b)(2) of the Act

Section 4(b)(2) of the Act states that the Secretary shall designate and make revisions to critical habitat on the basis of the best available scientific data after taking into consideration the economic impact, national security impact, and any other relevant impact of specifying any particular area as critical habitat. The Secretary may exclude an area from critical habitat if she determines that the benefits of such exclusion outweigh the benefits of specifying such area as part of the critical habitat, unless she determines, based on the best scientific data available, that the failure to designate such area as critical habitat will result in the extinction of the species. In making that determination, the statute on its face, as well as the legislative history, are clear that the Secretary has broad discretion regarding which factor(s) to use and how much weight to give to any factor.

Under section 4(b)(2) of the Act, we may exclude an area from designated critical habitat based on economic impacts, impacts on national security, or any other relevant impacts. In considering whether to exclude a particular area from the designation, we identify the benefits of including the area in the designation, identify the benefits of excluding the area from the designation, and evaluate whether the benefits of exclusion outweigh the benefits of inclusion. If the analysis indicates that the benefits of exclusion outweigh the benefits of inclusion, the Secretary may exercise her discretion to exclude the area only if such exclusion would not result in the extinction of the species.

When considering the benefits of exclusion, we consider, among other things, whether exclusion of a specific area is likely to result in conservation; the continuation, strengthening, or encouragement of partnerships; or implementation of a management plan. In the case of the Mount Charleston blue butterfly, the benefits of critical habitat include public awareness of the presence of the species and the importance of habitat protection, and, where a Federal nexus exists, increased habitat protection for Mount Charleston blue butterfly due to protection from adverse modification or destruction of critical habitat. In practice, situations with a Federal nexus exist primarily on Federal lands or for projects undertaken or funded by Federal agencies.

We have not proposed to exclude any areas from critical habitat. However, the final decision on whether to remove or exclude any areas will be based on the best scientific data available at the time of the final designation, including information obtained during the comment period and information about the economic impact of designation. Accordingly, we have prepared a draft economic analysis concerning the proposed critical habitat designation (DEA), which is available for review and comment (see **ADDRESSES**).

Consideration of Economic Impacts

Section 4(b)(2) of the Act and its implementing regulations require that we consider the economic impact that may result from a designation of critical habitat. To assess the probable economic impacts of a designation, we must first evaluate specific land uses or activities and projects that may occur in the area of the critical habitat. We then must evaluate the impacts that a specific critical habitat designation may have on restricting or modifying specific land uses or activities for the benefit of the species and its habitat within the areas proposed. We then identify which conservation efforts may be the result of the species being listed under the Act versus those attributed solely to the designation of critical habitat for this particular species. The probable economic impact of a proposed critical habitat designation is analyzed by comparing scenarios both ''with critical habitat'' and ''without critical habitat.'' The ''without critical habitat'' scenario represents the baseline for the analysis, which includes the existing regulatory burden currently imposed on landowners, managers, or other resource users who could potentially be affected by the designation of critical habitat (e.g., under the Federal listing as well as other Federal, State, and local regulations). The baseline, therefore, represents the costs of all efforts attributable to the listing of the species under the Act (i.e., conservation of the species and its habitat incurred regardless of whether critical habitat is designated). The ''with critical habitat'' scenario describes the incremental impacts associated specifically with the designation of critical habitat for the species. The incremental conservation efforts and associated impacts would not be expected without the designation of critical habitat for the species. In other words, the incremental costs are those attributable solely to the designation of critical habitat, above and beyond the baseline costs of listing the species without critical habitat. These are the costs used when evaluating the benefits of inclusion and exclusion of particular areas from the final designation of critical habitat should we choose to conduct an optional 4(b)(2) exclusion analysis.

For this particular designation, we developed an Incremental Effects Memorandum (IEM) considering the probable incremental economic impacts that may result from this proposed designation of critical habitat. The information contained in our IEM was then used to develop a screening analysis of the probable effects of the designation of critical habitat for the Mount Charleston blue butterfly (IEc 2014). We began by conducting a screening analysis of the proposed designation of critical habitat in order to focus our analysis on the key factors that are likely to result in incremental economic impacts. The purpose of the screening analysis is to filter out the geographic areas in which the critical habitat designation is unlikely to result in probable incremental economic impacts. In particular, the screening analysis considers baseline costs (i.e., absent critical habitat designation) and includes probable economic impacts where land and water use may be subject to conservation plans, land management plans, best management practices, or regulations that protect the habitat area as a result of the Federal listing status of the species. The screening analysis filters out particular areas of critical habitat that are already subject to such protections and are, therefore, unlikely to incur incremental economic impacts. Ultimately, the screening analysis allows us to focus

our analysis on evaluating the specific areas or sectors that may incur probable incremental economic impacts as a result of the designation. The screening analysis also assesses whether units are unoccupied by the species and may require additional management or conservation efforts as a result of the critical habitat designation for the species that may incur incremental economic impacts. This screening analysis combined with the information contained in our IEM are what we consider our draft economic analysis of the proposed critical habitat designation for the Mount Charleston blue butterfly and is summarized in the narrative below.

Executive Orders 12866 and 13563 direct Federal agencies to assess the costs and benefits of available regulatory alternatives in quantitative (to the extent feasible) and qualitative terms. Consistent with the E.O. regulatory analysis requirements, our effects analysis under the Act may take into consideration impacts to both directly and indirectly impacted entities, where practicable and reasonable. We assess to the extent practicable, the probable impacts, if sufficient data are available, to both directly and indirectly impacted entities. As part of our screening analysis, we considered the types of economic activities that are likely to occur within the areas likely affected by the critical habitat designation. In our evaluation of the probable incremental economic impacts that may result from the proposed designation of critical habitat for the Mount Charleston blue butterfly, first we identified, in the IEM dated February 10, 2014, probable incremental economic impacts associated with the following categories of activities: (1) Federal lands management (Forest Service); (2) fire management; (3) forest management; (4) recreation; (5) conservation/restoration; and (6) development. We considered each industry or category individually. Additionally, we considered whether their activities have any Federal involvement. Critical habitat designation will not affect activities that do not have any Federal involvement; designation of critical habitat affects only activities conducted, funded, permitted, or authorized by Federal agencies. In areas where the Mount Charleston blue butterfly is present, Federal agencies already are required to consult with the Service under section 7 of the Act on activities they fund, permit, or implement that may affect the species. If we finalize this proposed critical habitat designation, consultations to avoid the destruction or adverse modification of critical habitat would be incorporated into the existing consultation process. Therefore, disproportionate impacts to any geographic area or sector are not likely as a result of this critical habitat designation.

In our IEM, we attempted to clarify the distinction between the effects that can result from the species being listed and those attributable to the critical habitat designation (i.e., the difference between the jeopardy and adverse modification standards) for the Mount Charleston blue butterfly. Because the designation of critical habitat for Mount Charleston blue butterfly is being proposed shortly after the listing, it has been our experience that it is more difficult to discern which conservation efforts are attributable to the species being listed and those that can result solely from the designation of critical habitat. However, the following specific circumstances in this case help to inform our evaluation: (1) The essential physical and biological features identified for critical habitat are the same features essential for the life requisites of the species and (2) any actions that would result in sufficient harm or harassment to constitute jeopardy to the Mount Charleston blue butterfly would also likely adversely affect the essential physical and biological features of critical habitat. The IEM outlines our rationale concerning this limited distinction between baseline conservation efforts and incremental impacts of the designation of critical habitat for this species. This evaluation of the incremental effects has been used as the basis to evaluate the probable incremental economic impacts of this proposed designation of critical habitat.

The proposed critical habitat designation for the Mount Charleston blue butterfly totals approximately 5,561 acres (2,250 hectares) in three units, all of which were occupied at the time of listing and contain the physical and biological features essential to the conservation of the species. In these areas any actions that may affect the species or its habitat would also affect designated critical habitat, and it is unlikely that any additional conservation efforts would be recommended to address the adverse modification standard over and above those recommended as necessary to avoid jeopardizing the continued existence of the Mount Charleston blue butterfly. Therefore, only administrative costs are expected in all of the proposed critical habitat designation. While this additional analysis will require time and resources by both the Federal action agency and the Service, it is believed that, in most circumstances, these costs would predominantly be administrative in nature and would not be significant.

The Forest Service has administrative oversight of 99.9 percent of the proposed critical habitat area and, as the primary Federal action agency in section 7 consultations would incur incremental costs associated with the critical habitat designation. In some cases third parties may be involved in areas such as Unit 2 in Lee Canyon, particularly where the Las Vegas Ski and Snowboard Report special-use-permit area overlaps. However, consultation is expected to occur even in the absence of critical habitat, and incremental costs would be limited to administrative costs resulting from the potential for adverse modification. It is unlikely that there will be any incremental costs associated with the 0.1 percent of non-Federal land, for which we do not foresee any Federal nexus and thus is outside of the context of section 7 of the Act.

The probable incremental economic impacts of the Mount Charleston blue butterfly critical habitat designation are expected to be limited to additional administrative effort as well as minor costs of conservation efforts resulting from a small number of future section 7 consultations. This is due to two factors: (1) all the proposed critical habitat units are considered to be occupied by the species, and incremental economic impacts of critical habitat designation, other than administrative costs, are unlikely; and (2) the majority of proposed critical habitat is in designated Wilderness Areas where actions are currently limited and few actions are anticipated that will result in section 7 consultation or associated project modifications. Section 7 consultations for critical habitat are estimated to range between $410 and $9,100 per consultation. No more than 12 consultations are anticipated to occur in a year. Based upon these estimates, the maximum estimated incremental cost is estimated to be no greater than $109,200 in a given year. Thus, the annual administrative burden is unlikely to reach $100 million. Therefore, future probable incremental economic impacts are not likely to exceed $100 million in any single year and disproportionate impacts to any geographic area or sector are not likely as a result of this critical habitat designation.

As we stated earlier, we are soliciting data and comments from the public on the DEA, as well as all aspects of the proposed rule. We may revise the final rule or supporting documents to

incorporate or address information we receive during the public comment period. In particular, we may refine our designation based on information received, or exclude an area from critical habitat, if we determine that the benefits of excluding the area outweigh the benefits of including the area, provided the exclusion will not result in the extinction of this species.

Exclusions Based on Economic Impacts

Under section 4(b)(2) of the Act, we consider the economic impacts of specifying any particular area as critical habitat. In order to consider economic impacts, we prepared an analysis of the probable economic impacts of the proposed critical habitat designation and related factors. The proposed critical habitat areas include Federal land, lands owned by Clark County, and privately owned land. Some of these lands are used for recreation (for example, skiing, camping, and hiking) and silviculture.

During the development of a final designation, we will consider economic impacts based on information in our economic analysis, public comments, and other new information, and areas may be excluded from the final critical habitat designation under section 4(b)(2) of the Act and our implementing regulations at 50 CFR 424.19.

Exclusions Based on National Security Impacts

Under section 4(b)(2) of the Act, we consider whether there are lands owned or managed by the Department of Defense where a national security impact might exist. In preparing this proposal, we have determined that the lands within the proposed designation of critical habitat for the Mount Charleston blue butterfly are not owned or managed by the Department of Defense, and, therefore, we anticipate no impact on national security. Consequently, the Secretary is not intending to exercise her discretion to exclude any areas from the final designation based on impacts on national security.

Exclusions Based on Other Relevant Impacts

Under section 4(b)(2) of the Act, we consider any other relevant impacts, in addition to economic impacts and impacts on national security. We consider a number of factors, including whether the landowners have developed any habitat conservation plans (HCPs) or other management plans for the area, or whether there are conservation partnerships that would be encouraged by designation of, or exclusion from, critical habitat. In addition, we look at any tribal issues, and consider the government-to-government relationship of the United States with tribal entities. We also consider any social impacts that might occur because of the designation.

HCPs, established under section 10(a)(1)(B) of the Act, provide for partnerships with non-Federal parties to conserve the ecosystems upon which listed and nonlisted species depend, ultimately contributing to their recovery. HCPs are planning documents required as part of an application for an incidental take permit. They describe the anticipated effects of the proposed taking; how those impacts will be minimized, or mitigated; and how the HCP is to be funded.

We will consider exclusions from the proposed designation under section 4(b)(2) of the Act based on partnerships, management, or protection afforded by cooperative management efforts. Some areas within the proposed designation are included in the Clark County Multiple Species Habitat Conservation Plan (MSHCP), which includes the Mount Charleston blue butterfly as a covered species. The MSHCP, developed in 2000 by numerous cooperators, including representatives of Federal, State, and county agencies and other public and private organizations, is available at *http://www.clarkcountynv.gov/depts/dcp/Pages/CurrentHCP.aspx.* The MSHCP identifies those actions necessary to maintain the viability of natural habitats in the county for the 79 species covered by the MSHCP and benefits many other species residing in those habitats. We request information on the benefits of this plan to the conservation of the Mount Charleston blue butterfly, and whether this species will be retained as a covered species in this plan into the future.

Peer Review

In accordance with our joint policy on peer review published in the **Federal Register** on July 1, 1994 (59 FR 34270), we will seek the expert opinions of at least three appropriate and independent specialists regarding this proposed rule. The purpose of peer review is to ensure that our critical habitat designation is based on scientifically sound data and analyses. We have invited these peer reviewers to provide peer review during this public comment period.

We will consider all comments and information received during this comment period on this proposed critical habitat rule during our preparation of a final critical habitat determination. Accordingly, the final decision may differ from this proposal.

Public Hearings

Section 4(b)(5) of the Act provides for one or more public hearings on this proposal, if requested. Requests must be received within 45 days after the date of publication of this proposed rule in the **Federal Register**. Such requests must be sent to the address shown in **ADDRESSES**. We will schedule public hearings on this proposal, if any are requested, and announce the dates, times, and places of those hearings, as well as how to obtain reasonable accommodations, in the **Federal Register** and local newspapers at least 15 days before the hearing.

Required Determinations

Regulatory Planning and Review (Executive Orders 12866 and 13563)

Executive Order 12866 provides that the Office of Information and Regulatory Affairs (OIRA) in the Office of Management and Budget will review all significant rules. OIRA has determined that this rule is not significant.

Executive Order 13563 reaffirms the principles of Executive Order 12866 while calling for improvements in the nation's regulatory system to promote predictability, to reduce uncertainty, and to use the best, most innovative, and least burdensome tools for achieving regulatory ends. The executive order directs agencies to consider regulatory approaches that reduce burdens and maintain flexibility and freedom of choice for the public where these approaches are relevant, feasible, and consistent with regulatory objectives. Executive Order 13563 emphasizes further that regulations must be based on the best available science and that the rulemaking process must allow for public participation and an open exchange of ideas. We have developed this rule in a manner consistent with these requirements.

Regulatory Flexibility Act (5 U.S.C. 601 et seq.)

Under the Regulatory Flexibility Act (RFA; 5 U.S.C. 601 *et seq.*) as amended by the Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA; 5 U.S.C. 801 *et seq.*), whenever an agency is required to publish a notice of rulemaking for any proposed or final rule, it must prepare and make available for public comment a regulatory flexibility analysis that describes the effects of the rule on small entities (small businesses, small organizations, and small government jurisdictions). However, no regulatory flexibility analysis is required if the head of the agency certifies the rule will not have a significant economic impact on a substantial number of small

entities. The SBREFA amended the RFA to require Federal agencies to provide a certification statement of the factual basis for certifying that the rule will not have a significant economic impact on a substantial number of small entities.

According to the Small Business Administration, small entities include small organizations such as independent nonprofit organizations; small governmental jurisdictions, including school boards and city and town governments that serve fewer than 50,000 residents; and small businesses (13 CFR 121.201). Small businesses include such businesses as manufacturing and mining concerns with fewer than 500 employees, wholesale trade entities with fewer than 100 employees, retail and service businesses with less than $5 million in annual sales, general and heavy construction businesses with less than $27.5 million in annual business, special trade contractors doing less than $11.5 million in annual business, and forestry and logging operations with fewer than 500 employees and annual business less than $7 million. To determine whether small entities may be affected, we will consider the types of activities that might trigger regulatory impacts under this designation as well as types of project modifications that may result. In general, the term ''significant economic impact'' is meant to apply to a typical small business firm's business operations.

Under the RFA, as amended, and following recent court decisions, Federal agencies are only required to evaluate the potential incremental impacts of rulemaking on those entities directly regulated by the rulemaking itself, and not the potential impacts to indirectly affected entities. The regulatory mechanism through which critical habitat protections are realized is section 7 of the Act, which requires Federal agencies, in consultation with the Service, to ensure that any action authorized, funded, or carried by the Agency is not likely to adversely modify critical habitat. Therefore, only Federal action agencies are directly subject to the specific regulatory requirement (avoiding destruction and adverse modification) imposed by critical habitat designation. Under these circumstances, it is our position that only Federal action agencies will be directly regulated by this designation. Therefore, because Federal agencies are not small entities, the Service may certify that the proposed critical habitat rule will not have a significant economic impact on a substantial number of small entities.

In conclusion, we believe that, based on our interpretation of directly regulated entities under the RFA and relevant case law, this designation of critical habitat will only directly regulate Federal agencies, which are not by definition small business entities. And as such, we certify that, if promulgated, this designation of critical habitat would not have a significant economic impact on a substantial number of small business entities. Therefore, an initial regulatory flexibility analysis is not required. However, though not necessarily required by the RFA, in our draft economic analysis for this proposal we considered and evaluated the potential effects to third parties that may be involved with consultations with Federal action agencies related to this action.

Energy Supply, Distribution, or Use—Executive Order 13211

Executive Order 13211 (Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use) requires agencies to prepare Statements of Energy Effects when undertaking certain actions. In our economic analysis, we found that the proposed critical habitat designation for the Mount Charleston blue butterfly will not significantly affect energy supplies, distribution, or use, as the degree of overlap between proposed critical habitat and energy supplies is insignificant, and normal operations of these resources within current guidelines are not anticipated to adversely modify critical habitat. Therefore, this action is not a significant energy action, and no Statement of Energy Effects is required.

Unfunded Mandates Reform Act (2 U.S.C. 1501 et seq.)

In accordance with the Unfunded Mandates Reform Act (2 U.S.C. 1501 *et seq.*), we make the following findings:

(1) This rule will not produce a Federal mandate. In general, a Federal mandate is a provision in legislation, statute, or regulation that would impose an enforceable duty upon State, local, or tribal governments, or the private sector, and includes both ''Federal intergovernmental mandates'' and ''Federal private sector mandates.'' These terms are defined in 2 U.S.C. 658(5)–(7). ''Federal intergovernmental mandate'' includes a regulation that ''would impose an enforceable duty upon State, local, or tribal governments'' with two exceptions. It excludes ''a condition of Federal assistance.'' It also excludes ''a duty arising from participation in a voluntary Federal program,'' unless the regulation ''relates to a then-existing Federal program under which $500,000,000 or more is provided annually to State, local, and tribal governments under entitlement authority,'' if the provision would ''increase the stringency of conditions of assistance'' or ''place caps upon, or otherwise decrease, the Federal Government's responsibility to provide funding,'' and the State, local, or tribal governments ''lack authority'' to adjust accordingly. At the time of enactment, these entitlement programs were: Medicaid; Aid to Families with Dependent Children work programs; Child Nutrition; Food Stamps; Social Services Block Grants; Vocational Rehabilitation State Grants; Foster Care, Adoption Assistance, and Independent Living; Family Support Welfare Services; and Child Support Enforcement. ''Federal private sector mandate'' includes a regulation that ''would impose an enforceable duty upon the private sector, except (i) a condition of Federal assistance or (ii) a duty arising from participation in a voluntary Federal program.''

The designation of critical habitat does not impose a legally binding duty on non-Federal Government entities or private parties. Under the Act, the only regulatory effect is that Federal agencies must ensure that their actions do not destroy or adversely modify critical habitat under section 7. While non-Federal entities that receive Federal funding, assistance, or permits, or that otherwise require approval or authorization from a Federal agency for an action, may be indirectly impacted by the designation of critical habitat, the legally binding duty to avoid destruction or adverse modification of critical habitat rests squarely on the Federal agency. Furthermore, to the extent that non-Federal entities are indirectly impacted because they receive Federal assistance or participate in a voluntary Federal aid program, the Unfunded Mandates Reform Act would not apply, nor would critical habitat shift the costs of the large entitlement programs listed above onto State governments.

(2) We do not believe that this rule will significantly or uniquely affect small governments because minimal proposed critical habitat is within the jurisdiction of small governments. Therefore, a Small Government Agency Plan is not required.

Takings—Executive Order 12630

In accordance with Executive Order 12630 (''Government Actions and Interference with Constitutionally Protected Private Property Rights''), this

rule is not anticipated to have significant takings implications. As discussed above, the designation of critical habitat affects only Federal actions. Critical habitat designation does not affect landowner actions that do not require Federal funding or permits, nor does it preclude development of habitat conservation programs or issuance of incidental take permits to permit actions that do require Federal funding or permits to go forward. Due to current public knowledge of the species protections and the prohibition against take of the species both within and outside of the proposed areas, we do not anticipate that property values will be affected by the critical habitat designation. However, we will review and revise this preliminary assessment as warranted, and prepare a Takings Implication Assessment.

Federalism—Executive Order 13132

In accordance with Executive Order 13132 (Federalism), this proposed rule does not have significant Federalism effects. A Federalism summary impact statement is not required. In keeping with Department of the Interior policy, we requested information from, and coordinated development of, this proposed critical habitat designation with appropriate State resource agencies in Nevada. The designation of critical habitat in areas currently occupied by the Mount Charleston blue butterfly would impose no additional restrictions to those currently in place and, therefore, would have little incremental impact on State and local governments and their activities. The designation may have some benefit to these governments because the areas that contain the physical or biological features essential to the conservation of the species are more clearly defined, and the elements of the features necessary to the conservation of the species are specifically identified. This information does not alter where and what federally sponsored activities may occur. However, it may assist local governments in long-range planning (rather than having them wait for case-by-case section 7 consultations to occur).

Where State and local governments require approval or authorization from a Federal agency for actions that may affect critical habitat, consultation under section 7(a)(2) would be required. While non-Federal entities that receive Federal funding, assistance, or permits, or that otherwise require approval or authorization from a Federal agency for an action, may be indirectly impacted by the designation of critical habitat, the legally binding duty to avoid destruction or adverse modification of critical habitat rests squarely on the Federal agency.

Civil Justice Reform—Executive Order 12988

In accordance with Executive Order 12988 (Civil Justice Reform), the Office of the Solicitor has determined that the rule does not unduly burden the judicial system and that it meets the requirements of sections 3(a) and 3(b)(2) of the Order. We have proposed designating critical habitat in accordance with the provisions of the Act. To assist the public in understanding the habitat needs of the species, the rule identifies the elements of physical or biological features essential to the conservation of the species. The designated areas of critical habitat are presented on a map, and the rule provides several options for the interested public to obtain more detailed location information, if desired.

Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.)

This rule does not contain any new collections of information that require approval by OMB under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*). This rule will not impose recordkeeping or reporting requirements on State or local governments, individuals, businesses, or organizations. 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.

National Environmental Policy Act (42 U.S.C. 4321 et seq.)

It is our position that, outside the jurisdiction of the U.S. Court of Appeals for the Tenth Circuit, we do not need to prepare environmental analyses pursuant to the National Environmental Policy Act (NEPA; 42 U.S.C. 4321 *et seq.*) in connection with designating critical habitat under the Act. We published a notice outlining our reasons for this determination in the **Federal Register** on October 25, 1983 (48 FR 49244). This position was upheld by the U.S. Court of Appeals for the Ninth Circuit (*Douglas County* v. *Babbitt,* 48 F.3d 1495 (9th Cir. 1995), cert. denied 516 U.S. 1042 (1996)).

Government-to-Government Relationship With Tribes

In accordance with the President's memorandum of April 29, 1994 (Government-to-Government Relations with Native American Tribal Governments; 59 FR 22951), Executive Order 13175 (Consultation and Coordination With Indian Tribal Governments), and the Department of the Interior's manual at 512 DM 2, we readily acknowledge our responsibility to communicate meaningfully with recognized Federal Tribes on a government-to-government basis. In accordance with Secretarial Order 3206 of June 5, 1997 (American Indian Tribal Rights, Federal-Tribal Trust Responsibilities, and the Endangered Species Act), we readily acknowledge our responsibilities to work directly with tribes in developing programs for healthy ecosystems, to acknowledge that tribal lands are not subject to the same controls as Federal public lands, to remain sensitive to Indian culture, and to make information available to tribes.

We determined that there are no tribal lands that were occupied by the Mount Charleston blue butterfly at the time of listing that contain the features essential to the conservation of the species and no tribal lands unoccupied by the Mount Charleston blue butterfly that are essential for the conservation of the species. Therefore, we are not proposing to designate critical habitat for the Mount Charleston blue butterfly on tribal lands.

Clarity of the Rule

We are required by Executive Orders 12866 and 12988 and by the Presidential Memorandum of June 1, 1998, to write all rules in plain language. This means that each rule we publish must:

(1) Be logically organized;

(2) Use the active voice to address readers directly;

(3) Use clear language rather than jargon;

(4) Be divided into short sections and sentences; and

(5) Use lists and tables wherever possible.

If you feel that we have not met these requirements, send us comments by one of the methods listed in **ADDRESSES**. To better help us revise the rule, your comments should be as specific as possible. For example, you should tell us the numbers of the sections or paragraphs that are unclearly written, which sections or sentences are too long, the sections where you feel lists or tables would be useful, etc.

References Cited

A complete list of references cited in this rulemaking is available on the Internet at *http://www.regulations.gov* and upon request from the Nevada Fish and Wildlife Office (see **FOR FURTHER INFORMATION CONTACT**).

Authors

The primary authors of this package are the staff members of the Nevada Fish and Wildlife Office.

List of Subjects in 50 CFR Part 17

Endangered and threatened species, Exports, Imports, Reporting and recordkeeping requirements, Transportation.

Proposed Regulation Promulgation

Accordingly, we propose to amend part 17, subchapter B of chapter I, title 50 of the Code of Federal Regulations, as set forth below:

PART 17—ENDANGERED AND THREATENED WILDLIFE AND PLANTS

■ 1. The authority citation for part 17 continues to read as follows:

Authority: 16 U.S.C. 1361–1407; 1531–1544; and 4201–4245; unless otherwise noted.

■ 2. In § 17.11(h), revise the entry for ''Butterfly, Mount Charleston blue'' under Insects in the List of Endangered and Threatened Wildlife to read as follows:

§ 17.11 Endangered and threatened wildlife.

* * * * *

(h) * * *

Species		Historic range	Vertebrate population where endangered or threatened	Status	When listed	Critical habitat	Special rules
Common name	Scientific name						
*	*	*	*	*	*		*
INSECTS							
*	*	*	*	*	*		*
Butterfly, Mount Charleston blue	*Plebejus shasta charlestonensis.*	U.S.A. (Clark County, NV; Spring Mountains).	Entire	E	820	17.95(i)	N/A
*	*	*	*	*	*		*

■ 3. In § 17.95, amend paragraph (i) by adding an entry for ''Mount Charleston Blue Butterfly (*Plebejus shasta charlestonensis),''* in the same alphabetical order that the species appears in the table at § 17.11(h), to read as follows*:*

§ 17.95 Critical habitat—fish and wildlife.

* * * * *

(i) *Insects.*

* * * * *

Mount Charleston Blue Butterfly (*Plebejus shasta charlestonensis*)

(1) Critical habitat units are depicted for Clark County, Nevada, on the map below.

(2) Within these areas, the primary constituent elements of the physical or biological features essential to the conservation of the Mount Charleston blue butterfly consist of three components:

(i) Areas of dynamic habitat between 2,500 meters (8,200 feet) and 3,500 m (11,500 ft) elevation with openings or where disturbance provides openings in the canopy that have no more than 50 percent tree cover (allowing sunlight to reach the ground), widely spaced low (less than 15 centimeters (0.5 feet) in height) forbs and grasses, and exposed soil and rock substrates.

(ii) The presence of one or more species of host plants required by larvae of the Mount Charleston blue butterfly for feeding and growth. Known larval host plants are *Astragalus calycosus* var. *calycosus, Oxytropis oreophila* var. *oreophila,* and *Astragalus platytropis.* Densities of host plants must be greater than 2 per square meter (20 per square foot). When taller grass and forb plants (greater than or equal to 15 centimeters (0.5 feet) in height) are present, their density is less than 5 per square meter (50 per square foot).

(iii) The presence of one or more species of nectar plants required by adult Mount Charleston blue butterflies for reproduction, feeding, and growth. Common nectar plants include *Erigeron clokeyi, Hymenoxys lemmonii, Hymenoxys cooperi* and *Eriogonum umbellatum* var. *versicolor.* Densities of nectar plants must occur at a minimum of two per square meter for smaller plants such as *E. clokeyi* and as low as 0.1 per square meter (1 per square foot) for larger and taller plants such as *Hymenoxys* sp. and *E. umbellatum.* Nectar plants may occur up to 10 meters (33 feet) from larval host plants. Nectar plants typically occur within 10 meters (33 feet) of larval host plants and in combination provide nectar during the adult flight period between mid-July and early August. Additional nectar sources that could be present in combination with the common nectar plants include *Antennaria rosea, Cryptantha* sp., *Ericameria nauseosa* ssp., *Erigeron flagellaris* (Trailing daisy), *Guiterrezia sarothrae, Monardella odoratissima, Petradoria pumila* var. *pumila,* and *Potentilla concinna* var. *concinna.*

(3) Critical habitat does not include manmade structures (such as buildings, aqueducts, runways, roads, and other paved areas) and the land on which they are located existing within the legal boundaries on [*INSERT THE EFFECTIVE DATE OF THE FINAL RULE*].

(4) *Critical habitat map units.* Data layers defining map units were created on a base of BLM (Bureau of Land Management) PLSS (Public Land Survey System) quarter–quarter sections. Critical habitat units were then mapped using UTM (Universal Transverse Mercator) Zone 11 North, NAD 1983 (North American Datum) coordinates. The map in this entry, as modified by any accompanying regulatory text, establishes the boundaries of the units of the critical habitat designation. The coordinates or plot points or both on which the map is based are available to the public at the Service's internet site, (*http://www.fws.gov/nevada/nv_species/mcb_butterfly.html*), (*http://www.regulations.gov* at Docket No. FWS–R8–ES–2013–0105), and at the field office responsible for this rule. You may obtain field office location information by contacting one of the Service regional offices, the addresses of which are listed at 50 CFR 2.2.

(5) *Note:* Map follows:

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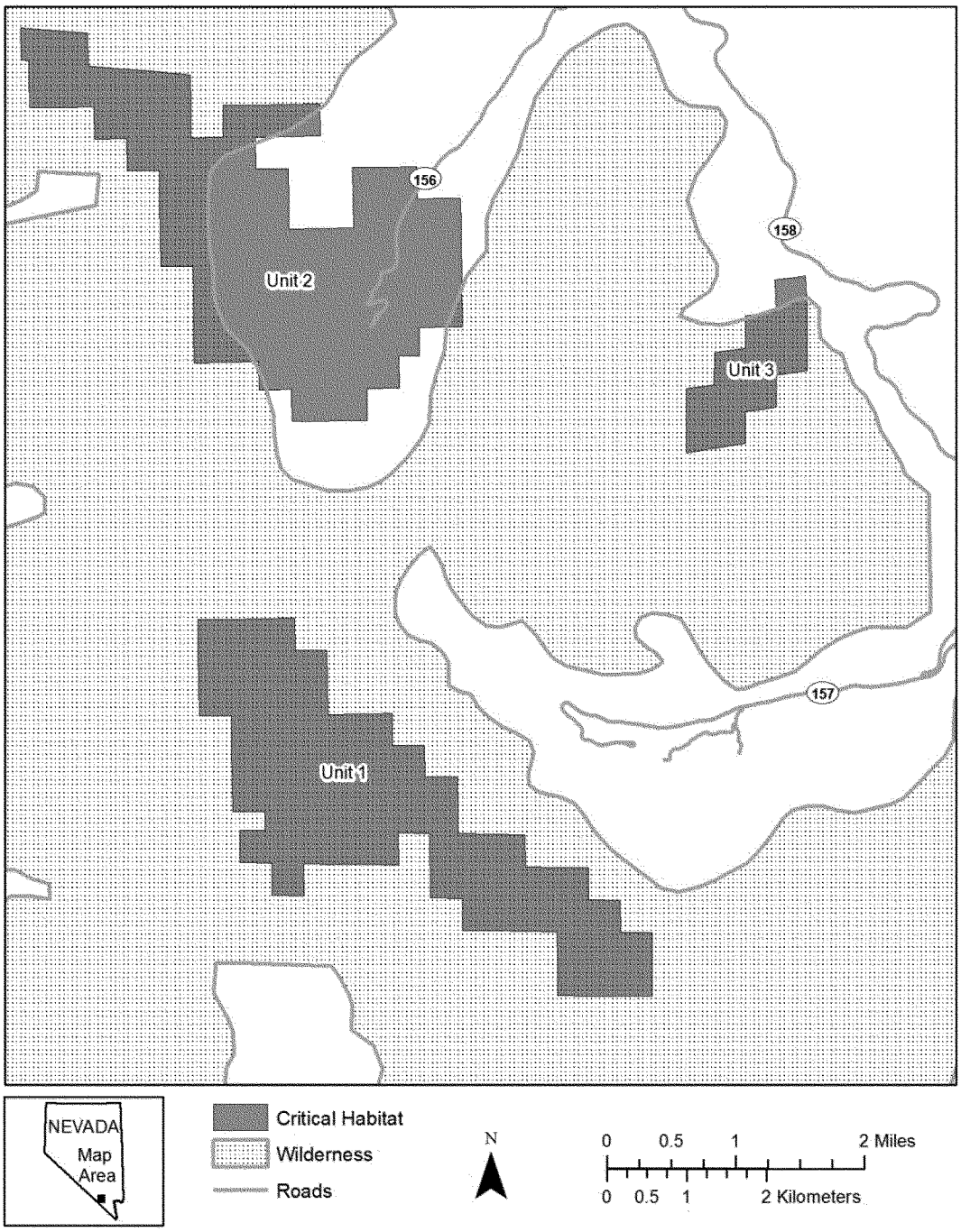
Critical Habitat for Mount Charleston Blue Butterfly (*Plebejus shasta charlestonensis*) Clark County, Nevada



* * * * *

Dated: July 1, 2014.

Michael J. Bean,

Acting Assistant Secretary for Fish and Wildlife and Parks.

[FR Doc. 2014–16355 Filed 7–14–14; 8:45 am]

BILLING CODE 4310–55–C

Notices

Federal Register

Vol. 79, No. 135

Tuesday, July 15, 2014

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection Service

[Docket No. APHIS–2014–0045]

Notice of Request for Revision to and Extension of Approval of an Information Collection; Importation of Tomatoes From Spain, Chile, France, Morocco, and Western Sahara

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Revision to and extension of approval of an information collection; comment request.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, this notice announces the Animal and Plant Health Inspection Service's intention to request a revision to and extension of approval of an information collection associated with the regulations for the importation of tomatoes from Spain, Chile, France, Morocco, and Western Sahara.

DATES: We will consider all comments that we receive on or before September 15, 2014.

ADDRESSES: You may submit comments by either of the following methods:

- *Federal eRulemaking Portal:* Go to *http://www.regulations.gov/#!docket Detail;D=APHIS-2014-0045.*
- *Postal Mail/Commercial Delivery:* Send your comment to Docket No. APHIS–2014–0045, Regulatory Analysis and Development, PPD, APHIS, Station 3A–03.8, 4700 River Road Unit 118, Riverdale, MD 20737–1238.

Supporting documents and any comments we receive on this docket may be viewed at *http://www.regulations.gov/#!docketDetail;D=APHIS-2014-0045* or in our reading room, which is located in room 1141 of the USDA South Building, 14th Street and Independence Avenue SW., Washington, DC. Normal reading room hours are 8 a.m. to 4:30 p.m., Monday through Friday, except holidays. To be sure someone is there to help you, please call (202) 799–7039 before coming.

FOR FURTHER INFORMATION CONTACT: For information on the regulations for the importation of tomatoes from Spain, Chile, France, Morocco, and Western Sahara, contact Dr. Jo-Ann Bentz-Blanco, Trade Director, PIM, PPQ, APHIS, 4700 River Road Unit 140, Riverdale, MD 20737; (301) 851–2091. For copies of more detailed information on the information collection, contact Mrs. Celeste Sickles, APHIS' Information Collection Coordinator, at (301) 851–2908.

SUPPLEMENTARY INFORMATION:

Title: Importation of Tomatoes From Spain, Chile, France, Morocco, and Western Sahara.

OMB Control Number: 0579–0131.

Type of Request: Revision to and extension of approval of an information collection.

Abstract: Under the Plant Protection Act (PPA, 7 U.S.C. 7701 *et seq.*), the Secretary of Agriculture is authorized to prohibit or restrict the importation, entry, or interstate movement of plants, plant products, and other articles to prevent the introduction of plant pests into the United States or their dissemination within the United States. As authorized by the PPA, the Animal and Plant Health Inspection Service (APHIS) regulates the importation of certain fruits and vegetables in accordance with the regulations contained in ''Subpart–Fruits and Vegetables'' (7 CFR 319.56 through 319.56–68).

The regulations in § 319.56–28 allow tomatoes from specified areas of Spain, Chile, France, Morocco, and Western Sahara to be imported into the United States subject to certain conditions designed to protect the tomatoes from infestation by Mediterranean fruit fly (Medfly). Allowing tomatoes to be imported necessitates the use of certain information collection activities, including phytosanitary certificates and maintaining records regarding trap placement and Medfly captures.

The information collection activities of phytosanitary certificates and maintenance of the specified records were approved by the Office of Management and Budget (OMB) under control number 0579–0131. However, when we reviewed the regulations, we discovered that a trust fund agreement, quality control program, box markings, and the registration of production sites, greenhouses, and treatment facilities were not included in the previous approval. In addition, for the estimated annual number of respondents indicated in our previous approval, we counted 34 national plant protection organizations (NPPOs), but the number of respondents should have been 10. There are only four NPPOs, one for each country, and also, in the previous approval, we did not count the businesses. Based on these adjustments, the estimated annual number of responses per respondent has increased from 72.88 to 246.3; however, the estimated total annual burden on respondents has decreased from 1,704 hours to 1,350 hours.

We are asking OMB to approve our use of these information collection activities, as described, for an additional 3 years.

The purpose of this notice is to solicit comments from the public (as well as affected agencies) concerning our information collection. These comments will help us:

(1) Evaluate 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) Evaluate the accuracy of our estimate of the burden of the 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, through use, as appropriate, of automated, electronic, mechanical, and other collection technologies; e.g., permitting electronic submission of responses.

Estimate of burden: The public reporting burden for this collection of information is estimated to average 0.5481 hours per response.

Respondents: Importers, shippers, and NPPOs of the exporting countries.

Estimated annual number of respondents: 10.

Estimated annual number of responses per respondent: 246.3.

Estimated annual number of responses: 2,463.

Estimated total annual burden on respondents: 1,350 hours. (Due to

averaging, the total annual burden hours may not equal the product of the annual number of responses multiplied by the reporting burden per response.)

All responses to this notice will be summarized and included in the request for OMB approval. All comments will also become a matter of public record.

Done in Washington, DC, this 9th day of July 2014.

Kevin Shea,

Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 2014–16531 Filed 7–14–14; 8:45 am]

BILLING CODE 3410–34–P

DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation

Farm Service Agency

Notice of Availability of Draft Supplemental Programmatic Environmental Impact Statement for the Conservation Reserve Program

AGENCY: Commodity Credit Corporation and Farm Service Agency, USDA.

ACTION: Notice of availability; request for comments.

SUMMARY: This notice announces that the Farm Service Agency (FSA), on behalf of the Commodity Credit Corporation (CCC), completed a Draft Supplemental Programmatic Environmental Impact Statement (Draft SPEIS) to examine the potential environmental consequences associated with implementing changes to the Conservation Reserve Program (CRP) specified in the Agricultural Act of 2014 (the 2014 Farm Bill), and assist in developing new regulations. FSA is requesting comments on the Draft SPEIS.

DATES: We will consider comments that we receive by September 8, 2014.

ADDRESSES: We invite you to submit comments on the Draft SPEIS. In your comments, include the volume, date, and page number of this issue of the **Federal Register**. You may submit comments by any of the following methods:

- Federal eRulemaking Portal: Go to *http://www.regulations.gov*. Follow online instructions for submitting comments.
- Email: *CRPComments@cardnotec.com.*
- Online: Go to the Web site at *http://crpspeis.com.* Follow online instructions for submitting comments.
- Fax: (757) 594–1469.
- Mail, hand delivery, or courier: CRP SPEIS, C/O CardnoTEC, Inc., 11817 Canon Blvd., Suite 300, Newport News, VA 23606.

A copy of the Draft SPEIS is available through the FSA homepage at *http://www.fsa.usda.gov/FSA/webapp?area=home&subject=ecrc&topic=nep-cd* or at *http://crpspeis.com.*

FOR FURTHER INFORMATION CONTACT: Nell Fuller, (202) 720–6303. Persons with disabilities who require alternative means for communication (Braille, large print, audio tape, etc.) should contact the USDA Target Center at (202) 720–2600 (voice).

SUPPLEMENTARY INFORMATION: The National Environmental Policy Act (NEPA) provides a means for the public to comment on alternatives and environmental concerns for Federal programs or actions. The CRP Draft SPEIS was completed as required by NEPA (42 U.S.C. 4321–4347), the Council on Environmental Quality (CEQ) Regulations for Implementing the Procedural Provisions of NEPA (40 CFR parts 1500–1508), and FSA's NEPA regulations (7 CFR part 799). FSA provided notice of its intent (NOI) to prepare the CRP SPEIS in the **Federal Register** on November 29, 2013 (78 FR 71561–71562), and solicited public comment on the preliminary alternatives for analyzing changes to CRP from the 2014 Farm Bill. FSA considered input from those comments to develop the alternatives analyzed in the Draft SPEIS. We received a total of 8 comments from private organizations, members of the concerned public, and Federal, State, and local government agencies. The comments involved 55 individual issues covering a range of topics including proposed 2014 Farm Bill changes, CRP maximum enrollment and acreages, regional differences in haying and grazing impacts, claims of a lack of thorough environmental and socioeconomic impact analysis in previous NEPA documentation, and CRP funding policy. All substantive comments received that were within the defined scope of the SPEIS were incorporated.

As specified in the 2014 Farm Bill, FSA plans to consolidate a number of conservation programs to simplify the programs, reduce overlapping goals, and reduce overall budgets. Many of the changes to CRP from the 2014 Farm Bill are administrative in nature, would not result in major changes to the current administration of CRP, or have been addressed in previous NEPA documentation concerning CRP. Such changes do not require further analysis in the SPEIS.

Those changes, and the justification for eliminating them from analysis, include the following, each of which is discussed below:

- Maximum enrollment authority;
- Farmable Wetland Program enrollment changes;
- Tree thinning payments;
- Early termination of contracts;
- Managed harvesting and routine grazing payment reduction;
- Transition option funding;
- Emergency haying and grazing payment reduction; and
- Prescribed grazing frequency.

Maximum Enrollment Authority

The maximum enrollment authority will be gradually reduced to no more than 24 million acres by 2018, as required by the 2014 Farm Bill. The ''2010 Conservation Reserve Program Supplemental Environmental Impact Statement'' (referred to as the 2010 CRP SEIS) analyzed an alternative to reduce the enrollment authority to no more than 24 million acres; therefore, that analysis is incorporated by reference.

Farmable Wetland Program Enrollment Changes

The change in the 2014 Farm Bill to reduce the maximum enrollment authority to 750,000 acres nationally (from 1 million) would still allow for approximately 410,000 acres of farmable wetlands to be enrolled in the Farmable Wetland Program. The mandated reduction in enrollment is not required to be analyzed since there is no discretion for any other level. Additionally, the mandatory reduction is not expected to affect actual enrollment, as historically enrollment has been well below the cap.

Tree Thinning Payments

The payment authority for tree thinning activities was reduced to $10 million and incentive payments are allowed. The 2014 Farm Bill change allows FSA to incentivize owners and operators to conduct practices and use management tools that would promote forest management, enhance the overall health of tree stands, improve the condition of resources, or provide valuable habitat for wildlife. Less than $50,000 in payments have been provided for tree thinning activities since the Food, Conservation, and Energy Act of 2008 (Pub. L. 110–246, commonly referred to as the 2008 Farm Bill). The reduction in funding available for tree thinning activities would not represent a real change in current use of the funds and does not require further analysis.

Early Termination of Contracts

As provided in the 2014 Farm Bill, the early termination provision of CRP

that previously applied only to contracts entered into before January 1, 1995, will be modified to apply, only during fiscal year 2015, to allow CRP participants to elect early termination of certain CRP contracts, provided the contract has been in place for at least 5 years. The 2014 Farm Bill mandates providing an opportunity for the early termination of CRP contracts, if certain criteria are met; FSA does not have any discretion whether to implement that change. Therefore, this change does not require further NEPA analysis. FSA estimates that approximately 3 million acres would be eligible for early termination under this provision.

Managed Harvesting and Routine Grazing Payment Reduction

As required by the 2014 Farm Bill, there will be a reduction in the annual rental payment of at least 25 percent for managed harvesting or routine grazing. This change clarifies the existing administrative procedure related to these practices. A reduction of 25 percent in the annual rental payment was analyzed in the 2010 CRP SEIS; that analysis is incorporated by reference. Therefore, these changes do not require further analysis in the SPEIS.

Transition Option Funding

As specified in the 2014 Farm Bill, the funding authority to encourage the transfer of land from a retiring farmer or rancher to a beginning farmer or rancher, or a socially disadvantaged farmer or rancher, would be increased to $33 million and would expand the eligibility to include certain farmers or ranchers who are military veterans. This is a non-discretionary, administrative change and does not require further analysis in the SPEIS.

Emergency Haying and Grazing Payment Reduction

As specified in the 2014 Farm Bill, harvesting, grazing, or other commercial use of the forage in response to a drought, flooding, or other emergency is authorized without any reduction in the rental rate. The socioeconomic effects of emergency haying and grazing on the local and regional communities where these activities could occur has been previously analyzed in the 2010 CRP SEIS and the ''2012 Environmental Assessment for Emergency Drought Response on Conservation Reserve Program Lands''; those analyses are incorporated by reference. Accordingly, this non-discretionary change does not require further analysis.

Prescribed Grazing Frequency

FSA allows annual prescribed grazing for control of invasive plants. The 2010 CRP SEIS analyzed the impacts of prescribed grazing in compliance with a grazing plan, which is part of the Conservation Plan that includes frequency, timing, stocking rates, and type of grazing animal; that analysis is incorporated by reference. The 2014 Farm Bill provides clarification that such grazing can occur as determined in consultation with the State Technical Committee; this change does not require further analysis.

Alternatives

Many elements of the 2014 Farm Bill are mandatory and therefore, non-discretionary or specifically required to be implemented. As FSA has no decision-making authority over those non-discretionary provisions of the 2014 Farm Bill, they are specified and assessed in the Draft SPEIS as part of the No Action Alternative.

Other provisions in the 2014 Farm Bill provide overall guidance for CRP, but FSA has some discretion in how to implement those provisions. These discretionary aspects of the 2014 Farm Bill form the Proposed Action. In addition, FSA proposes to implement additional discretionary measures for targeting enrollment of environmentally sensitive lands and to expand the flexibility of emergency haying and grazing in drought-designated areas to provide necessary support to producers and ranchers during difficult times.

The Draft SPEIS assesses the following two alternatives: The No Action Alternative and the Proposed Action Alternative.

No Action Alternative

The No Action Alternative includes the following, each of which is discussed below:

- Grasslands eligibility and authorized activities; and
- Final year of contract.

Grasslands Eligibility and Authorized Activities

The 2014 Farm Bill makes grasslands, which would have been previously eligible for the Grassland Reserve Program (GRP), eligible for enrollment in CRP. The eligibility of grasslands and authorized activities are the same as those previously defined for GRP. Grasslands enrollment would be limited to no more than 2 million acres at any given time and would count against the total CRP maximum enrollment authority. Enrollment would occur through Continuous Sign-up. Grasslands would be enrolled in 10- or 15-year contracts like other CRP acreage. Authorized activities on grasslands would differ from other CRP lands and include:

- Common grazing practices;
- Haying, mowing, or harvesting for seed production;
- Fire suppression, fire-related rehabilitation, and construction of fire breaks; and
- Grazing-related activities, such as fencing and livestock watering.

Final Year of Contract and Enrollment in New Program

FSA allows a CRP participant to enroll expiring CRP land into the Conservation Stewardship Program during the year prior to the expiration of the CRP contract. FSA encourages agricultural and forestry producers to address resource concerns by undertaking additional conservation activities and improving and maintaining existing conservation systems. FSA pays participants for conservation performance—the higher the performance, the higher the payment. Land is enrolled in 5-year contracts through Continuous Sign-up. Furthermore, a stipulation in the 2014 Farm Bill would allow CRP land to be enrolled in a new program, the Agricultural Conservation Easement Program, without violation of the CRP contract. In general, the Agricultural Conservation Easement Program combines the purposes of the Wetlands Reserve Program, the GRP, and the Farm and Ranchlands Protection Program by enrolling land in long-term or permanent easements.

Proposed Action Alternative

Some elements of the 2014 Farm Bill provide overall guidance but details of implementation are left to FSA's discretion. These discretionary aspects of the 2014 Farm Bill form the Proposed Action alternative. In addition to the 2014 Farm Bill mandatory provisions, FSA proposes to implement additional discretionary measures for targeting enrollment of environmentally sensitive lands and to expand the flexibility of emergency haying and grazing in drought designated areas. The components of the Proposed Action alterative include the following, each of which is discussed below:

- Targeted enrollment;
- Managed harvesting and routine grazing frequencies; and
- Emergency haying and grazing on additional conservation practices.

Targeted Enrollment

Under the Proposed Action, in addition to the long-standing General

and Continuous Sign-up enrollment methods, FSA proposes to target enrollment of environmentally sensitive land through a reverse auction approach for select conservation practices. Targeted enrollment could enable FSA to meet the reduced CRP enrollment cap while preserving the ability to enroll land that would provide the greatest environmental benefit. This approach would be similar to Continuous Sign-up, but with an annual enrollment period, sign-up, and offer selection.

Managed Harvesting and Routine Grazing Frequencies

As specified in the 2014 Farm Bill, FSA continues to allow for managed harvesting (hay or biomass) and routine grazing of CRP acres provided these activities are included in the Conservation Plan and are consistent with the conservation of soil, water quality, and wildlife habitat. Harvesting and grazing activities must still avoid the Primary Nesting Season. The State Technical Committee must develop appropriate vegetation management requirements and identify periods during which the activities could occur such that the frequency is:

- At least once every 5 years, but no more frequent than once every 3 years for managed harvesting; and
- Not more frequent than once every 2 years for routine grazing.

Emergency Haying and Grazing on Additional Conservation Practices

- The Proposed Action includes making additional conservation practices that are currently ineligible for any type of haying or grazing eligible for emergency haying and grazing to provide support to livestock producers during widespread drought conditions. Allowing haying and grazing on the proposed conservation practices in drought-designated areas would require concurrence and approval by certain State or federal agencies.

Public Involvement

The Draft SPEIS provides a means for the public and any interested parties to provide comments about the CRP changes analyzed in the Draft SPEIS. The Draft SPEIS can be reviewed online at: *http://www.fsa.usda.gov/FSA/webapp?area=home&subject=ecrc&topic=nep-cd* or at *http://crpspeis.com.*

FSA is having five public meetings to provide information and opportunities for discussing the changes to CRP specified by the 2014 Farm Bill and analyzed in the Draft SPEIS. The public meetings will feature an Open House format and interested parties are invited to attend the meeting at any time during the allotted timeframe. Posters and informational handouts as well as FSA representatives will be available for the duration of the meeting to answer questions concerning the Draft CRP SPEIS. The meetings are also an opportunity for interested parties to officially provide comments on the Draft CRP SPEIS. The meetings will be held at the following locations:

Date	Time	Location information
July 21, 2014	6:00 p.m.–8:00 p.m.	Hilton Garden Inn, Spokane Airport, 9015 West SR Highway 2, Spokane, Washington, 99224.
July 22, 2014	6:00 p.m.–8:00 p.m.	Holiday Inn, Great Falls, 1100 5th Street, South Falls, Montana, 59405.
August 4, 2014	6:00 p.m.–8:00 p.m	Plains Cotton Cooperative Association, 3301 East 50th Street, Lubbock, Texas, 79404.
August 5, 2014	6:00 p.m.–8:00 p.m	Stillwater Library, 1107 S Duck Street, Stillwater, Oklahoma, 74074.
August 6, 2014	6:00 p.m.–8:00 p.m	Courtyard By Marriott and Moorhead Area, Conference Center, 1080 28th Avenue, South, Moorhead, Minnesota, 56560.

Signed on July 11, 2014.

Juan M. Garcia,

Administrator, Farm Service Agency, and Executive Vice President, Commodity Credit Corporation.

[FR Doc. 2014–16711 Filed 7–14–14; 8:45 am]

BILLING CODE 3410–05–P

DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

Agency Information Collection Activities: Proposed Collection; Comment Request—Supplemental Nutrition Assistance Program (SNAP) Employment and Training Study

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

ACTION: Notice.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, this notice invites the general public and other public agencies to comment on the proposed information collection. This is a new collection for the Supplemental Nutrition Assistance Program (SNAP) Employment and Training (E&T) Study.

ADDRESSES: Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of Agency functions, including whether the information shall have practical utility; (b) the accuracy of the Agency's estimated burden of the proposed information collection, including the validity of the methodology and assumptions that were used; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the information collection on respondents, including use of appropriate automated, electronic, mechanical, or other technological methods of data collection.

Written comments may be sent to: Richard Lucas, Office of Policy Support, Food and Nutrition Service, USDA, 3101 Park Center Drive, Room 1014, Alexandria, VA 22302. Comments may also be submitted via fax to the attention of Richard Lucas at 703–305–2576 or via email to *Richard.Lucas@fns.usda.gov*.

Comments will also be accepted through the Federal eRulemaking Portal. Go to *http://www.regulations.gov*, and follow the online instructions for submitting comments electronically.

DATES: Written comments must be received on or before September 15, 2014.

FOR FURTHER INFORMATION CONTACT: To request more information on the proposed project or to obtain a copy of the data collection plans, contact Richard Lucas, Office of Policy Support, Food and Nutrition Service, USDA, 3101 Park Center Drive, Room 1014, Alexandria, VA 22302. Comments may also be submitted via fax to the attention of Richard Lucas at 703–305–2576 or via email to *Richard.Lucas@fns.usda.gov*.

SUPPLEMENTARY INFORMATION:

Title: Supplemental Nutrition Assistance Program (SNAP) Employment and Training Study

Form Number: N/A.

OMB Number: 0584–NEW.

Expiration Date: Not yet determined.

Type of Request: New collection.

Abstract: The Supplemental Nutrition Assistance Program (SNAP) serves as a safety net for families who are having difficulty obtaining adequate nutrition. The U.S. Department of Agriculture's Food and Nutrition Service (FNS), which administers SNAP, also administers the SNAP Employment and Training (E&T) Program to assist members of households participating in SNAP in gaining skills, training or experience to ''increase their ability to obtain regular employment'' (Food Security Act of 1985). Congress established the SNAP Employment and Training program through the Food Security Act of 1985.

Of the 47 million people who received SNAP benefits in fiscal year 2013, 13.3 million were designated as work registrants (they were not federally exempt from SNAP work requirements and subject to mandatory participation in an E&T program [1]), and about 629,000 people actually participated in an E&T program.

It has been 20 years since FNS sought information about the characteristics of work registrants, E&T participants, and the providers that serve them. This nationally representative study will identify the characteristics of registrants and participants, the challenges they face and the E&T services available to SNAP participants. The information generated will help FNS understand how these programs serve clients, what participants need to develop their skills, and whether current programs meet clients' needs.

This study has three objectives: (1) To provide FNS with a detailed description of the characteristics of SNAP work registrants and SNAP E&T participants; (2) to describe the needs and challenges faced by registrants and participants in finding and retaining employment in the changing economy; and (3) to describe the characteristics of the E&T service providers and the types of services available to participants. To meet these objectives, data will be collected from two sources:

• *Surveys.* A nationally representative sample of SNAP work registrants and E&T participants, along with a sample of E&T providers, will be surveyed for the study. Twenty-five states were randomly sampled using a stratified probability proportional to size (or PPS) sampling design for national representativeness.

Data on the number of work registrants and E&T participants by state as of fiscal year 2013 were used to create a composite size measure for sampling (measure of size). States with a measure of size large enough to be included in the sample of 25 states with probability of one were called ''certainty states'' and were automatically included in the sample. The remaining states were selected based on their measure of size and type of work activities offered by the E&T programs.

A total of 3,000 survey interviews (1,500 work registrants and 1,500 E&T participants) are planned from across the 25 states. A target number of interviews will be assigned to each state based on the state's share of the work registrant and E&T participant populations. Sampled individuals will be surveyed by telephone or online about their experiences in SNAP and the E&T program. SNAP work registrants and E&T participants will receive an advance letter about the survey instructing them to take the survey online or to call to complete the survey by phone. The survey will take 20 minutes to complete. Follow-up letters throughout the 10-week survey period will be sent to people who have not responded, including a ''time is running out'' letter with a $5 pre-incentive in week seven. Respondents will receive a $40 incentive if they complete the interview online or initiate and complete the interview by phone. They will receive a $20 incentive if the evaluator initiates the call and the respondent completes the interview by phone.

For the SNAP E&T provider survey, providers will be randomly sampled from across the 25 states after the E&T participant sample is selected. The providers will be limited to those serving the areas in which the SNAP E&T sample resides. The provider survey will describe the characteristics of providers and the services they offer, as well as the types of skills E&T participants have and how those skills match the skills needed by employers in the area. The provider survey will be conducted online and will take about 15 minutes to complete.

Providers will be able to complete the survey by telephone, if necessary, and will not be offered an incentive.

• *Focus groups.* Fifteen focus groups with about 8 SNAP E&T participants each (a total of 120 participants) will be conducted in five states. The focus group locations will be selected to represent variation in geography and type of program. Participants in the focus groups will be selected using administrative data and will represent a broad range of demographic characteristics. The focus group discussions, which will last about 90 minutes, will delve into detail about participants' experiences with SNAP E&T, and will provide a better understanding of participants' skill sets, training needs and barriers to education, training and employment. All participants will receive a $25 stipend for participation and transportation.

Tailored instruments with simple and respondent-friendly language will be used for the survey and focus groups. Responses to all questions will be voluntary. The contractor will follow two rules to ensure that respondent data are treated confidentially: (1) No data will be released in a form that identifies individual respondents by name, and (2) information collected through interviews will be combined across other respondents in the same category and reported only in aggregate form. Respondents will be notified of these confidentiality rules during data collection. All data will be recorded on a password-protected laptop. At the end of each session, the recordings will be sent to a data transcription service via a secure file transfer protocol (FTP) site. All recordings and transcripts will be stored on a 256-bit encrypted secure server and available only to those with a valid user identification and password.

Other data collections will include the use of state administrative data to examine characteristics of work registrants and E&T participants. This data will also be used to create the sampling frames for the surveys and focus groups.

Affected Public:

Members of the public affected by the data collection include individuals and households. Respondent groups identified include (1) SNAP work registrants, (2) SNAP E&T participants, and (3) SNAP E&T providers.

Estimated Number of Respondents:

The study will include 5,206 people across 25 states (see table below). Of those, an estimated 1,586 will likely refuse to respond, will be ineligible or will not show up for a focus group. An estimated 3,620 people will participate in the study or focus groups (1,500 work registrants; 1,620 E&T participants (1,500 for the survey and 120 for the focus groups); and 500 E&T providers).

Estimated Number of Responses per Respondent:

Each respondent in the work registrant survey, E&T participant survey, provider survey and focus group will provide one response.

Estimated Time per Response:

[1] Federally exempt individuals include those who are younger than 16 or older than 59, disabled, working 30 hours a week or taking part in another work program, receiving unemployment, caring for an incapacitated adult or a child under age 6, in a drug or alcohol treatment program, or enrolled at least half time in school.

For the work registrant and participant surveys, the burden estimate for each respondent is 0.42 hours (25 minutes), including time to read the advance letter and complete the survey. For survey nonrespondents, the burden estimate is 0.08 hours (5 minutes), including time to read the advance letter and field a call regarding the survey. For the SNAP E&T provider survey, the burden estimate is 0.33 hours (20 minutes) for each respondent, including time to read the advance letter and complete the survey. For provider survey nonrespondents, the burden estimate is 0.08 hours (5 minutes), including time to read the advance letter and field a call regarding the survey. For all participants in the focus groups, the burden estimate is 1.67 hours (100 minutes). This includes eligibility screening, receiving a reminder call, reading a reminder letter and participating in the group. For all those who decline to participate in the focus groups, the burden estimate is 0.08 hours (5 minutes), including the time to be screened (see the table below).

Estimated Total Annual Burden on Respondents and Nonrespondents: SNAP work registrants, E&T participants, and providers will be interviewed or will participate in a focus group only once. Thus, the total hours for this effort is 1,748.9, including 625 hours for respondents to the SNAP work registrant survey and 39.5 hours for nonrespondents; 625 hours for the SNAP E&T participant survey and 39.5 hours for nonrespondents; 166.7 hours for respondents to the SNAP E&T provider survey and 13.2 hours for nonrespondents; and 200 hours for the focus group participants and 40 hours for the nonparticipants. The number of survey nonrespondents is based on the assumption that the sample will contain 1,974 people for each group (work registrants and E&T participants) and 658 providers, of which 95 percent will be eligible for the survey, and 80 percent of those will complete the survey. The burden for E&T participants in the focus groups is estimated at 200 hours; for people who elect not to participate in the focus groups (nonparticipants), the estimated total burden is 40 hours.

The number of nonparticipants is based on the assumption that to have 120 people attend the focus groups, 300 people need to be recruited. To recruit 300 people, twice as many, or 600, will need to be contacted initially (five-to-one ratio).

Affected public	Respondent type	Estimated number of respondents	Responses annually per respondent	Total annual responses	Estimated average number of hours per response	Estimated total hours
Individuals & households.	SNAP work registrants survey respondents [a].	1,500	1	1,500	0.42 (25 minutes)	625.0
	SNAP work registrant survey non-responders [a].	474	1	474	0.08 (5 minutes)	39.5
	SNAP E&T participant survey respondents [a].	1,500	1	1,500	0.42 (25 minutes)	625.0
	SNAP E&T participant survey non-responders [a].	474	1	474	0.08 (5 minutes)	39.5
	SNAP E&T provider survey respondents [a].	500	1	500	0.33 (20 minutes)	166.7
	SNAP E&T provider survey nonresponders [a].	158	1	158	0.08 (5 minutes)	13.2
	SNAP E&T focus group participants [b].	120	1	120	1.67 (100 minutes)	200.0
	SNAP E&T focus group nonparticipants [c].	480	1	480	0.08 (5 minutes)	40.0
Total	.....	5,206	.....	5,206	.....	1,748.9

[a] An advance letter will be sent before contacting the individual for an interview.
[b] Focus group participants will take part in a brief screening call or interview, participate in the focus group, and receive a reminder call and letter before the focus group.
[c] Focus group nonparticipants include individuals who refuse to participate, are ineligible, or do not show up for the focus group. These individuals will participate in a brief screening call or interview.

Dated: July 8, 2014.

Audrey Rowe,

FNS Administrator, Food and Nutrition Service.

[FR Doc. 2014–16586 Filed 7–14–14; 8:45 am]

BILLING CODE 3410–30–P

DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

Food Distribution Program: Value of Donated Foods From July 1, 2014 Through June 30, 2015

AGENCY: Food and Nutrition Service, USDA.

ACTION: Notice.

SUMMARY: This notice announces the national average value of donated foods or, where applicable, cash in lieu of donated foods, to be provided in school year 2015 (July 1, 2014 through June 30, 2015) for each lunch served by schools participating in the National School Lunch Program (NSLP), and for each lunch and supper served by institutions participating in the Child and Adult Care Food Program (CACFP).

DATES: *Effective Date:* July 1, 2014.

FOR FURTHER INFORMATION CONTACT: Carolyn Smalkowski, Program Analyst, Policy Branch, Food Distribution Division, Food and Nutrition Service, U.S. Department of Agriculture, 3101 Park Center Drive, Alexandria, Virginia 22302–1594, or telephone (703) 305–2662.

SUPPLEMENTARY INFORMATION: These programs are listed in the Catalog of Federal Domestic Assistance under Nos. 10.555 and 10.558 and are subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with State and local officials. (See 7 CFR part 3015, subpart V, and final rule related notice published at 48 FR 29114, June 24, 1983.)

This notice imposes no new reporting or recordkeeping provisions that are subject to Office of Management and Budget review in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507). This action is not a rule as defined by the Regulatory Flexibility Act (5 U.S.C. 601–612) and thus is exempt from the provisions of that Act. This notice was reviewed by the Office of Management and Budget under Executive Order 12866.

National Average Minimum Value of Donated Foods for the Period July 1, 2014 Through June 30, 2015

This notice implements mandatory provisions of sections 6(c) and 17(h)(1)(B) of the Richard B. Russell National School Lunch Act (the Act) (42 U.S.C. 1755(c) and 1766(h)(1)(B)). Section 6(c)(1)(A) of the Act establishes the national average value of donated food assistance to be given to States for each lunch served in the NSLP at 11.00 cents per meal. Pursuant to section 6(c)(1)(B), this amount is subject to annual adjustments on July 1 of each year to reflect changes in a three-month average value of the Price Index for Foods Used in Schools and Institutions for March, April, and May each year (Price Index). Section 17(h)(1)(B) of the Act provides that the same value of donated foods (or cash in lieu of donated foods) for school lunches shall also be established for lunches and suppers served in the CACFP. Notice is hereby given that the national average minimum value of donated foods, or cash in lieu thereof, per lunch under the NSLP (7 CFR part 210) and per lunch and supper under the CACFP (7 CFR part 226) shall be 24.75 cents for the period July 1, 2014 through June 30, 2015.

The Price Index is computed using five major food components in the Bureau of Labor Statistics Producer Price Index (cereal and bakery products; meats, poultry and fish; dairy; processed fruits and vegetables; and fats and oils). Each component is weighted using the relative weight as determined by the Bureau of Labor Statistics. The value of food assistance is adjusted each July 1 by the annual percentage change in a three-month average value of the Price Index for March, April, and May each year. The three-month average of the Price Index increased by 6.1 percent from 204.88 for March, April, and May of 2013, as previously published in the **Federal Register**, to 217.35 for the same three months in 2014. When computed on the basis of unrounded data and rounded to the nearest one-quarter cent, the resulting national average for the period July 1, 2014 through June 30, 2015 will be 24.75 cents per meal. This is an increase of one and one half cents from the school year 2014 (July 1, 2013 through June 30, 2014) rate.

Authority: Sections 6(c)(1)(A) and (B), 6(e)(1), and 17(h)(1)(B) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1755(c)(1)(A) and (B) and (e)(1), and 1766(h)(1)(B)).

Dated: July 9, 2014.

Audrey Rowe,

Administrator, Food and Nutrition Service.

[FR Doc. 2014–16550 Filed 7–14–14; 8:45 am]

BILLING CODE 3410–30–P

DEPARTMENT OF AGRICULTURE

Forest Service

Nez Perce-Clearwater National Forest; Idaho; Forest Plan Revision for the Nez Perce-Clearwater National Forests

AGENCY: Forest Service, USDA.

ACTION: Notice of intent to prepare an environmental impact statement.

SUMMARY: As directed by the National Forest Management Act, the USDA Forest Service is preparing the Nez Perce-Clearwater National Forests' revised land management plan (forest plan), which requires preparation of an environmental impact statement (EIS). This notice briefly describes the nature of the decision to be made, the proposed action, and information concerning public participation. It also provides estimated dates for filing the EIS, the name and address of the responsible agency official, and the individuals who can provide additional information. Finally, this notice identifies the applicable planning rule that will be used for completing this plan revision. The revised forest plan will supersede the existing forest plans that were approved by the Regional Forester in 1987. The existing forest plans will remain in effect until the revised forest plan takes effect.

As a result of this notice we are asking for comments on the proposed action and the list of potential species of conservation concern. The full text of the proposed action, large-scale color maps, information on public meetings, and the list of potential species of conservation concern can be found at *http://www.fs.usda.gov/detail/nezperceclearwater/landmanagement/planning/?cid=stelprdb5447338.* Information gathered during this scoping period, as well as other information, will be used to prepare the draft plan and the draft EIS.

DATES: Comments concerning the proposed action provided in this notice will be most useful in the development of the draft revised forest plan and EIS if received by September 15, 2014. The agency expects to release a draft revised forest plan and draft EIS for formal comment by June, 2015 and a final EIS and draft record of decision by June, 2016.

ADDRESSES: Comments may be sent via email to *fpr_npclw@fs.fed.us,* or via facsimile to 208–935–4275. Send or deliver written comments to Nez Perce-Clearwater National Forest Supervisor's Office, Attn: Forest Plan Revision, 903 3rd Street, Kamiah, ID 83536.

FOR FURTHER INFORMATION CONTACT: Timory Peel, Forest Planner, Nez Perce-Clearwater National Forests, 903 3rd Street, Kamiah, ID 83536, 208–983–2513 or at *fpr_npclw@fs.fed.us.* Information regarding this revision is also available on the Forest's Web site at: *http://www.fs.usda.gov/detail/nezperceclearwater/landmanagement/planning/?cid=stelprdb5447338.*

Individuals who use telecommunication devices for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1–800–877–8339 between 8 a.m. and 8 p.m., Eastern Time, Monday through Friday.

SUPPLEMENTARY INFORMATION:

Responsible Official

The responsible official who will approve the Record of Decision is Rick Brazell, Forest Supervisor for the Nez Perce-Clearwater National Forests, 903 3rd Street, Kamiah, ID 83536.

Nature of Decision To Be Made

The Nez Perce-Clearwater National Forests (Forest) are preparing an EIS to revise the existing forest plans. The EIS process is meant to inform the Forest Supervisor so he can decide which alternative best maintains and restores National Forest System terrestrial and aquatic resources while providing ecosystem services and multiple uses, as required by the National Forest Management Act and the Multiple Use Sustained Yield Act. The revised forest plan will describe the strategic intent of managing the Forest for the next 10 to 15 years and will address the identified need to change the existing land management plans. The revised forest plan will provide management direction in the form of desired conditions, objectives, standards, guidelines, and suitability of lands. It will identify delineation of new management areas across the Forest, identify the timber sale program quantity, make recommendations to Congress for Wilderness designation, and list rivers and streams eligible for inclusion in the

National Wild and Scenic Rivers System. The revised forest plan will also provide a description of the plan area's distinctive roles and contributions within the broader landscape, identify watersheds that are a priority for maintenance or restoration, include a monitoring program, and contain information reflecting expected possible actions over the life of the plan.

It is also important to identify the types of decisions that will not be made within the revised forest plan. The revised forest plan will represent decisions that are strategic in nature, but will not make site-specific project decisions and will not dictate day-to-day administrative activities needed to carry on the Forest Service's internal operations. The revised forest plan will provide broad, strategic guidance designed to supplement, not replace, overarching laws and regulations. Though strategic guidance will be provided, no decisions will be made regarding the management of individual roads or trails, such as those might be associated with a Travel Management plan under 36 CFR Part 212. Some issues (e.g., hunting regulations), although important, are beyond the authority or control of the National Forest System and will not be considered. No decision regarding oil and gas leasing availability will be made, though standards will be brought forward or developed that would serve as mitigations should an availability decision be necessary in the future.

Purpose and Need for Action

In February 2013, a 5-year effort to consolidate leadership and programs across the Nez Perce and Clearwater National Forests culminated in a decision to combine the forests as a single administrative unit called the Nez Perce-Clearwater National Forests. Monitoring and evaluation of implementation of the two existing plans, the 2014 Nez Perce-Clearwater National Forests Assessment (2014 Assessment), and input from collaborative public outreach has identified new information that supports the preliminary need to revise the 27-year old forest plans.

Proposed Action

The proposed action is to revise the forest under the provisions of the 2012 planning regulations to provide the Forest consistent, adaptable management guidance in consideration of best available scientific information. This includes updating direction from the Inland Native Fish Strategy (INFISH) and PACFISH strategies with forest-specific aquatic conservation strategies, updating the Forest's lynx analysis unit boundaries per the 2007 Northern Rockies Lynx Management Direction and 2013 Lynx Conservation Strategy and Assessment information, and incorporating direction established in the Idaho Roadless Rule.

The proposed action is a detailed document that includes preliminary identification of forestwide and management area desired conditions, objectives, standards, guidelines, and the suitability of lands for specific multiple uses, including those lands suitable for timber production. The proposed action includes preliminary identification of the long-term sustained yield and planned sale quantity for the Forest. It includes a description of the plan area's distinctive roles and contributions within the broader landscape, and the preliminary identification of priority restoration watersheds and proposed and possible actions that may occur on the plan area over the life of the plan. The proposed action also identifies the need for development of additional required plan content such as the monitoring program. And because of high level of interest and diverse public views, the proposed action includes two preliminary options for areas to be recommended to Congress for inclusion in the Wilderness Preservation System. Comments regarding these two recommended wilderness options, as well as other significant issues raised during scoping of the proposed action, will be used to develop draft plan alternatives for analysis in the EIS.

Public Involvement

In the fall of 2012, the Forest co-hosted five community meetings with the County Commissioners in Orofino, Grangeville, Moscow, and Lewiston, ID, and Lolo, MT. These meetings were designed to inform the public of the Forest's efforts to initiate plan revision, gain input to the assessment, and begin the collaborative public process to develop a revised forest plan. Following the initial meetings, the Forests again partnered with the County Commissioners to host a 3-day Forest Plan Summit in Orofino, ID. The summit, designed and facilitated by the University of Idaho, provided a workshop environment to design and initiate the forest plan revision collaborative process. Subsequently, from November 2012 through May 2014, 11 full-day collaborative workshops were held to develop and refine the assessment while soliciting input on draft plan components across various resource areas. Five additional check-in meetings were held in February 2013 to provide the communities of Orofino, Grangeville, Moscow, and Lewiston, ID, and Lolo, MT an update on the revision process.

The plan revision collaborative process was designed to gather input from a broad range of interested participants including those who live in the small, remote communities ''imbedded'' within the Forest, as well as those interested participants residing in larger local, regional, and national communities and cities. The full-day, Forest Service staff facilitated workshops allowed resource working groups, comprised of locally based participants and regionally-based conference participants from the Missoula, MT and Boise, ID areas, to share local knowledge and information considering multiple interests and values. In addition, the Forest posted all documentation to the Web and provided e-collaboration tools such as an online mapping tool and a comment inbox to solicit information to share with all interested participants, including those not able or interested in participating in the full-day-workshops. Online discussion groups hosted on the Google Groups platform allowed participants to blog with each other regarding revision topics.

Youth engagement was initiated in January of 2014 through an agreement with the University of Idaho as a graduate student started outreaching to local school classrooms, community youth groups, and camp programs. The University hosts a youth-targeted social media site giving interested youth an opportunity to blog about their personal interests related to management of the Nez Perce-Clearwater National Forests.

Tribal outreach has been initiated through cooperative agreements for a Nez Perce Tribal liaison to participate in the collaborative workshops, to present preliminary Tribal concerns and desired conditions at the May 10, 2014 workshop, and to co-facilitate a Tribal technical staff and Forest Service resource staff interdisciplinary meeting. An invitation to initiate formal government to government tribal consultation was sent in early July of 2014.

An initial draft assessment was released to the public in September 2013 with an updated version released in June of 2014. Any comments related to the 2014 Assessment received following the publication of this Notice may be considered in describing the affected environment portion of the environmental impact statement.

Applicable Planning Rule

Preparation of the revised forest plan for the Nez Perce-Clearwater National Forests began with the publication of a Notice of Initiation in the **Federal Register** on July 11, 2013 [78 FR 41782] and was initiated under the planning procedures contained in the 2012 Forest Service planning rule (36 CFR 219 (2012)).

Permits or Licenses Required To Implement the Proposed Action

No permits or licenses are needed for the development or revision of a forest plan.

Scoping Process

This notice of intent initiates the scoping process, which guides the development of the environmental impact statement. Written comments received in response to this notice will be analyzed to further develop the revised forest plan and identify potential significant issues. Significant issues will, in turn, form the basis for developing alternatives to the proposed action. Community meetings are scheduled for the local communities of Orofino, ID (July 22), Grangeville, ID (July 24), Lewiston, ID (July 28), Moscow, ID (July 30), and Lolo, MT (August 4). Please see the Forest Web site for meeting times and specific locations (*http://www.fs.usda.gov/detail/nezperceclearwater/landmanagement/planning/?cid=stelprdb5447338*).

It is important that reviewers provide their comments at such times and in such a manner that they are useful to the agency's preparation of the environmental impact statement. Therefore, comments on the proposed action will be most valuable if received within 60 days of the publication of this notice, and should clearly articulate the reviewer's opinions and concerns.

Comments received in response to this notice, including the names and addresses of those who comment, will be part of the public record. Comments submitted anonymously will be accepted and considered, however, see the following description concerning the requirements for eligibility to file an objection.

Refer to the Forest's Web site (*http://www.fs.usda.gov/detail/nezperceclearwater/landmanagement/planning/?cid=stelprdb5447338*) for information on when public meetings will be scheduled for refining the proposed action and identifying possible alternatives to the proposed action.

Decision Will Be Subject to Objection

The decision to approve the revised forest plan for the Nez Perce-Clearwater National Forests will be subject to the objection process identified in 36 CFR Part 219 Subpart B (219.50 to 219.62). According to 36 CFR 219.53(a), those who may file an objection are individuals and entities who have submitted substantive formal comments related to plan revision during the opportunities provided for public comment during the planning process.

Documents Available for Review

The full proposed action text, describing preliminary desired conditions, objectives, standards, guidelines, and other plan content, the 2014 Assessment, summaries of the public meetings and public meeting materials, and public comments are posted on the Forest's Web site at: *http://www.fs.usda.gov/detail/nezperceclearwater/landmanagement/planning/?cid=stelprdb5447338.* As necessary or appropriate, the material available on this site will be further adjusted as part of the planning process using the provisions of the 2012 planning rule.

Dated: July 7, 2014.

Rick Brazell,

Forest Supervisor, Nez Perce-Clearwater National Forests.

[FR Doc. 2014–16534 Filed 7–14–14; 8:45 am]

BILLING CODE 3411–15–P

DEPARMENT OF AGRICULTURE

Grain Inspection, Packers and Stockyards Administration

Amendment to Certification of Idaho's Central Filing System

AGENCY: Grain Inspection, Packers and Stockyards Administration, USDA.

ACTION: Notice.

SUMMARY: In response to a request from the Secretary of State for the State of Idaho, the Grain Inspection, Packers and Stockyards Administration (GIPSA) has approved amendments to the State of Idaho's (Idaho) certified central filing system to permit Idaho to convert debtor social security and taxpayer identification numbers into approved unique identifiers. The proposed specific procedure whereby Idaho will automatically convert social security numbers and taxpayer identification numbers into ten-number unique identifiers has been reviewed and determined to permit the numerical searching of master lists while providing protection against identity theft.

DATES: *Effective Date:* July 15, 2014.

SUPPLEMENTARY INFORMATION: GIPSA administers the Clear Title program on behalf of the Secretary of Agriculture (Secretary). The Clear Title program is authorized by section 1324 of the Food Security Act of 1985, as amended (7 U.S.C. 1631), and requires that states implementing central filing system for notification of liens on farm products have such systems certified by the Secretary.

A listing of the states with certified central filing systems is available on the USDA/GIPSA Web site (*http://www.gipsa.usda.gov*). Farm products covered by a state's central filing system are also identified on the GIPSA Web site. States have the option to identify all farm products in a central filing system or specify only certain farm products. Idaho's central filing system covers specified farm products.

We originally certified the central filing system for Idaho on September 26, 1986. On May 26, 2010, Idaho requested its certification be amended to incorporate the use of an approved unique identifier other than a social security number, in accordance with the 2004 amendments to section 1324 of the Food Security Act (Pub. L. 108–447).

This notice announces GIPSA's approval of the amended certification for Idaho's central filing system. GIPSA has reviewed Idaho's procedures for automatically converting social security numbers and taxpayer identification numbers into ten-number unique identifiers and has determined that the system would permit the numerical searching of master lists of liens on farm products while providing protection against identity theft.

DATES: *Effective Date:* This notice is effective upon signature for good cause because it allows Idaho to immediately increase protection against identity theft through the use of unique identifiers. Furthermore, a change to the certification of approved central filing systems does not require public notice. Therefore, this notice may be made effective in less than 30 days after publication in the **Federal Register** without prior notice or public procedure.

Authority: 7 U.S.C. 1631, 7 CFR 2.22(a)(3)(v) and 2.81(a)(5), and 9 CFR 205.101(e).

Larry Mitchell,

Administrator, Grain Inspection, Packers and Stockyards Administration.

[FR Doc. 2014–16446 Filed 7–14–14; 8:45 am]

BILLING CODE 3410–KD–P

DEPARTMENT OF AGRICULTURE.

Grain Inspection, Packers and Stockyards Administration

Proposed Posting of a Stockyard

AGENCY: Grain Inspection, Packers and Stockyards Administration, USDA.

ACTION: Notice and request for comments.

SUMMARY: The Grain Inspection, Packers and Stockyards Administration (GIPSA) is proposing that one stockyard now operating subject to the Packers and Stockyards (P&S) Act be posted.

DATES: For the proposed posting of stockyards, we will consider comments that we receive by July 30, 2014.

ADDRESSES: We invite you to submit comments on this notice. You may submit comments by any of the following methods:

- *Internet:* Go to *http://www.regulations.gov.* Follow the on-line instructions for submitting comments.
- *Fax:* (202) 690–2173.
- *Mail, hand delivery or courier:* R. Dexter Thomas, GIPSA, USDA, 1400 Independence Avenue SW., Room 2530–S, Washington, DC 20250–3604.

Instructions: All comments should refer to the date and page number of this issue of the **Federal Register**. The comments and other documents relating to this action will be available for public inspection during regular business hours.

FOR FURTHER INFORMATION CONTACT: Catherine M. Grasso, Program Analyst, Policy and Litigation Division at (202) 720–7363 or *Catherine.m.grasso@usda.gov.*

SUPPLEMENTARY INFORMATION: The Grain Inspection, Packers and Stockyards Administration (GIPSA) administers and enforces the P&S Act of 1921, (7 U.S.C. 181 *et seq.*). The P&S Act prohibits unfair, deceptive, and fraudulent practices by livestock market agencies, dealers, stockyard owners, meat packers, swine contractors, and live poultry dealers in the livestock, poultry, and meatpacking industries.

Section 302 of the P&S Act (7 U.S.C. 202) defines the term ''stockyard'' as follows: any place, establishment, or facility commonly known as stockyards, conducted, operated, or managed for profit or nonprofit as a public market for livestock producers, feeders, market agencies, and buyers, consisting of pens, or other enclosures, and their appurtenances, in which live cattle, sheep, swine, horses, mules, or goats are received, held, or kept for sale or shipment in commerce.

Section 302(b) of the P&S Act requires the Secretary of Agriculture to determine which stockyards meet this definition, and to notify the owner of the stockyard and the public of that determination by posting a notice in each designated stockyard. Once the Secretary provides notice to the stockyard owner and the public, the stockyard is subject to the provisions of Title III of the P&S Act (7 U.S.C. 201–203 and 205–217a) until the Secretary deposts the stockyard by public notice. To post a stockyard, we assign the stockyard a facility number, notify the stockyard owner, and send an official posting notice to the stockyard owner to display in a public area of the stockyard. This process is referred to as ''posting.'' The date of posting is the date that the posting notices are physically displayed at the stockyard. A facility that does not meet the definition of a stockyard is not subject to the P&S Act, and therefore cannot be posted. A posted stockyard can be deposted, which occurs when the facility is no longer used as a stockyard.

We are hereby notifying stockyard owners and the public that the following stockyard meets the definition of a stockyard, and that we propose to designate this stockyard as a posted stockyard.

Proposed facility No.	Stockyard name and location
MS–178 ...	Double L Cattle Auction, LLC, Thaxton, Mississippi

Authority: 7 U.S.C. 202.

Larry Mitchell,

Administrator, Grain Inspection, Packers and Stockyards Administration.

[FR Doc. 2014–16444 Filed 7–14–14; 8:45 am]

BILLING CODE 3410–KD–P

DEPARTMENT OF AGRICULTURE

Grain Inspection, Packers and Stockyards Administration

Proposed Posting, Posting, and Deposting of Stockyards

AGENCY: Grain Inspection, Packers and Stockyards Administration, USDA.

ACTION: Notice and request for comments.

SUMMARY: The Grain Inspection, Packers and Stockyards Administration (GIPSA) is taking several actions to post and depost stockyards under the Packers and Stockyards Act (P&S Act). Specifically, we are proposing that eight stockyards now operating subject to the P&S Act be posted. We are also posting 10 stockyards that were identified previously as operating subject to the P&S Act and deposting one stockyard that no longer meets the definition of a stockyard. Additionally, we are notifying the public of six stockyards previously proposed to be posted will not be posted because they no longer meet the definition of a stockyard.

DATES: For the proposed posting of stockyards, we will consider comments that we receive by July 30, 2014.

ADDRESSES: We invite you to submit comments on this notice. You may submit comments by any of the following methods:

- *Internet:* Go to *http://www.regulations.gov.* Follow the on-line instructions for submitting comments.
- *Fax:* (202) 690–2173.
- *Mail, hand delivery or courier:* R. Dexter Thomas, GIPSA, USDA, 1400 Independence Avenue SW., Room 2530–S, Washington, DC 20250–3604.

Instructions: All comments should refer to the date and page number of this issue of the **Federal Register**. The comments and other documents relating to this action will be available for public inspection during regular business hours.

FOR FURTHER INFORMATION CONTACT: Catherine M. Grasso, Program Analyst, Policy and Litigation Division at (202) 720–7363 or Catherine.m.grasso@usda.gov.

SUPPLEMENTARY INFORMATION: The Grain Inspection, Packers and Stockyards Administration (GIPSA) administers and enforces the P&S Act of 1921, (7 U.S.C. 181 *et seq.*). The P&S Act prohibits unfair, deceptive, and fraudulent practices by livestock market agencies, dealers, stockyard owners, meat packers, swine contractors, and live poultry dealers in the livestock, poultry, and meatpacking industries.

Section 302 of the P&S Act (7 U.S.C. 202) defines the term ''stockyard'' as follows:

> ''. . . any place, establishment, or facility commonly known as stockyards, conducted, operated, or managed for profit or nonprofit as a public market for livestock producers, feeders, market agencies, and buyers, consisting of pens, or other enclosures, and their appurtenances, in which live cattle, sheep, swine, horses, mules, or goats are received, held, or kept for sale or shipment in commerce.''

Section 302 (b) of the P&S Act requires the Secretary of Agriculture to determine which stockyards meet this definition, and to notify the owner of the stockyard and the public of that determination by posting a notice in each designated stockyard. Once the Secretary provides notice to the

stockyard owner and the public, the stockyard is subject to the provisions of Title III of the P&S Act (7 U.S.C. 201–203 and 205–217a) until the Secretary deposts the stockyard by public notice. To post a stockyard, we assign the stockyard a facility number, notify the stockyard owner, and send an official posting notice to the stockyard owner to display in a public area of the stockyard. This process is referred to as ''posting.'' The date of posting is the date that the posting notices are physically displayed at the stockyard. A facility that does not meet the definition of a stockyard is not subject to the P&S Act, and therefore cannot be posted. A posted stockyard can be deposted, which occurs when the facility is no longer used as a stockyard.

We are hereby notifying stockyard owners and the public that the following eight stockyards meet the (P&S Act) definition of a stockyard, and that we propose to designate these stockyards as posted stockyards.

Proposed facility No.	Stockyard name and location
AL–198	Central Auction Barn, Electic, Alabama
AR–183	Mollie Wright—Wright's Small Animal Auction, Benton, Arkansas
AZ–118	Sonoran Livestock Marketing, LLC, Douglas, Arizona
KY–186	Ricky M. Kepley, dba Franklin Livestock Market, Franklin, Kentucky
TN–208	Treadway Livestock Exchange, Thorn Hill, Tennessee
TN–209	Darrells Auction and Livestock, Powder Springs, Tennessee
TN–210	Rising Star Ranch, LLC, Shelbyville, Tennessee
TN–211	Circle R Auction, Ethridge, Tennessee

We are also notifying the public that the stockyards listed in the following table meet the P&S Act's definition of a stockyard and that we have posted the stockyards. On January 15, 2013, we published a notice in the **Federal Register** (78 FR 2950–2952) of our proposal to post these 10 stockyards. Since we received no comments to our proposal, we assigned the stockyards a facility number and notified the owner of the stockyard facilities. Posting notices were sent to the owner of the stockyard to display in public areas of the stockyard. The table below reflects the date of posting for each stockyard.

Facility No.	Stockyard name and location	Date of posting
GA–233	Middle Georgia Goat & Chicken Auction, Cochran, Georgia	04/29/2013
GA–235	Dooly County Livestock, LLC., Unadilla, Georgia	05/30/2013
MS–177	Clark's Livestock, Forest, Mississippi	04/29/2013
MT–124	Headwaters Livestock Auction, Three Forks, Montana	05/01/2013
NY–179	HillTop Auction Company, Penn Yan, New York	04/30/2013
OK–217	Cross Livestock Auction, LLC, Checotah, Oklahoma	05/30/2013
SC–164	H & S Stockyards, Ehrhardt, South Carolina	04/30/2013
TN–205	Bill Roark dba Roan Valley Auction Company and Livestock Market, Mountain City, Tennessee	05/02/2013
TN–207	Southern Saddlebred Sales, Inc., Murfreesboro, Tennessee	05/02/2013
TX–357	Lockhart Land Holdings, d/b/a Hereford Livestock Auction, Hereford, Texas	05/30/2013

We are further notifying the public that the following facilities, which met the definition of a stockyard previously, were not posted. We published notices proposing to post these six stockyards in the **Federal Register** on January 15, 2013, (78 FR 2950–2952). The facilities were not posted because they no longer meet the definition of a stockyard.

Proposed facility No.	Facility name and location
GA–234	Bent Staples Auctions, LLC, Ocilla, Georgia
IN–170	Tri-State Livestock Auction, LLC, Angola, Indiana
NY–178	Don Yahn Market, Cherry Creek, New York
TN–204	Heritage Horse Sales, LLC, Shelbyville, Tennessee
TN–206	The Sale of Champions, Shelbyville, Tennessee
TX–355	Sulphur Springs Horse Sales, Sulphur Springs, Texas

Finally, we are notifying the public that the following stockyard no longer meets the definition of a stockyard and it is being deposted. We depost stockyards when the facility can no longer be used as a stockyard. The reasons a facility can no longer be used as a stockyard may include the following: (1) The market agency has moved and the posted facility is abandoned; (2) the facility has been torn down or otherwise destroyed, such as by fire; (3) the facility is dilapidated beyond repair; or (4) the facility has been converted and its function has changed.

Facility No.	Stockyard name and location	Date posted
KY–137	Wayne County Livestock Auction, Monticello, Kentucky	12–10–1959

Authority: 7 U.S.C. 202.

Larry Mitchell,

Administrator, Grain Inspection, Packers and Stockyards Administration.

[FR Doc. 2014–16448 Filed 7–14–14; 8:45 am]

BILLING CODE 3410–KD–P

DEPARTMENT OF AGRICULTURE

National Institute of Food and Agriculture

Solicitation of Input From Stakeholders Regarding Centers of Excellence, Implementation

AGENCY: National Institute of Food and Agriculture, USDA.

ACTION: Notice of web-based listening session and request for stakeholder input.

SUMMARY: As part of the National Institute of Food and Agriculture's (NIFA) strategy to successfully implement Section 7214 of Public Law 113–79, the Agricultural Act of 2014, NIFA is soliciting stakeholder input on how it will provide priority to Centers of Excellence in the receipt of funding from its competitive research or extension programs.

NIFA will be holding web-based listening sessions in order to solicit stakeholder input on this new challenge area. The focus of the web-based listening sessions will be to gather stakeholder input that will be used in developing a process for consistently providing priority consideration to these Centers of Excellence. NIFA is particularly interested in input on how best to define the scope of a Center of Excellence, whether there are models being used by other federal agencies that might be useful to examine, and at what point in the review/selection process ''priority'' should be given to applications submitted by Centers of Excellence.

All comments must be received by close of business on July 31, 2014, to be considered in the initial drafting of the FY 2015 process for priority consideration of the Centers of Excellence.

DATES: The web-based listening sessions will be held on Thursday, July 17, 2014, from 1:00 p.m. to 3:00 p.m., Eastern Standard Time (ET), and Thursday, July 31, from 1:00 p.m. to 3:00 p.m., ET. All written comments must be received by 5:00 p.m., ET on Thursday, July 31, 2014.

ADDRESSES: The web-based listening sessions will be hosted using Adobe Connect. On July 17th and July 31st and, please access the following Web site, *http://nifa-connect.nifa.usda.gov/frnce/*. In addition, audio conference call capabilities can be accessed at 1–888–844–9904, participant code 3702409. You may submit comments, identified by NIFA–2014–003, by any of the following methods:

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

Email: Centers@nifa.usda.gov. Include NIFA–2014–003 in the subject line of the message.

Fax: 202–690–0289.

Mail: Paper, disk or CD–ROM submissions should be submitted to Centers of Excellence; Centers of Excellence-Office of the Administrator, National Institute of Food and Agriculture, U.S. Department of Agriculture, STOP 2201, 1400 Independence Avenue SW., Washington, DC 20250–2201.

Hand Delivery/Courier: Centers of Excellence-Office of the Administrator, National Institute of Food and Agriculture, U.S. Department of Agriculture, Room 4248, Waterfront Centre, 800 9th Street SW., Washington, DC 20024.

Instructions: All submissions received must include the agency name and reference to NIFA–2014–003]. All comments received will be posted to *http://www.regulations.gov*, including any personal information provided.

FOR FURTHER INFORMATION CONTACT: Ms. Valeria Best, (202) 720–8540 (phone), (202) 690–1260 (fax), or *vbest@nifa.usda.gov.*

SUPPLEMENTARY INFORMATION:

Comment Procedures

Persons wishing to present oral comments during the web-based listening session on either Thursday, July 17, or Thursday, July 31, 2014 are requested to pre-register by contacting Ms. Valeria Best at (202) 720–8540, by fax at (202) 690–1260 or by email to *vbest@nifa.usda.gov.* Participants may reserve one 5-minute comment period. More time may be available, depending on the number of people wishing to make a presentation. Reservations will be confirmed on a first-come, first-served basis. All other participants may provide comments during the web-based listening session if time permits, or submit written comments. All written comments must be received by close of business July 31, 2014, to be considered. All comments and the official transcript of the web-based listening session, when they become available, may be reviewed on the NIFA Web page, *http://www.nifa.usda.gov,* for six months.

Background and Purpose

NIFA is moving forward to implement Section 7214 of the 2014 Farm Bill. Beginning in October of 2014, this section requires that the Agency prioritize Centers of Excellence established for purposes of food and agricultural research, extension, and education activities when selecting recipients of grants from any of the Agency's research or extension competitive grant programs. While the Farm Bill delineates criteria for being recognized as a Center of Excellence, such as coordination and cost effectiveness, the leveraging of resources using public-private partnerships, and the ability to increase economic returns to rural communities, it will be important that NIFA hear from the community about what the scope of a Center of Excellence should be, and what our stakeholders believe are the strengths and weaknesses of some of the models that are used by other federal agencies.

Section 7214 of the Agricultural Act of 2014 (Pub. L. 113–79) (i.e., the 2014 Farm Bill) adds a new section 1673 to the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5926) to require the Secretary of Agriculture to prioritize Centers of Excellence that are established for purposes of carrying out research, extension, and education activities relating to the food and agricultural sciences (as defined in section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103)) for the receipt of funding for any competitive research or extension program administered by the Secretary. The amendment takes effect on October 1, 2014. The Agency is considering different ways to implement the ''priority'' consideration of grant proposals from Centers of Excellence, including using the Center of Excellence distinction as a tie-breaker, should proposals be equally ranked for funding during our peer review process, or providing additional points to Center of Excellence proposals as part of applying evaluation criteria during the peer review process.

A center of excellence is composed of 1 or more of the following entities that provide financial or in-kind support to the Center of Excellence: State agricultural experiment stations; colleges and universities; university research foundations; other research institutions and organizations; Federal agencies; national laboratories; private organizations, foundations, or corporations; and individuals.

The criteria for Centers of Excellence include efforts: to ensure coordination and cost effectiveness by reducing unnecessarily duplicative efforts regarding research, teaching, and extension; to leverage available resources by using public-private partnerships among agricultural

industry groups, institutions of higher education, and the Federal Government; to implement teaching initiatives to increase awareness and effectively disseminate solutions to target audiences through extension activities; and to increase the economic returns to rural communities by identifying, attracting, and directing funds to high-priority agricultural issues. Where practicable, the criteria for recognition as a center of excellence shall also include efforts to improve teaching capacity and infrastructure at colleges and universities (including land-grant colleges and universities, cooperating forestry schools, Non Land Grant Colleges of Agriculture, and Schools of Veterinary Medicine). NIFA is considering using a process where an applicant could self-identify as a Center of Excellence in an area of science as part of a particular grant application (using the legislative criteria described above), and the applicant's justification would be evaluated as part of the peer review process, or using a process separate from the grant application process, where an applicant could request designation as a Center of Excellence, and should the Agency grant such a designation, it would potentially be applicable to multiple grant competitions where proposed work fell within a particular area of science.

NIFA is holding web-based listening sessions to obtain comments to consider in developing a process for implementing the Centers of Excellence provision. The web-based listening sessions are open to the public. Written comments and suggestions may be submitted to Ms. Valeria Best at the address above.

Implementation Plans

NIFA plans to consider stakeholder input received from this web-based listening session as well as other written comments in developing a process to implement the Centers of Excellence provision for FY 2015.

Done at Washington, DC this 10th day of July, 2014.

Robert E. Holland,

Acting Associate Director, Programs, National Institute of Food and Agriculture.

[FR Doc. 2014–16614 Filed 7–14–14; 8:45 am]

BILLING CODE 3410–22–P

DEPARTMENT OF COMMERCE

Bureau of the Census

[Docket Number 140626541–4541–01]

Establishment of the 2020 Census Redistricting Data Program

AGENCY: Bureau of the Census, Department of Commerce

ACTION: Notice of Program.

SUMMARY: This notice announces and seeks comments on the establishment of the 2020 Census Redistricting Data Program. Required by law, the program provides states the opportunity to specify the small geographic areas for which they wish to receive 2020 decennial population totals for the purpose of reapportionment and redistricting.

DATES: Comments on this notice are due by September 5, 2014. The deadline for states to notify the Bureau of the Census (Census Bureau) that they wish to participate in Phase 1, the Block Boundary Suggestion Project, is August 1, 2015.

ADDRESSES: Please direct all written comments on this notice to the Director, U.S. Census Bureau, 4600 Silver Hill Road, Room 8H–002, Washington DC 20233.

FOR FURTHER INFORMATION CONTACT: Catherine C. McCully, Chief, Census Redistricting Data Office, U.S. Census Bureau, Room 8H–019, Washington DC 20233, telephone (301) 763–4039.

SUPPLEMENTARY INFORMATION: Under the provisions of Title 13, Section 141(c) of the United States Code (U.S.C.), the Secretary of Commerce (Secretary) is required to provide the ''officers or public bodies having initial responsibility for the legislative apportionment or districting of each state . . .'' with the opportunity to specify geographic areas (e.g., voting districts) for which they wish to receive decennial census population counts for the purpose of reapportionment or redistricting.

By April 1 of the year following the decennial census, the Secretary is required to furnish the state officials or their designees with population counts for American Indian areas, counties, cities, census blocks, and state-specified congressional, legislative districts, and voting districts.

In accordance with the provisions of 13 U.S.C. 141(c), the Director of the Census Bureau, on behalf of the Secretary of Commerce, announces the establishment of the 2020 Census Redistricting Data Program. The Census Bureau will issue an invitation to the officers or public bodies having initial responsibility for legislative reapportionment and redistricting this fall through the Census Redistricting Data Office inviting states to identify a non-partisan liaison that will work directly with the Census Bureau on the 2020 Census Redistricting Data Program. Once these liaisons are established, the Census Bureau will coordinate communications involving the commencement of the program.

Since the 1990 Census, participation in both the Census Redistricting Data Program's Block Boundary Suggestion Project and Voting District Project (2020 Redistricting Data Program Phases 1 and 2) under 13 U.S.C. is voluntary on the part of each state. However, if states choose not to participate in Phase 1 and Phase 2, the Census Bureau cannot ensure that the decennial census 2020 tabulation geography will support the redistricting needs of their state.

Phase 1: Block Boundary Suggestion Project (BBSP)

Beginning in the late summer of 2014, the Census Bureau will correspond with the legislative leadership and executive officer of each state to establish a 2020 Census Redistricting Data Program liaison. The Census Bureau will formally announce through a subsequent **Federal Register** Notice the commencement of Phase 1, the Block Boundary Suggestion Project (BBSP). The purpose of the BBSP is to afford states the opportunity to identify non-standard features often used as electoral boundaries (such as a powerline or stream, rather than a street centerline which might divide voters into two districts) as census block boundaries. The BBSP option affords the state liaison the opportunity to provide suggestions for 2020 census tabulation block boundaries resulting in more meaningful block data for the state. Liaisons are able to work with local officials including county election officers and others to ensure local geography is represented in the 2020 tabulation block inventory. In addition, the liaison, on behalf of the state, will make suggestions for features not desirable as census tabulation blocks. By identifying undesirable features, the liaison may assist the Bureau in reducing the overall number of census tabulation blocks from the 2010 inventory. Beginning in late fall of 2015, states that choose to participate in Phase 1 will begin receiving guidelines and training for providing their suggestions for the 2020 census tabulation blocks as well as their suggestions for exclusion of line segments for consideration in the

final 2020 census tabulation block inventory. For the first time, states will have the opportunity to review legal limits, such as incorporated places, American Indian areas and county boundaries, as reported through the Boundary and Annexation Survey (BAS). The alignment of the BAS with the BBSP will facilitate the cooperation between state and local government. A verification phase will occur in early 2017.

Phase 2: Voting District Project (VTDP)

The Census Bureau will formally announce through a subsequent **Federal Register** Notice the commencement of Phase 2, the Voting District Project. The VTDP will provide the state liaison, on behalf of the state, to submit the voting districts (a generic term used to represent areas that administer elections such as precincts, election districts, wards, etc.) to the Census Bureau for representation in the 2020 Census P.L. 94–171 products (data and geographic products). Beginning in late 2017, states that choose to participate in Phase 2, the Voting District Project will receive on a flow basis, geographic products that afford them the opportunity to update the Voting Districts (VTDs) for inclusion in the 2020 Census tabulation geography. State liaisons will continue to align their effort with updates from state and local government officials participating in the BAS. The VTD/BAS update and alignment will continue through spring of 2018. A verification phase will occur in early 2019 for states that participated in Phase 2.

Phase 3: Delivery of the Decennial Census 2020 Redistricting Data

By April 1, 2021, the Director of the Census Bureau will, in accordance with 13 U.S.C. 141(c), furnish the Governor and state legislative leaders, both the majority and minority, with 2020 Census population counts for standard census tabulation areas (e.g., state, Congressional district, state legislative district, American Indian area, county, city, town, census tract, census block group, and census block) regardless of a state's participation in Phase 1 or 2. The Director of the Census Bureau will provide 2020 population counts for those states participating in Phase 2, for both the standard tabulation areas and for voting districts. For each state, this delivery will occur prior to general release and no later than April 1, 2021.

Phase 4: Collection of Post-Census 2010 Redistricting Data Plans

Beginning in 2021, the Census Bureau will solicit from each state the newly drawn legislative and Congressional district plans and prepares appropriate data sets based on the new districts. This effort will occur every two years in advance of the 2030 Census in order to update these boundaries with new or changed plans. A verification phase will occur with each update.

Phase 5: Review of the 2020 Census Redistricting Data Program and Recommendations for the 2030 Redistricting Data Program

As the final phase of the 2020 Census Redistricting Data Program, the Census Bureau will work with the states to conduct a thorough review of the program. The intent of this review, and the final report that results, is to provide guidance to the Secretary of Commerce and the Census Bureau Director in planning the 2030 Census Redistricting Data Program.

Please address questions concerning any aspect of the 2020 Census Redistricting Data Program to the person identified in the contact section of this notice.

Dated: July 9, 2014.

John H. Thompson,

Director, Bureau of the Census.

[FR Doc. 2014–16532 Filed 7–14–14; 8:45 am]

BILLING CODE 3510–07–P

DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[B–49–2014]

Foreign-Trade Zone 203—Moses Lake, Washington; Application for Reorganization (Expansion of Service Area) Under Alternative Site Framework

A notice which appeared recently in the **Federal Register** (79 FR 39365–3966,07/10/2014) regarding an application submitted to the Foreign-Trade Zones (FTZ) Board by the Port of Moses Lake Public Corporation, requesting authority to expand its service area under the alternative site framework (ASF) had an incorrect docket number of B–49–2013. The correct docket number is B–49–2014.

For further information, contact Christopher Kemp at *Christopher.Kemp@trade.gov* or (202) 482–0862.

Dated: July 10, 2014.

Andrew McGilvray,

Executive Secretary.

[FR Doc. 2014–16588 Filed 7–14–14; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–549–822]

Certain Frozen Warmwater Shrimp From Thailand: Rescission of Antidumping Duty Administrative Review; 2013–2014

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (the Department) is rescinding the administrative review of the antidumping duty order on certain frozen warmwater shrimp from Thailand for the period February 1, 2013, through January 31, 2014.

DATES: *Effective Date:* July 15, 2014.

FOR FURTHER INFORMATION CONTACT: Alice Maldonado or Dennis McClure, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482–4682 or (202) 482–5973, respectively.

SUPPLEMENTARY INFORMATION:

Background

On February 3, 2014, the Department published in the **Federal Register** a notice of ''Opportunity to Request Administrative Review'' of the antidumping duty order on certain frozen warmwater shrimp (shrimp) from Thailand for the period of February 1, 2013, through January 31, 2014.[1] During the anniversary month of February 2014, the Department received timely requests, in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.213(b), for an administrative review of this antidumping duty order from the Ad Hoc Shrimp Trade Action Committee (the petitioner), the American Shrimp Processors Association (ASPA), and certain individual companies.[2] On April 2, 2014, the Department published in the **Federal Register** a notice of initiation listing the 163 companies for which the Department received timely requests for review.[3]

[1] *See Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review,* 79 FR 6159 (Feb. 3, 2014).

[2] *See* the February 6, 21, 26, 27, and 28, 2014 letters requesting an administrative review from the petitioners, ASPA, and individual Thai shrimp companies.

[3] *See Certain Frozen Warmwater Shrimp from India and Thailand; Notice of Initiation of*

Continued

On July 1, 2014, the petitioner, ASPA, and individual Thai shrimp companies withdrew all requests for an administrative review.[4]

Rescission of Review

Pursuant to 19 CFR 351.213(d)(1), the Department will rescind an administrative review, in whole or in part, if a party that requested a review withdraws the request within 90 days of the date of publication of notice of initiation of the requested review. All parties requesting 2013–2014 administrative reviews of the antidumping duty order of shrimp from Thailand timely withdrew their requests for review by the 90-day deadline. Therefore, we are rescinding the administrative review of the antidumping duty order on certain frozen warmwater shrimp from Thailand covering the period February 1, 2013, through January 31, 2014.

Assessment

The Department will instruct U.S. Customs and Border Protection (CBP) to assess antidumping duties on all appropriate entries. Antidumping duties shall be assessed at rates 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). The Department intends to issue appropriate assessment instructions directly to CBP 15 days after the date of publication of this notice in the **Federal Register**.

Notification to Importers

This notice serves as the only reminder to importers of their responsibility, under 19 CFR 351.402(f)(2), to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement may result in the presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Notification Regarding Administrative Protective Order

This notice 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). Timely written notification of return/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.

This notice is published in accordance with section 751 of the Act and 19 CFR 351.213(d)(4).

Dated: July 9, 2014.

Christian Marsh,

Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations.

[FR Doc. 2014–16591 Filed 7–14–14; 8:45 am]

BILLING CODE 3510–DS–P

Antidumping Duty Administrative Reviews, 79 FR 18510 (Apr. 2, 2014) .

[4] *See* the July 1, 2014, letters withdrawing requests for administrative reviews from the petitioners, ASPA, Trade Pacific LLC (for several Thai shrimp companies), Good Luck Product Co. Ltd., Good Fortune Cold Storage Co., Ltd., Xian-Ning Seafood Co., Ltd., Charoen Pokphand Foods Public Company Limited, Gallant Ocean (Thailand) Co., Ltd., and Southport Seafood Co., Ltd.

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–890]

Wooden Bedroom Furniture from the People's Republic of China: Notice of Initiation of Changed Circumstances Review, and Consideration of Revocation of the Antidumping Duty Order in Part

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: Based on a request from Elements International, Inc. (''Elements''), the Department of Commerce (the ''Department'') is initiating a changed circumstances review to consider the possible revocation, in part, of the antidumping duty (''AD'') order on wooden bedroom furniture from the People's Republic of China (''PRC'') with respect to certain shoe cabinets.

DATES: Efffective Date: July 15, 2014.

FOR FURTHER INFORMATION CONTACT: Howard Smith or Jonathan Hill, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482–5193 or (202) 482–3518, respectively.

Background

On January 4, 2005, the Department published the *Notice of Amended Final Determination of Sales at Less Than Fair Value and Antidumping Duty Order: Wooden Bedroom Furniture From the People's Republic of China,* 70 FR 329 (January 4, 2005). On June 2, 2014, Elements requested revocation, in part, of the AD order pursuant to sections 751(b)(1) of the Tariff Act of 1930, as amended (''the Act'') and section 351.216(b) of the Department's regulations, with respect to certain shoe cabinets. On June 3, 2014, American Furniture Manufacturers Committee for Legal Trade and Vaughan-Bassett Furniture Company, Inc. (collectively ''Petitioners'') stated that they agree with the scope exclusion language proposed by Elements.

Scope of the Order

The product covered by the order is wooden bedroom furniture. Wooden bedroom furniture is generally, but not exclusively, designed, manufactured, and offered for sale in coordinated groups, or bedrooms, in which all of the individual pieces are of approximately the same style and approximately the same material and/or finish. The subject merchandise is made substantially of wood products, including both solid wood and also engineered wood products made from wood particles, fibers, or other wooden materials such as plywood, strand board, particle board, and fiberboard, with or without wood veneers, wood overlays, or laminates, with or without non-wood components or trim such as metal, marble, leather, glass, plastic, or other resins, and whether or not assembled, completed, or finished.

The subject merchandise includes the following items: (1) Wooden beds such as loft beds, bunk beds, and other beds; (2) wooden headboards for beds (whether stand-alone or attached to side rails), wooden footboards for beds, wooden side rails for beds, and wooden canopies for beds; (3) night tables, night stands, dressers, commodes, bureaus, mule chests, gentlemen's chests, bachelor's chests, lingerie chests, wardrobes, vanities, chessers, chifforobes, and wardrobe-type cabinets; (4) dressers with framed glass mirrors that are attached to, incorporated in, sit on, or hang over the dresser; (5) chests-on-chests,[1] highboys,[2] lowboys,[3] chests

[1] A chest-on-chest is typically a tall chest-of-drawers in two or more sections (or appearing to be in two or more sections), with one or two sections mounted (or appearing to be mounted) on a slightly larger chest; also known as a tallboy.

[2] A highboy is typically a tall chest of drawers usually composed of a base and a top section with drawers, and supported on four legs or a small chest (often 15 inches or more in height).

[3] A lowboy is typically a short chest of drawers, not more than four feet high, normally set on short legs.

of drawers,[4] chests,[5] door chests,[6] chiffoniers,[7] hutches,[8] and armoires;[9] (6) desks, computer stands, filing cabinets, book cases, or writing tables that are attached to or incorporated in the subject merchandise; and (7) other bedroom furniture consistent with the above list.

The scope of the order excludes the following items: (1) Seats, chairs, benches, couches, sofas, sofa beds, stools, and other seating furniture; (2) mattresses, mattress supports (including box springs), infant cribs, water beds, and futon frames; (3) office furniture, such as desks, stand-up desks, computer cabinets, filing cabinets, credenzas, and bookcases; (4) dining room or kitchen furniture such as dining tables, chairs, servers, sideboards, buffets, corner cabinets, china cabinets, and china hutches; (5) other non-bedroom furniture, such as television cabinets, cocktail tables, end tables, occasional tables, wall systems, book cases, and entertainment systems; (6) bedroom furniture made primarily of wicker, cane, osier, bamboo or rattan; (7) side rails for beds made of metal if sold separately from the headboard and footboard; (8) bedroom furniture in which bentwood parts predominate;[10] (9) jewelry armories;[11] (10) cheval mirrors;[12] (11) certain metal parts;[13] (12) mirrors that do not attach to, incorporate in, sit on, or hang over a dresser if they are not designed and marketed to be sold in conjunction with a dresser as part of a dresser-mirror set; (13) upholstered beds[14] ; and (14) toy boxes.[15]

Imports of subject merchandise are classified under subheadings 9403.50.9042 and 9403.50.9045 of the HTSUS as ''wooden . . . beds'' and under subheading 9403.50.9080 of the HTSUS as ''other . . . wooden furniture of a kind used in the bedroom.'' In addition, wooden headboards for beds, wooden footboards for beds, wooden side rails for beds, and wooden canopies for beds may also be entered under subheading 9403.50.9042 or 9403.50.9045 of the HTSUS as ''parts of wood.'' Subject merchandise may also be entered under subheadings 9403.50.9041, 9403.60.8081, or 9403.20.0018. Further, framed glass mirrors may be entered under subheading 7009.92.1000 or 7009.92.5000 of the HTSUS as ''glass mirrors . . . framed.'' The order covers all wooden bedroom furniture meeting the above description, regardless of tariff classification. Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of this proceeding is dispositive.

Initiation of Changed Circumstances Review, and Consideration of Revocation of the Order in Part

Pursuant to section 751(b) of the Act, the Department will conduct a changed circumstances review upon receipt of a request from an interested party[16] which shows changed circumstances sufficient to warrant a review of an order.[17] Based on the information provided by Elements and the Petitioners' statement that they agree with Elements' exclusion language for certain shoe cabinets, the Department has determined that there exist changed circumstances sufficient to warrant a changed circumstances review of the AD order on wooden bedroom furniture from the PRC.[18]

Section 782(h)(2) of the Act and 19 CFR 351.222(g)(1)(i) provide that the Department may revoke an order (in whole or in part) if it determines that producers accounting for substantially all of the production of the domestic like product have expressed a lack of interest in the order, in whole or in part. In addition, in the event the Department determines that expedited action is warranted, 19 CFR 351.221(c)(3)(ii) permits the Department to combine the

[4] A chest of drawers is typically a case containing drawers for storing clothing.

[5] A chest is typically a case piece taller than it is wide featuring a series of drawers and with or without one or more doors for storing clothing. The piece can either include drawers or be designed as a large box incorporating a lid.

[6] A door chest is typically a chest with hinged doors to store clothing, whether or not containing drawers. The piece may also include shelves for televisions and other entertainment electronics.

[7] A chiffonier is typically a tall and narrow chest of drawers normally used for storing undergarments and lingerie, often with mirror(s) attached.

[8] A hutch is typically an open case of furniture with shelves that typically sits on another piece of furniture and provides storage for clothes.

[9] An armoire is typically a tall cabinet or wardrobe (typically 50 inches or taller), with doors, and with one or more drawers (either exterior below or above the doors or interior behind the doors), shelves, and/or garment rods or other apparatus for storing clothes. Bedroom armoires may also be used to hold television receivers and/or other audio-visual entertainment systems.

[10] As used herein, bentwood means solid wood made pliable. Bentwood is wood that is brought to a curved shape by bending it while made pliable with moist heat or other agency and then set by cooling or drying. *See* CBP's Headquarters Ruling Letter 043859, dated May 17, 1976.

[11] Any armoire, cabinet or other accent item for the purpose of storing jewelry, not to exceed 24 inches in width, 18 inches in depth, and 49 inches in height, including a minimum of 5 lined drawers lined with felt or felt-like material, at least one side door (whether or not the door is lined with felt or felt-like material), with necklace hangers, and a flip-top lid with inset mirror. *See* Issues and Decision Memorandum from Laurel LaCivita to Laurie Parkhill, Office Director, concerning ''Jewelry Armoires and Cheval Mirrors in the Antidumping Duty Investigation of Wooden Bedroom Furniture from the People's Republic of China,'' dated August 31, 2004. *See also Wooden Bedroom Furniture From the People's Republic of China: Final Changed Circumstances Review, and Determination To Revoke Order in Part,* 71 FR 38621 (July 7, 2006).

[12] Cheval mirrors are any framed, tiltable mirror with a height in excess of 50 inches that is mounted on a floor-standing, hinged base. Additionally, the scope of the order excludes combination cheval mirror/jewelry cabinets. The excluded merchandise is an integrated piece consisting of a cheval mirror, *i.e.,* a framed tiltable mirror with a height in excess of 50 inches, mounted on a floor-standing, hinged base, the cheval mirror serving as a door to a cabinet back that is integral to the structure of the mirror and which constitutes a jewelry cabinet line with fabric, having necklace and bracelet hooks, mountings for rings and shelves, with or without a working lock and key to secure the contents of the jewelry cabinet back to the cheval mirror, and no drawers anywhere on the integrated piece. The fully assembled piece must be at least 50 inches in height, 14.5 inches in width, and 3 inches in depth. *See Wooden Bedroom Furniture From the People's Republic of China: Final Changed Circumstances Review and Determination To Revoke Order in Part,* 72 FR 948 (January 9, 2007).

[13] Metal furniture parts and unfinished furniture parts made of wood products (as defined above) that are not otherwise specifically named in this scope (*i.e.,* wooden headboards for beds, wooden footboards for beds, wooden side rails for beds, and wooden canopies for beds) and that do not possess the essential character of wooden bedroom furniture in an unassembled, incomplete, or unfinished form. Such parts are usually classified under HTSUS subheadings 9403.90.7005, 9403.90.7010, or 9403.90.7080.

[14] Upholstered beds that are completely upholstered, *i.e.,* containing filling material and completely covered in sewn genuine leather, synthetic leather, or natural or synthetic decorative fabric. To be excluded, the entire bed (headboards, footboards, and side rails) must be upholstered except for bed feet, which may be of wood, metal, or any other material and which are no more than nine inches in height from the floor. *See Wooden Bedroom Furniture from the People's Republic of China: Final Results of Changed Circumstances Review and Determination to Revoke Order in Part,* 72 FR 7013 (February 14, 2007).

[15] To be excluded the toy box must: (1) Be wider than it is tall; (2) have dimensions within 16 inches to 27 inches in height, 15 inches to 18 inches in depth, and 21 inches to 30 inches in width; (3) have a hinged lid that encompasses the entire top of the box; (4) not incorporate any doors or drawers; (5) have slow-closing safety hinges; (6) have air vents; (7) have no locking mechanism; and (8) comply with American Society for Testing and Materials (''ASTM'') standard F963–03. Toy boxes are boxes generally designed for the purpose of storing children's items such as toys, books, and playthings. *See Wooden Bedroom Furniture from the People's Republic of China: Final Results of Changed Circumstances Review and Determination to Revoke Order in Part,* 74 FR 8506 (February 25, 2009). Further, as determined in the scope ruling memorandum ''Wooden Bedroom Furniture from the People's Republic of China: Scope Ruling on a White Toy Box,'' dated July 6, 2009, the dimensional ranges used to identify the toy boxes that are excluded from the wooden bedroom furniture order apply to the box itself rather than the lid.

[16] Elements stated in its April 23 2014 scope ruling request that it is an importer of the certain shoe cabinets, which are currently subject to this order, and as such is an interested party pursuant to 19 CFR 351.102(a)(29)(ii).

[17] *See* 19 CFR 351.216.

[18] *See* section 751(b) of the Act and 19 CFR 351.216(d).

notices of initiation and preliminary results. In its administrative practice, the Department has interpreted ''substantially all'' to mean producers accounting for at least 85 percent of the total U.S. production of the domestic like product covered by the order.[19] Because Petitioners did not indicate whether they account for substantially all of the domestic production of wooden bedroom furniture, we are providing interested parties with the opportunity to address the issue of domestic industry support with respect to this proposed partial revocation of the order and we are not combining this notice of initiation with a preliminary determination pursuant to 19 CFR 351.221(c)(3)(ii). As explained below, this notice of initiation will afford all interested parties an opportunity to address the proposed partial revocation.

Public Comment

Interested parties are invited to provide comments and/or factual information regarding this changed circumstances review, including comments concerning industry support. Comments and factual information may be submitted to the Department no later than 14 days after the date of publication of this notice. Rebuttal comments and rebuttal factual information may be filed with the Department no later than 10 days after the comments and/or factual information are filed with the Department.[20] All submissions must be filed electronically using Enforcement and Compliance's AD and CVD Centralized Electronic Service System (IA ACCESS).[21] An electronically filed document must be received successfully in its entirety by the Department's electronic records system, IA ACCESS, by 5 p.m. Eastern Time on the due dates set forth in this notice.

The Department will issue the preliminary results of this changed circumstances review, in accordance with 19 CFR 351.221(c)(3), which will set forth the factual and legal conclusions upon which the preliminary results are based, and a description of any action proposed because of those results. Pursuant to 19 CFR 351.221(b)(4)(ii), interested parties will have an opportunity to comment on the preliminary results of the review. In accordance with 19 CFR 351.216(e), the Department will issue the final results of its AD changed circumstance review within 270 days after the date on which the review is initiated.

This initiation is published in accordance with sections 751(b)(1) of the Act and 19 CFR 351.216(b) and 351.221(b)(1).

Dated: July 8, 2014.

Christian Marsh,

Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations.

[FR Doc. 2014–16585 Filed 7–14–14; 8:45 am]

BILLING CODE 3510–DS–P

[19] *See, e.g., Certain Cased Pencils From the Peoples' Republic of China: Initiation and Preliminary Results of Antidumping duty Changed Circumstances Review, and Intent To Revoke Order in Part,* 77 FR 42276 (July 18, 2012) (*Pencils*), unchanged in *Certain Cased Pencils From the People's Republic of China: Final Results of Antidumping Duty Changed Circumstances Review, and Determination To Revoke Order, in Part,* 77 FR 53176 (August 31, 2012).

[20] *See* 19 CFR 351.301(b)(2).

[21] *See,* generally, 19 CFR 351.303.

DEPARTMENT OF COMMERCE

National Telecommunications and Information Administration

[Docket Number: 140708559–4559–01]

RIN 0660–XC011

FEDERAL COMMUNICATIONS COMMISSION

[Docket Number: ET Docket No. 14–99]

Model City for Demonstrating and Evaluating Advanced Spectrum Sharing Technologies

AGENCY: National Telecommunications and Information Administration, U.S. Department of Commerce, and the Office of Engineering and Technology, Federal Communications Commission.

ACTION: Notice; request for comments.

SUMMARY: The National Telecommunications and Information Administration (NTIA) and the Federal Communications Commission's (FCC) Office of Engineering and Technology (OET) issue this Joint Public Notice to seek public comment on the President's Council of Advisors on Science and Technology (PCAST) recommendation that the Secretary of Commerce establish a public-private partnership to facilitate the creation of an urban test city that would support rapid experimentation and development of policies, underlying technologies, and system capabilities for advanced, dynamic spectrum sharing. The test services (referenced herein as a ''Model City'') for demonstrating and evaluating advanced spectrum sharing technologies could include large-scale sustainable facilities for systems-level testing in real-world environments across multiple frequency bands, including public safety and selected federal bands. Through this Joint Public Notice, NTIA and OET seek to promote the Model City concept in conjunction with: (1) The new Center for Advanced Communications established by NTIA and the National Institute of Standards and Technology (NIST) and (2) the FCC's existing experimental licensing program.

DATES: Comments are due on or before August 29, 2014.

ADDRESSES: Parties must file one copy of their written comments with the FCC, using one of the following addresses:

- U.S. Postal Service first-class, Express, and Priority mail must be sent to: Office of the Secretary, Federal Communications Commission, 445 12th Street SW., Washington, DC 20554. ET Docket No. 14–99.
- Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to: 9300 East Hampton Drive, Capitol Heights, MD 20743.

Parties must also file one copy with the FCC's copy contractor, Best Copy and Printing, Inc. (BCPI), Portals II, 445 12th Street SW., Room CY–B402, Washington, DC 20554, (202) 488–5300, or via email to *fcc@bcpiweb.com.*

Comments may also be submitted electronically by email to *modelcity@ntia.doc.gov* or by mail to: National Telecommunications and Information Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW., Room 4096, Washington, DC 20230, Attn: Rangam Subramanian, Office of Spectrum Management. Written comments should be in standard Word or Adobe PDF format if submitted electronically.

FOR FURTHER INFORMATION CONTACT: Rangam Subramanian, NTIA, at (202) 482–4399 or *rangam@ntia.doc.gov,* or Matthew Hussey, OET, at (202) 418–3619 or *mhussey@fcc.gov.*

SUPPLEMENTARY INFORMATION:

Background

In July 2012, the President's Council of Advisors on Science and Technology (PCAST) released a set of recommendations to the President on how to realize the full potential of government-held spectrum to spur economic growth by facilitating spectrum sharing as a mainline approach to spectrum management.[1] This report (herein *PCAST Report*) concluded that clearing and reallocation of federal spectrum is no longer a sustainable basis for spectrum policy due to the high cost, lengthy time to

[1] *See* Report to the President: *Realizing the Full Potential of Government-Held Spectrum to Spur Economic Growth,* at 49–50 (July 2012), *available at http://go.usa.gov/k27R* (*PCAST Report*).

implement, and disruption to the federal mission.[2] Based on this finding, the PCAST called for a new spectrum architecture premised on spectrum sharing rather than exclusive use. To bridge the gap from today's spectrum use model to such a new regime, one of the PCAST's recommendations was to create an urban test city in a major U.S city to support realistic, rapid experimentation in spectrum management technology and practice.

Before and after the release of the *PCAST Report,* the Administration, NTIA, and the FCC launched several initiatives to facilitate research, development, testing, and evaluation of spectrum-sharing technologies. The 2010 Presidential Memorandum on ''Unleashing the Wireless Broadband Revolution'' directed the Secretary of Commerce, working through NTIA in consultation with NIST, the National Science Foundation (NSF), the Department of Defense, the Department of Justice, the National Aeronautics and Space Administration, and other agencies as appropriate, to create and implement a plan to facilitate research, development, experimentation, and testing by researchers to explore innovative spectrum-sharing technologies.[3] NTIA, NIST, and NSF, with support from the National Information Technology Research and Development (NITRD) program, formed the Wireless Spectrum R&D (WSRD) Senior Steering Group (SSG) to coordinate spectrum-related research and development activities across the federal government, private sector, and academia.

The 2013 Presidential Memorandum on ''Expanding America's Leadership in Wireless Innovation'' directed the Secretary of Commerce, working through NTIA, to continue to facilitate greater discussions between government and commercial stakeholders on spectrum sharing.[4] Pursuant to this memorandum, the NITRD WSRD SSG, on behalf of NTIA and NIST, published a comprehensive inventory of federal and non-federal test facilities.[5] NTIA and NIST also created a new Center for Advanced Communications (CAC) to promote interdisciplinary research, development, and testing in several areas, including spectrum sharing and advanced technologies for broadband and public safety.[6] The CAC will develop multiuser testbeds that allow government and industry researchers to measure and evaluate the performance of new advanced spectrum-sharing technologies.

The 2013 Presidential Memorandum also directed NTIA to design and conduct a pilot program to monitor spectrum usage in real time in selected communities throughout the country to determine whether a comprehensive monitoring program in major metropolitan areas could disclose opportunities for more efficient spectrum access, including via sharing.[7] In August 2013, NTIA published a Notice of Inquiry on the spectrum monitoring pilot program to solicit input from stakeholders, and has used some of the information collected from that inquiry to begin implementation of the pilot.[8]

The FCC recently modified its experimental licensing rules to provide a more flexible framework to keep pace with the speed of modern technological change, including advanced spectrum sharing concepts.[9] The revised rules permit institutions to move from concept to experimentation to finished product as rapidly as possible using a new program experimental license that gives licensees more flexibility to conduct multiple experiments in certain locations without filing separate applications. Program licensees can also conduct specific types of experiments without individual authorizations in designated ''innovation zones.'' In March 2014, the FCC's Technological Advisory Council (TAC) created a working group to study advanced sharing of federal and non-federal spectrum bands and enabling wireless technologies.[10] This working group is developing key recommendations to support the creation of a Model City including scope, logistics, locations, frequency bands, and other operational issues and objectives.

Discussion

The purpose of this Joint Public Notice is to build upon the PCAST recommendations on test services necessary to demonstrate and evaluate advanced spectrum sharing technologies through the potential establishment of a Model City program. This program, if established, could facilitate large-scale sustainable facilities for systems level testing in real-world environments across multiple frequency bands, potentially including selected federal and non-federal frequency bands. NTIA and the FCC would work together in accordance with their respective areas of authority. The responses to this Joint Public Notice will help determine whether NTIA and/or the FCC may need to undertake additional actions or initiate formal proceedings.

Through this Joint Public Notice, NTIA and OET seek comment on the PCAST recommendation and on ways to establish, fund, and conduct the Model City program. We also welcome stakeholder input on other measures that NTIA and the FCC could employ to promote the program, for example, through independent public-private partnerships among federal and local government stakeholders and commercial interests. We are soliciting ideas on how to move the PCAST recommendation forward and therefore seek comment on the next steps that NTIA and the FCC could take to develop specific approaches for effectively demonstrating and evaluating sharing technologies in real-world environments. NTIA and OET also seek comment on the types of spectrum sharing innovations and supported applications that would be good initial candidates for such evaluations, including their potential benefits, recommended spectrum bands for sharing, and appropriate operational requirements.

NTIA and OET seek comment on the extent to which the Model City can and should be a largely self-organizing effort to establish independent public-private partnerships by industry, municipalities (or other political subdivisions), and other non-federal stakeholders. Particularly in light of the recent modifications to the FCC's experimental licensing rules, how could the Model City take advantage of these rule changes without having to establish or fund a new federal program? What type of formal or informal agreements or arrangements among the non-federal

[2] *See id.* at vi.

[3] *See* Memorandum for the Heads of Executive Departments and Agencies, *Unleashing the Wireless Broadband Revolution* (rel. June 28, 2010), *published at* 75 FR 38387 (July 1, 2010), *available at http://go.usa.gov/8nr3.*

[4] *See* Memorandum for the Heads of Executive Departments and Agencies, *Expanding America's Leadership in Wireless Innovation* (rel. June 14, 2013), *published at* 78 FR 37431 (June 20, 2013), *available at http://go.usa.gov/8nr3* (*2013 Presidential Memorandum*).

[5] *See* WSRD SSG National Wireless Testbed Information Portal, *available at http://go.usa.gov/8ngh.*

[6] *See* NIST and NTIA Announce Plans to Establish New Center for Advanced Communications, *Press Release* (June 14, 2013), *available at http://go.usa.gov/DTdG.*

[7] *See* 2013 *Presidential Memorandum.*

[8] *See* NTIA, Spectrum Monitoring Pilot Program, *Notice of Inquiry,* 78 FR 50399 (Aug. 19, 2013), *available at http://go.usa.gov/DWQw.*

[9] *See* FCC, *Promoting Expanded Opportunities for Radio Experimentation and Market Trials Under Part 5 of the Commission's Rules and Streamlining Other Related Rules,* ET Docket No. 10–236, *Report and Order,* 28 FCC Rcd. 758 (Feb. 2013), *available at http://hraunfoss.fcc.gov/edocs_public/attachmatch/FCC-13-15A1_Rcd.pdf.*

[10] *See* TAC, *Summary of Meeting* at 36 (Mar. 10, 2014), *available at http://transition.fcc.gov/bureaus/oet/tac/tacdocs/meeting31014/TACSummary3-10-14.pdf.*

parties would be necessary to effectuate the Model City relationships and understandings between, for example, an industry consortium and the participating city? Beyond the FCC's formal role in administering the experimental licensing process, NTIA and OET seek comment on how it could further expedite or streamline the process for Model City participants and more effectively ensure compliance with the rules and any license conditions.

In addition to coordinating experimental license applications to use bands implicating federal spectrum assignments, to what extent should NTIA be involved in particular initiatives to facilitate federal agency participation in a Model City program? NTIA and OET seek input from commenting parties on whether the Model City program should be managed by the federal government or whether the FCC and NTIA could, on top of their existing licensing and coordination roles, help initiate and facilitate a dialogue between the key stakeholders who will directly develop, participate in, and benefit from a successful Model City program within the scope of existing rules or other requirements.

The new CAC established by NTIA and NIST could be a potential vehicle to advance the Model City concept. As noted above, a core function of the CAC is to promote interdisciplinary research, development, and testing in radio frequency technology and spectrum sharing. NTIA and OET seek comment on the potential role of the CAC in managing the activities within one or more Model Cities, such as working directly with NTIA and the FCC to coordinate the interests of incumbent spectrum users to avoid harmful interference, while ensuring that innovators have access to adequate spectrum resources and other facilities in cooperation with city officials. While we would expect private sector stakeholders to drive the design and development of innovative wireless technologies and business models that could be tested in a Model City, NTIA and OET seek comment on how the CAC could work as an impartial facilitator with the federal and non-federal stakeholders and local governments to develop feasible test plans, minimize regulatory issues and constraints, monitor experimental deployments, and evaluate and report the test results.

The FCC's experimental licensing program makes spectrum available to any non-federal party interested in experimenting with new radio technologies, equipment designs, radio wave propagation characteristics, and innovative service concepts (including market trials), especially in new innovation zones. NTIA and OET seek comment on how this program can be effectively used as a platform for the establishment of the Model City. For example, how can the FCC and NTIA facilitate stakeholder deployment of innovation zones in one or more Model Cities?

NTIA and OET invite commenters to suggest opportunities for collaboration among wireless service providers, hardware vendors, academia, federal agencies, and other researchers and developers. How would such collaboration in a Model City better facilitate more rapid experimentation of advanced spectrum sharing techniques between new commercial systems and incumbent or new federal systems? How would such collaborative use within Model City innovation zones enhance stakeholders' ability to try various sharing concepts? For example, what kind of flexibility would stakeholders need to make adjustments as needed when developing sharing protocols under real-world scenarios while ensuring protection of other services and operations?

The host community for a Model City could play a crucial and collaborative role by expediting access to rights-of-way and other facilities (*e.g.,* fiber, conduits, poles, towers, buildings, rooftops, park spaces, tunnels, *etc.*) for short- and long-term wireless infrastructure and monitoring deployments. The *PCAST Report* suggests that regional clusters of local industry associations, government, and academia could develop proposals to host the Model City in their particular regions to leverage their own innovation investments, local suppliers, terrain characteristics, nearby federal installations, and other unique features and benefits.[11] NTIA and OET seek comment on the most appropriate approach for soliciting or identifying eligible cities interested in hosting Model City deployments. What particular factors, accommodations, commitments, or benefits would be important? For example, how should local permitting processes, accessibility to city lands and facilities, or incentives be considered? What features of a Model City would be most attractive for candidate cities to participate in the program?

Finally, NTIA and OET seek input on the potential funding mechanisms and other processes for establishing and maintaining one or more Model City deployments in a manner that facilitates potentially resource-intensive collaborative efforts among a wide range of stakeholders while minimizing expenditure of taxpayer (both federal and local) dollars. How should funding be addressed in Model City proposals and what minimal commitments should be required for such proposals to go forward? How would existing mechanisms, such as federal Cooperative Research and Development Agreements, be used to expand opportunities for private stakeholder funding, collaboration, and information protection, and what other alternative methods could be used to formalize the parties' roles and responsibilities, including funding? What incentives might be provided, and by whom, to increase participation in a Model City program? What other factors should be considered in a process to solicit interest in and successfully initiate Model City proposals?

[11] *See PCAST Report* at 71.

Dated: July 10, 2014.

Milton Brown,

Deputy Chief Counsel, National Telecommunications and Information Administration.

Dated: July 10, 2014.

Julius P. Knapp,

Chief, Office of Engineering and Technology, Federal Communications Commission.

[FR Doc. 2014–16529 Filed 7–14–14; 8:45 am]

BILLING CODE 3510–60–P

DEPARTMENT OF DEFENSE

Office of the Secretary

[Docket ID DoD–2014–OS–0108]

Privacy Act of 1974; System of Records

AGENCY: Defense Logistics Agency, DoD.

ACTION: Notice to amend a System of Records.

SUMMARY: The Defense Logistics Agency is amending a system of records notice S900.50, entitled ''Labor Hours, Project and Workload Records'' in its existing inventory of record systems subject to the Privacy Act of 1974, as amended. The purpose of this system is to track contractor employees' and military members' workload/project activity for analysis and reporting purposes, time and attendance, and labor distribution data against projects for management and planning purposes; to maintain management records associated with the operations of the contract; to evaluate and monitor the contractor performance and other matters concerning the contract.

DATES: Comments will be accepted on or before August 14, 2014. This proposed action will be effective on the date following the end of the comment period unless comments are received which result in a contrary determination.

ADDRESSES: You may submit comments, identified by docket number and title, by any of the following methods:

* *Federal Rulemaking Portal: http://www.regulations.gov.* Follow the instructions for submitting comments.

* *Mail:* Federal Docket Management System Office, 4800 Mark Center Drive, East Tower, 2nd Floor, Suite 02G09, Alexandria, VA 22350–3100.

Instructions: All submissions received must include the agency name and docket number for this **Federal Register** document. The general policy for comments and other submissions from members of the public is to make these submissions available for public viewing on the Internet at *http://www.regulations.gov* as they are received without change, including any personal identifiers or contact information.

FOR FURTHER INFORMATION CONTACT: Mr. LaDonne White, DLA FOIA/Privacy Act Office, Headquarters, Defense Logistics Agency, ATTN: DGA, 8725 John J. Kingman Road, Suite 1644, Fort Belvoir, VA 22060–6221, or by phone at (703)767–5045.

SUPPLEMENTARY INFORMATION: The Defense Logistics Agency systems of records notices subject to the Privacy Act of 1974 (5 U.S.C. 552a), as amended, have been published in the **Federal Register** and are available from the address in **FOR FURTHER INFORMATION CONTACT** or at *http://dpclo.defense.gov/.*

The proposed changes to the record system being amended are set forth in this notice. The proposed amendment is not within the purview of subsection (r) of the Privacy Act of 1974 (5 U.S.C. 552a), as amended, which requires the submission of a new or altered system report.

Dated: July 10, 2014.

Aaron Siegel,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

S900.50

SYSTEM NAME:

Labor Hours, Project and Workload Records (March 4, 2011, 76 FR 12076).

CHANGES:

* * * * *

SYSTEM LOCATION:

Delete ''Suite 6226'' and replace with ''Suite 1318.''

* * * * *

CATEGORIES OF RECORDS IN THE SYSTEM:

Delete from entry ''and office telephone number.''

* * * * *

PURPOSE(S):

Delete entry and replace with ''For the purpose of tracking contractor employees' and military members' workload/project activity for analysis and reporting purposes, time and attendance, and labor distribution data against projects for management and planning purposes; to maintain management records associated with the operations of the contract; to evaluate and monitor the contractor performance and other matters concerning the contract.''

* * * * *

SYSTEM MANAGER(S) AND ADDRESS:

Replace ''Project Manager'' with ''EAGLE Project Manager.''

NOTIFICATION PROCEDURE:

Delete entry and replace with ''Individuals seeking to determine whether information about themselves is contained in this system of records should address written inquiries to the DLA FOIA/Privacy Act Office, Headquarters, Defense Logistics Agency, ATTN: DGA, 8725 John J. Kingman Road, Suite 1644, Fort Belvoir, VA 22060–6221.

Inquiry should contain the subject individual's full name, User ID or DLA email address, return mailing address, and organizational location of the individual.''

RECORD ACCESS PROCEDURES:

Delete entry and replace with ''Individuals seeking access to information about themselves contained in this system of records should address written inquiries to the DLA FOIA/Privacy Act Office, Headquarters, Defense Logistics Agency, ATTN: DGA, 8725 John J. Kingman Road, Suite 1644, Fort Belvoir, VA 22060–6221.

Inquiry should contain the subject individual's full name, User ID or DLA email address, return mailing address, and organizational location of the individual.''

CONTESTING RECORD PROCEDURES:

Delete entry and replace with ''The DLA rules for accessing records, for contesting contents, and appealing initial agency determinations are contained in 32 CFR part 323, or may be obtained from the DLA FOIA/Privacy Act Office, Headquarters, Defense Logistics Agency, ATTN: DGA, 8725 John J. Kingman Road, Suite 1644, Fort Belvoir, VA 22060–6221.''

* * * * *

[FR Doc. 2014–16516 Filed 7–14–14; 8:45 am]

BILLING CODE 5001–06–P

DEPARTMENT OF DEFENSE

Office of the Secretary

[Docket ID DoD–2014–OS–0109]

Privacy Act of 1974; System of Records

AGENCY: Defense Health Agency, DoD.

ACTION: Notice to alter a System of Records.

SUMMARY: The Defense Health Agency proposes to alter an existing system of records, EDHA 18, entitled ''Research Regulatory Oversight Records'' in its inventory of record systems subject to the Privacy Act of 1974, as amended. This system provides information to track research protocols to ensure the protection of human and animal subjects in the conduct of DoD-supported research and to ensure that individuals engaged in the performance of DoD-supported research are properly trained and qualified.

DATES: Comments will be accepted on or before August 14, 2014. This proposed action will be effective on the day following the end of the comment period unless comments are received which result in a contrary determination.

ADDRESSES: You may submit comments, identified by docket number and title, by any of the following methods:

* *Federal Rulemaking Portal: http://www.regulations.gov.* Follow the instructions for submitting comments.

* *Mail:* Federal Docket Management System Office, 4800 Mark Center Drive, East Tower, 2nd Floor, Suite 02G09, Alexandria, VA 22350–3100.

Instructions: All submissions received must include the agency name and docket number for this **Federal Register** document. The general policy for comments and other submissions from members of the public is to make these submissions available for public viewing on the Internet at *http://www.regulations.gov* as they are received without change, including any personal identifiers or contact information.

FOR FURTHER INFORMATION CONTACT: Ms. Linda S. Thomas, Chief, Defense Health Agency Privacy and Civil Liberties

Office, 7700 Arlington Boulevard, Suite 5101, Falls Church, VA 22042–5101, or by phone at (703) 681–7500.

SUPPLEMENTARY INFORMATION: The Defense Health Agency notices for systems of records subject to the Privacy Act of 1974 (5 U.S.C. 552a), as amended, have been published in the **Federal Register** and are available from the address in **FOR FURTHER INFORMATION CONTACT** or at the Defense Privacy and Civil Liberties Office Web site *http://dpclo.defense.gov/.*

The proposed system report, as required by 5 U.S.C. 552a(r) of the Privacy Act of 1974, as amended, was submitted on June 12, 2014, to the House Committee on Oversight and Government Reform, the Senate Committee on Governmental Affairs, and the Office of Management and Budget (OMB) pursuant to paragraph 4c of Appendix I to OMB Circular No. A–130, ''Federal Agency Responsibilities for Maintaining Records About Individuals,'' dated February 8, 1996 (February 20, 1996, 61 FR 6427).

Dated: July 9, 2014.

Aaron Siegel,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

EDHA 18

SYSTEM NAME:

Research Regulatory Oversight Records (November 18, 2013, 78 FR 69076).

CHANGES:

* * * * *

SYSTEM LOCATION:

Delete entry and replace with ''Health Readiness Policy and Oversight, Defense Health Agency, 7700 Arlington Boulevard, Suite 5101, Falls Church, VA 22042–5101.''

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Delete entry and replace with ''Military, civilian and contractor investigators who engage in or conduct DoD-supported research involving human or animal subjects; and military, civilian or contractor personnel from other Federal agencies, responsible for the review, approval, and regulatory oversight of DoD-supported research involving human or animal subjects.''

CATEGORIES OF RECORDS IN THE SYSTEM:

Delete entry and replace with ''Name, work and home address; work and personal email; work and personal telephone number, resume, employment information. Documentation of training and certifications required to conduct research involving human or animal subjects or necessary to conduct review, approval, and regulatory oversight of such DoD-supported research.''

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

Delete entry and replace with ''10 U.S.C. 136, Under Secretary of Defense for Personnel and Readiness; 32 CFR 219, Protection of Human Subjects; DoD Directive 5136.01, Assistant Secretary of Defense for Health Affairs (ASD(HA); DoDI 3216.01, Use of Animals in DoD Programs; and DoDI 3216.02, Protection of Human Subjects and Adherence to Ethical Standards in DoD Supported Research.''

PURPOSE(S):

Delete entry and replace with ''To collect information on the training and qualifications of those individuals conducting research involving human and/or animal subjects.''

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

Delete entry and replace with ''In addition to those disclosures generally permitted under 5 U.S.C. 552a(b) of the Privacy Act of 1974, as amended, these records may specifically be disclosed outside the DoD as a routine use pursuant to 5 U.S.C. 552a(b)(3)as follows:

To Federal, State, local, or foreign government agencies for identification, tracking and oversight of authorized research procedures and tracking of individual researchers and reviewers involved in the process.

To private business entities for matters relating to eligibility, quality assurance, peer review and program integrity.

The DoD Blanket Routine Uses may apply to this system of records.''

* * * * *

STORAGE:

Delete entry and replace with ''Paper records and/or electronic storage media.''

* * * * *

SYSTEM MANAGER(S) AND ADDRESS:

Delete entry and replace with ''Program Manager, Health Readiness Policy and Oversight, Defense Health Agency, 7700 Arlington Boulevard, Suite 5101, Falls Church, VA 22042–5101.''

NOTIFICATION PROCEDURE:

Delete entry and replace with ''Individuals seeking to determine whether information about themselves is contained in this system of records should address written inquiries to the Program Manager, Health Readiness Policy and Oversight, Defense Health Agency, 7700 Arlington Boulevard, Suite 5101, Falls Church, VA 22042–5101.

Requests should contain the name and number of this system of records notice individual's full name, work address, work telephone number and signature.''

RECORD ACCESS PROCEDURES:

Delete entry and replace with ''Individuals seeking access to information about themselves contained in this system of records should address written inquiries to the Chief, Freedom of Information Act Service Center, Defense Health Agency Privacy and Civil Liberties Office, 7700 Arlington Boulevard, Suite 5101, Falls Church, VA 22042–5101.

Requests must include the name and the number of this system of record notice, the individual's full name, work address, work telephone number, and signature.''

CONTESTING RECORD PROCEDURES:

Delete entry and replace with ''The Office of the Secretary of Defense (OSD) rules for accessing records, for contesting contents and appealing initial agency determinations are published in OSD Administrative Instruction 81, 32 CFR Part 311, or may be obtained from the system manager.''

* * * * *

[FR Doc. 2014–16465 Filed 7–14–14; 8:45 am]

BILLING CODE 5001–06–P

DEPARTMENT OF DEFENSE

Office of the Secretary

TRICARE; Fiscal Year 2015 Continued Health Care Benefit Program Premium Update

AGENCY: Office of the Secretary, Department of Defense.

ACTION: Notice of Updated Continued Health Care Benefit Program Premiums for Fiscal Year 2015.

SUMMARY: This notice provides the updated Continued Health Care Benefit Program premiums for Fiscal Year 2015.

DATES: The Fiscal Year 2015 rates contained in this notice are effective for services on or after October 1, 2014.

ADDRESSES: Defense Health Agency, TRICARE Health Plan, 7700 Arlington Boulevard, Suite 5101, Falls Church, Virginia 22042–5101.

FOR FURTHER INFORMATION CONTACT: Mark A. Ellis, telephone (703) 681–0039.

SUPPLEMENTARY INFORMATION: The final rule published in the **Federal Register**

(FR) on September 30, 1994 (59 FR 49818) sets forth rules to implement the Continued Health Care Benefit Program (CHCBP) required by Title 10, United States Code, Section 1078a. Included in this final rule were provisions for updating the CHCBP premiums for each federal Fiscal Year. As stated in the final rule, the premiums are based on Federal Employee Health Benefit Program employee and agency contributions required for a comparable health benefits plan, plus an administrative fee. Premiums may be revised annually and shall be published annually for each Fiscal Year.

Defense Health Agency has updated the quarterly premiums for Fiscal Year 2015 as shown below:

Quarterly CHCBP Premiums for Fiscal Year 2015

Individual—$1,275.00.

Family—$2,868.00.

The above premiums are effective for services rendered on or after October 1, 2014.

Dated: July 10, 2014.

Aaron Siegel,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 2014–16517 Filed 7–14–14; 8:45 am]

BILLING CODE 5001–06–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Combined Notice of Filings #1

Take notice that the Commission received the following electric rate filings:

Docket Numbers: ER02–2001–000*; ER10–1304–002.*

Applicants: DownEast Power Company, LLC.

Description: Request for Waiver of Downeast Power Company, LLC requires time to learn and submit the EQR's.

Filed Date: 7/8/14.

Accession Number: 20140708–5017.

Comments Due: 5 p.m. ET 7/29/14.

Docket Numbers: ER14–1485–001.

Applicants: PJM Interconnection, L.L.C.

Description: Deficiency Filing ER14–1485–000 to be effective 6/11/2014.

Filed Date: 7/7/14.

Accession Number: 20140707–5181.

Comments Due: 5 p.m. ET 7/28/14.

Docket Numbers: ER14–1772–001.

Applicants: Oklahoma Cogeneration, LLC.

Description: Notice of Non-Material Change in Status of Oklahoma Cogeneration, LLC.

Filed Date: 7/8/14.

Accession Number: 20140708–5048.

Comments Due: 5 p.m. ET 7/29/14.

Docket Numbers: ER14–2158–000.

Applicants: Midcontinent Independent System Operator, Inc.

Description: 2014–07–08_SA 2669 NIPSCO-Zimmerman GIA Supplement to be effective N/A.

Filed Date: 7/8/14.

Accession Number: 20140708–5072.

Comments Due: 5 p.m. ET 7/29/14.

Docket Numbers: ER14–2187–002.

Applicants: Grand Ridge Energy Storage LLC.

Description: Second Supplement to Market-Based Rate Application to be effective 8/16/2014.

Filed Date: 7/8/14.

Accession Number: 20140708–5036.

Comments Due: 5 p.m. ET 7/29/14.

Docket Numbers: ER14–2363–000.

Applicants: Southwestern Public Service Company.

Description: Request for Waiver of Southwestern Public Service Company.

Filed Date: 7/3/14.

Accession Number: 20140703–5110.

Comments Due: 5 p.m. ET 7/24/14.

Docket Numbers: ER14–2372–000.

Applicants: California Independent System Operator Corporation.

Description: 2014–05–29_OMS to be effective 9/22/2014.

Filed Date: 7/7/14.

Accession Number: 20140707–5170.

Comments Due: 5 p.m. ET 7/28/14.

Docket Numbers: ER14–2373–000.

Applicants: Avista Corporation.

Description: Avista Corp OATT Order 792 Compliance Filing to be effective 8/3/2014.

Filed Date: 7/8/14.

Accession Number: 20140708–5000.

Comments Due: 5 p.m. ET 7/29/14.

Docket Numbers: ER14–2375–000.

Applicants: PJM Interconnection, L.L.C.

Description: Queue Position Y3–037; First Revised Service Agreement No. 3629 to be effective 6/6/2014.

Filed Date: 7/8/14.

Accession Number: 20140708–5037.

Comments Due: 5 p.m. ET 7/29/14.

Docket Numbers: ER14–2376–000.

Applicants: ISO New England Inc., New England Power Pool Participants Committee.

Description: MR 1 Offer Flexibility Conforming Changes to be effective 12/3/2014.

Filed Date: 7/8/14.

Accession Number: 20140708–5038.

Comments Due: 5 p.m. ET 7/29/14.

Docket Numbers: ER14–2377–000.

Applicants: Consumers Energy Company.

Description: Consumers Energy Company submits Notice of Cancellation of Rate Schedule Nos. 105 and 106.

Filed Date: 7/8/14.

Accession Number: 20140708–5061.

Comments Due: 5 p.m. ET 7/29/14.

Docket Numbers: ER14–2378–000.

Applicants: The Connecticut Light and Power Company.

Description: Amendement to CLP and CMEEC WDS Agreement—Electric Rate Schedule FERC NO. WD–1 to be effective 9/6/2014.

Filed Date: 7/8/14.

Accession Number: 20140708–5074.

Comments Due: 5 p.m. ET 7/29/14.

Docket Numbers: ER14–2379–000.

Applicants: PJM Interconnection, L.L.C.

Description: Rev to OATT Att K-Appx Sec 1.3 and OA Sched 1 Sec 1.3—Def of Zonal Base Load to be effective 9/8/2014.

Filed Date: 7/8/14.

Accession Number: 20140708–5081.

Comments Due: 5 p.m. ET 7/29/14.

Docket Numbers: ER14–2380–000.

Applicants: Seminole Retail Energy Services, L.L.C.

Description: MBR Tariff Filing to be effective 6/12/2014.

Filed Date: 7/8/14.

Accession Number: 20140708–5082.

Comments Due: 5 p.m. ET 7/29/14.

The filings are accessible in the Commission's eLibrary system by clicking on the links or querying the docket number.

Any person desiring to intervene or protest in any of the above proceedings must file in accordance with Rules 211 and 214 of the Commission's Regulations (18 CFR 385.211 and 385.214) on or before 5:00 p.m. Eastern time on the specified comment date. Protests may be considered, but intervention is necessary to become a party to the proceeding.

eFiling is encouraged. More detailed information relating to filing requirements, interventions, protests, service, and qualifying facilities filings can be found at: *http://www.ferc.gov/docs-filing/efiling/filing-req.pdf.* For other information, call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

Dated: July 8, 2014.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2014–16554 Filed 7–14–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. ER13–102–004]

New York Independent System Operator, Inc.; Notice of Compliance Filing

Take notice that on July 3, 2014, New York Independent System Operator, Inc. (NYISO) submitted a compliance filing to provide redline and clean versions of its Open Access Transmission Tariff (OATT) and Market Administration and Control Area Services Tariff (Services Tariff) revisions filed to comply with the requirements of Order Nos. 1000 and 1000–A.[1] NYISO states that the redline and clean versions of its OATT and Services Tariff constitute a supplemental ministerial filing to provide redline versions of the OATT and Services Tariff sections for which the NYISO requested a revised effective date on July 2, 2014.[2]

Any person desiring to intervene or to protest this filing must file in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211, 385.214). Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a notice of intervention or motion to intervene, as appropriate. Such notices, motions, or protests must be filed on or before the comment date. On or before the comment date, it is not necessary to serve motions to intervene or protests on persons other than the Applicant.

The Commission encourages electronic submission of protests and interventions in lieu of paper using the ''eFiling'' link at *http://www.ferc.gov.* Persons unable to file electronically should submit an original and 5 copies of the protest or intervention to the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426.

This filing is accessible on-line at *http://www.ferc.gov,* using the ''eLibrary'' link and is available for review in the Commission's Public Reference Room in Washington, DC. There is an ''eSubscription'' link on the Web site that enables subscribers to receive email notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please email *FERCOnlineSupport@ferc.gov,* or call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

Comment Date: 5:00 p.m. Eastern Time on July 14, 2014.

Dated: July 8, 2014.

Kimberly D. Bose,

Secretary.

[FR Doc. 2014–16435 Filed 7–14–14; 8:45 am]

BILLING CODE 6717–01–P

[1] *Transmission Planning and Cost Allocation by Transmission Owning and Operating Public Utilities,* Order No. 1000, 76 FR 49842 (Aug. 11, 2011), FERC Stats. & Regs. ¶ 31,323 (2011), *order on reh'g,* Order No. 1000–A, 77 FR 32184 (May 31, 2012), 139 FERC ¶ 61,132 (2012).

[2] *See* NYISO, Compliance Filing, Docket No. ER13–102–003 (filed July 2, 2014) (requesting deferral of the effective date of January 1, 2014 for its Open Access Transmission Tariff revisions filed to comply with the requirements of Order Nos. 1000 and 1000–A).

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No. P–12796–004–OH]

City of Wadsworth, Ohio; Notice of Availability of Environmental Assessment

In accordance with the National Environmental Policy Act of 1969 and the Federal Energy Regulatory Commission's (Commission) regulations, 18 Code of Federal Regulations (CFR) Part 380 (Order No. 486, 52 **Federal Register** [FR] 47897), the Office of Energy Projects has reviewed the application for a major original license for the 50-megawatt Robert C. Byrd Hydroelectric Project, (RC Byrd Project or project), located on the Ohio River at the U.S. Army Corps of Engineers' (Corps) Robert C. Byrd Locks and Dam (RC Byrd Locks and Dam), approximately 12.7 miles south of the confluence of the Ohio River and the Kanawha River, 9 miles south of the Town of Gallipolis, Gallia County, Ohio, and has prepared a Draft Environmental Assessment (DEA) for the project. The proposed project would occupy 7.6 acres of federal land administered by the Corps.

The DEA contains the staff's analysis of the potential environmental impacts of the proposed project and concludes that licensing the proposed project, with appropriate environmental protective measures, would not constitute a major federal action that would significantly affect the quality of the human environment.

A copy of the DEA is available for review at the Commission in the Public Reference Room or may be viewed on the Commission's Web site at *www.ferc.gov* using the ''eLibrary'' link. Enter the docket number excluding the last three digits in the docket number field to access the document. For assistance, contact FERC Online Support at *FERCOnlineSupport@ferc.gov* or toll-free at 1–866–208–3676, or for TTY, 202–502–8659.

You may also register online at *www.ferc.gov/docs-filing/esubscription.asp* to be notified via email of new filings and issuances related to this or other pending projects. For assistance, contact FERC Online Support.

Any comments should be filed within 30 days from the date of this notice.

The Commission strongly encourages electronic filings. Please file comments using the Commission's eFiling system at *http://www.ferc.gov/docs-filing/efiling.asp.* Commenters can submit brief comments up to 6,000 characters, without prior registration, using the eComment system at *http://www.ferc.gov/docs-filing/ecomment.asp.*

You must include your name and contact information at the end of your comments. For assistance, please contact FERC Online Support. In lieu of electronic filing, please send a paper copy to: Secretary, Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426. Please affix ''Project No. 12796–004'' to all comments.

For further information, contact Gaylord Hoisington by telephone at 202–502–6032 or by email at *gaylord.hoisington@ferc.gov.*

Dated: July 8, 2014.

Kimberly D. Bose,

Secretary.

[FR Doc. 2014–16442 Filed 7–14–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No. 6544–003]

I–MAXMAT Corporation; Ampersand Collins Hydro, LLC; Notice of Transfer of Exemption

1. By letter filed June 16, 2014, Ampersand Collins Hydro, LLC informed the Commission that the exemption from licensing for the Collins Project, FERC No. 6544, originally issued February 9, 1984,[1] has been transferred to Ampersand Collins Hydro, LLC. The project is located on

[1] 26 FERC ¶ 62,112, Order Granting Exemption from Licensing of a Small Hydroelectric Project of 5 Megawatts or Less.

the Chicopee River in Hampden County, Massachusetts. The transfer of an exemption does not require Commission approval.

2. Ampersand Collins Hydro, LLC is now the exemptee of the Collins Project, FERC No. 6544. All correspondence should be forwarded to: Mr. Jingdong Huang, Secretary, Ampersand Collins Hydro, LLC, 717 Atlantic Avenue, Suite 1A, Boston, MA 02111.

Dated: July 8, 2014.

Kimberly D. Bose,

Secretary.

[FR Doc. 2014–16441 Filed 7–14–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. ER14–2290–000]

Josco Energy Corp.; Supplemental Notice That Initial Market-Based Rate Filing Includes Request For Blanket Section 204 Authorization

This is a supplemental notice in the above-referenced proceeding of Josco Energy Corp.'s application for market-based rate authority, with an accompanying rate tariff, noting that such application includes a request for blanket authorization, under 18 CFR Part 34, of future issuances of securities and assumptions of liability.

Any person desiring to intervene or to protest should file with the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). Anyone filing a motion to intervene or protest must serve a copy of that document on the Applicant.

Notice is hereby given that the deadline for filing protests with regard to the applicant's request for blanket authorization, under 18 CFR Part 34, of future issuances of securities and assumptions of liability, is July 29, 2014.

The Commission encourages electronic submission of protests and interventions in lieu of paper, using the FERC Online links at *http://www.ferc.gov.* To facilitate electronic service, persons with Internet access who will eFile a document and/or be listed as a contact for an intervenor must create and validate an eRegistration account using the eRegistration link. Select the eFiling link to log on and submit the intervention or protests.

Persons unable to file electronically should submit an original and 5 copies of the intervention or protest to the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426.

The filings in the above-referenced proceeding are accessible in the Commission's eLibrary system by clicking on the appropriate link in the above list. They are also available for review in the Commission's Public Reference Room in Washington, DC. There is an eSubscription link on the Web site that enables subscribers to receive email notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please email *FERCOnlineSupport@ferc.gov.* or call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

Dated: July 9, 2014.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2014–16555 Filed 7–14–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. ER14–2325–000]

Mosic Fertilizer, LLC; Supplemental Notice That Initial Market-Based Rate Filing Includes Request for Blanket Section 204 Authorization

This is a supplemental notice in the above-referenced proceeding of Mosic Fertilizer, LLC's application for market-based rate authority, with an accompanying rate tariff, noting that such application includes a request for blanket authorization, under 18 CFR Part 34, of future issuances of securities and assumptions of liability.

Any person desiring to intervene or to protest should file with the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). Anyone filing a motion to intervene or protest must serve a copy of that document on the Applicant.

Notice is hereby given that the deadline for filing protests with regard to the applicant's request for blanket authorization, under 18 CFR Part 34, of future issuances of securities and assumptions of liability, is July 29, 2014.

The Commission encourages electronic submission of protests and interventions in lieu of paper, using the FERC Online links at *http://www.ferc.gov.* To facilitate electronic service, persons with Internet access who will eFile a document and/or be listed as a contact for an intervenor must create and validate an eRegistration account using the eRegistration link. Select the eFiling link to log on and submit the intervention or protests.

Persons unable to file electronically should submit an original and 5 copies of the intervention or protest to the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426.

The filings in the above-referenced proceeding are accessible in the Commission's eLibrary system by clicking on the appropriate link in the above list. They are also available for review in the Commission's Public Reference Room in Washington, DC. There is an eSubscription link on the Web site that enables subscribers to receive email notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please email *FERCOnlineSupport@ferc.gov.* or call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

Dated: July 9, 2014.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2014–16557 Filed 7–14–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. ER14–2382–000]

ON Wind Energy LLC; Supplemental Notice That Initial Market-Based Rate Filing Includes Request for Blanket Section 204 Authorization

This is a supplemental notice in the above-referenced proceeding of ON Wind Energy LLC's application for market-based rate authority, with an accompanying rate tariff, noting that such application includes a request for blanket authorization, under 18 CFR Part 34, of future issuances of securities and assumptions of liability.

Any person desiring to intervene or to protest should file with the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). Anyone filing a motion to

intervene or protest must serve a copy of that document on the Applicant.

Notice is hereby given that the deadline for filing protests with regard to the applicant's request for blanket authorization, under 18 CFR Part 34, of future issuances of securities and assumptions of liability, is July 29, 2014.

The Commission encourages electronic submission of protests and interventions in lieu of paper, using the FERC Online links at *http://www.ferc.gov*. To facilitate electronic service, persons with Internet access who will eFile a document and/or be listed as a contact for an intervenor must create and validate an eRegistration account using the eRegistration link. Select the eFiling link to log on and submit the intervention or protests.

Persons unable to file electronically should submit an original and 5 copies of the intervention or protest to the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426.

The filings in the above-referenced proceeding are accessible in the Commission's eLibrary system by clicking on the appropriate link in the above list. They are also available for review in the Commission's Public Reference Room in Washington, DC. There is an eSubscription link on the Web site that enables subscribers to receive email notification when a document is added to a subscribed dockets(s). For assistance with any FERC Online service, please email *FERCOnlineSupport@ferc.gov* or call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

Dated: July 9, 2014.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2014–16560 Filed 7–14–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. ER14–2333–000]

Rushmore Energy, LLC; Supplemental Notice That Initial Market-Based Rate Filing Includes Request for Blanket Section 204 Authorization

This is a supplemental notice in the above-referenced proceeding of Rushmore Energy, LLC's application for market-based rate authority, with an accompanying rate tariff, noting that such application includes a request for blanket authorization, under 18 CFR part 34, of future issuances of securities and assumptions of liability.

Any person desiring to intervene or to protest should file with the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). Anyone filing a motion to intervene or protest must serve a copy of that document on the Applicant.

Notice is hereby given that the deadline for filing protests with regard to the applicant's request for blanket authorization, under 18 CFR part 34, of future issuances of securities and assumptions of liability, is July 29, 2014.

The Commission encourages electronic submission of protests and interventions in lieu of paper, using the FERC Online links at *http://www.ferc.gov*. To facilitate electronic service, persons with Internet access who will eFile a document and/or be listed as a contact for an intervenor must create and validate an eRegistration account using the eRegistration link. Select the eFiling link to log on and submit the intervention or protests.

Persons unable to file electronically should submit an original and 5 copies of the intervention or protest to the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426.

The filings in the above-referenced proceeding are accessible in the Commission's eLibrary system by clicking on the appropriate link in the above list. They are also available for review in the Commission's Public Reference Room in Washington, DC. There is an eSubscription link on the Web site that enables subscribers to receive email notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please email *FERCOnlineSupport@ferc.gov.* or call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

Dated: July 9, 2014.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2014–16558 Filed 7–14–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. ER14–2361–000]

Sunwave Gas & Power New York, Inc.; Supplemental Notice That Initial Market-Based Rate Filing Includes Request for Blanket Section 204 Authorization

This is a supplemental notice in the above-referenced proceeding of Sunwave Gas & Power New York, Inc.'s application for market-based rate authority, with an accompanying rate tariff, noting that such application includes a request for blanket authorization, under 18 CFR Part 34, of future issuances of securities and assumptions of liability.

Any person desiring to intervene or to protest should file with the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). Anyone filing a motion to intervene or protest must serve a copy of that document on the Applicant.

Notice is hereby given that the deadline for filing protests with regard to the applicant's request for blanket authorization, under 18 CFR Part 34, of future issuances of securities and assumptions of liability, is July 29, 2014.

The Commission encourages electronic submission of protests and interventions in lieu of paper, using the FERC Online links at *http://www.ferc.gov*. To facilitate electronic service, persons with Internet access who will eFile a document and/or be listed as a contact for an intervenor must create and validate an eRegistration account using the eRegistration link. Select the eFiling link to log on and submit the intervention or protests.

Persons unable to file electronically should submit an original and 5 copies of the intervention or protest to the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426.

The filings in the above-referenced proceeding are accessible in the Commission's eLibrary system by clicking on the appropriate link in the above list. They are also available for review in the Commission's Public Reference Room in Washington, DC. There is an eSubscription link on the Web site that enables subscribers to receive email notification when a document is added to a subscribed

docket(s). For assistance with any FERC Online service, please email *FERCOnlineSupport@ferc.gov.* or call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

Dated: July 9, 2014.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2014–16559 Filed 7–14–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. ER14–2383–000]

Aggressive Energy LLC; Supplemental Notice That Initial Market-Based Rate Filing Includes Request for Blanket Section 204 Authorization

This is a supplemental notice in the above-referenced proceeding of Aggressive Energy LLC's application for market-based rate authority, with an accompanying rate tariff, noting that such application includes a request for blanket authorization, under 18 CFR part 34, of future issuances of securities and assumptions of liability.

Any person desiring to intervene or to protest should file with the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). Anyone filing a motion to intervene or protest must serve a copy of that document on the Applicant.

Notice is hereby given that the deadline for filing protests with regard to the applicant's request for blanket authorization, under 18 CFR part 34, of future issuances of securities and assumptions of liability, is July 29, 2014.

The Commission encourages electronic submission of protests and interventions in lieu of paper, using the FERC Online links at *http://www.ferc.gov.* To facilitate electronic service, persons with Internet access who will eFile a document and/or be listed as a contact for an intervenor must create and validate an eRegistration account using the eRegistration link. Select the eFiling link to log on and submit the intervention or protests.

Persons unable to file electronically should submit an original and 5 copies of the intervention or protest to the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426.

The filings in the above-referenced proceeding are accessible in the Commission's eLibrary system by clicking on the appropriate link in the above list. They are also available for review in the Commission's Public Reference Room in Washington, DC. There is an eSubscription link on the Web site that enables subscribers to receive email notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please email *FERCOnlineSupport@ferc.gov.* or call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

Dated: July 9, 2014.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2014–16561 Filed 7–14–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No. 2756–064]

Winooski One Partnership City of Burlington, Vermont; Notice of Application for Transfer of License and Soliciting Comments and Motions To Intervene

On June 20, 2014, Winooski One Partnership (transferor) and the City of Burlington, Vermont (transferee) filed an application for transfer of license of the Chace Mill Project located on the Winooski River in Chittenden County, Vermont.

The transferor and transferee seek Commission approval to transfer the license for the Chace Mill Project from the transferor to the transferee.

Applicant Contacts: For Transferor: Mr. Mathew Rubin, Managing General Partner, Winooski One Partnership, 26 State Street, Montpelier, Vermont 05602, Phone: 802–229–4666, email: *wind@easthavenwindfarm.com* and Ms. Catherine P. McCarthy, Bracewell & Giuliani LLP, 2000 K Street NW., Suite 500, Washington, DC 20006, Phone: 202–828–5839, email: *cathy.mccarthy@bgllp.com.* For Transferee: Mr. Kenneth A. Nolan, Manager of Power Resources, Burlington Electric Department, 585 Pine Street, Burlington, Vermont, Phone: 802–658–0300, email: *knolan@burlingtonelectric.com,* Mr. William F. Ellis, McNeil, Leddy & Sheahan, 271 South Union Street, Burlington, Vermont 05401, Phone: 802–863–4531, email: *wellis@mcneilvt.com.,* and Mr. William S. Huang and Ms. Rebecca J. Baldwin, Spiegel & McDiarmid LLP, 1875 Eye Street NW., Suite 700, Washington, DC 20006, Phone: 202–879–4000, emails: *william.huang@spiegelmcd.com* and *rebecca.baldwin@spiegelmcd.com.*

FERC Contact: Patricia W. Gillis, (202) 502–8735.

Deadline for filing comments and motions to intervene: 30 days from the issuance date of this notice, by the Commission. The Commission strongly encourages electronic filing. Please file motions to intervene and comments using the Commission's eFiling system at *http://www.ferc.gov/docs-filing/efiling.asp.* Commenters can submit brief comments up to 6,000 characters, without prior registration, using the eComment system at *http://www.ferc.gov/docs-filing/ecomment.asp.*

You must include your name and contact information at the end of your comments. For assistance, please contact FERC Online Support at *FERCOnlineSupport@ferc.gov,* (866) 208–3676 (toll free), or (202) 502–8659 (TTY). In lieu of electronic filing, please send a paper copy to: Secretary, Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426. The first page of any filing should include docket number P–2756–064.

Dated: July 8, 2014.

Kimberly D. Bose,

Secretary.

[FR Doc. 2014–16437 Filed 7–14–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No. 4684–068]

Stillwater Hydro Associates, LLCGR Catalyst One, LLC; Notice of Application for Transfer of License and Soliciting Comments and Motions To Intervene

On June 19, 2014, Stillwater Hydro Associates, LLC (transferor) and GR Catalyst One, LLC (transferee) filed an application for transfer of license of the Stillwater Hydroelectric Project located on the Hudson River in Saratoga and Rensselaer counties, New York.

The transferor and transferee seek Commission approval to transfer the license for the Stillwater Hydroelectric Project from the transferor to the transferee.

Applicant Contacts: For Transferor: Mr. Dwight A. Bowler, Vice President, Stillwater Hydro Associates, LLC, c/o Champlain Spinners Power Company,

Inc., 813 Jefferson Hill Road, Nassau, New York 12123 and Mr. Joshua A. Sabo, Esq., 287 North Greenbush Road, Troy, New York 12180. For Transferee: Mr. Mark Boumansour, COO, GR Catalyst One, LLC, c/o Gravity Renewables, Inc., 1401 Walnut Street, Suite 220, Boulder, Colorado 80302 and Mr. Robert A. Panasci, Esq., Young/Sommer, LLC, Executive Woods, 5 Palisades Drive, Albany, New York 12205.

FERC Contact: Patricia W. Gillis, (202) 502–8735.

Deadline for filing comments and motions to intervene: 30 days from the issuance date of this notice, by the Commission. The Commission strongly encourages electronic filing. Please file motions to intervene and comments using the Commission's eFiling system at *http://www.ferc.gov/docs-filing/efiling.asp*. Commenters can submit brief comments up to 6,000 characters, without prior registration, using the eComment system at *http://www.ferc.gov/docs-filing/ecomment.asp.* You must include your name and contact information at the end of your comments. For assistance, please contact FERC Online Support at *FERCOnlineSupport@ferc.gov,* (866) 208–3676 (toll free), or (202) 502–8659 (TTY). In lieu of electronic filing, please send a paper copy to: Secretary, Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426. The first page of any filing should include docket number P–4684–068.

Dated: July 8, 2014.

Kimberly D. Bose,

Secretary.

[FR Doc. 2014–16438 Filed 7–14–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Sunshine Act Meeting Notice

July 10, 2014.

The following notice of meeting is published pursuant to section 3(a) of the government in the Sunshine Act (Pub. L. No. 94–409), 5 U.S.C. 552b:

AGENCY HOLDING MEETING:

DATE AND TIME: July 17, 2014, 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 Web site at *http://www.ferc.gov* using the eLibrary link, or may be examined in the Commission's Public Reference Room.

1007TH—MEETING

Item No.	Docket No.	Company
	Administrative	
A–1	AD02–1–000	Agency Business Matters.
A–2	AD02–7–000	Customer Matters, Reliability, Security and Market Operations.
	Electric	
E–1	ER13–102–001 ER13–102–002	New York Independent System Operator, Inc.
E–2	EL14–73–000	The Empire District Electric Company.
E–3	EL14–76–000	Louisville Gas and Electric Company and Kentucky Utilities Company.
E–4	EL14–72–000	UNS Electric, Inc.
E–5	EL14–77–000	Westar Energy, Inc.
E–6	EL14–74–000	Kansas City Power & Light Company.
	EL14–75–000	KCP&L Greater Missouri Operations Company.
E–7	EL14–71–000	Black Hills Power, Inc.
E–8	RM14–15–000	Physical Security Reliability Standard.
E–9	RM14–8–000	Protection System Maintenance Reliability Standard.
E–10	RM13–19–000 RM14–3–000	Generator Relay Loadability and Revised Transmission Relay Loadability Reliability Standards.
E–11	PL14–1–000	Payment of Dividends from Funds Included in Capital Account.
E–12	ER14–1175–001	Southwest Power Pool, Inc.
E–13	EL14–38–000	Sunflower Electric Power Corporation v. Kansas Municipal Energy Agency and Southwest Power Pool, Inc.
E–14	ER14–480–001	California Independent System Operator Corporation.
	Gas	
G–1	RM14–21–000	Natural Gas Act Pipeline Maps.
G–2	RP14–728–000	El Paso Natural Gas Company, L.L.C.
	RP14–773–000	City of Las Cruces, New Mexico; City of Mesa, Arizona; ConocoPhillips Company; Freeport-McMoRan Corporation; Navajo Tribal Utility Authority; New Mexico Gas Company, Inc. and Southwest Gas Corporation v. El Paso Natural Gas Company, L.L.C. (Not Consolidated).
G–3	RP12–455–002 RP12–455–003	Panhandle Eastern Pipe Line Company, LP.

1007TH—MEETING—Continued

Item No.	Docket No.	Company
Hydro		
H–1	RM14–20–000	Format and Dimensions of Maps and Drawings Required by the Commission's Hydropower Program.
H–2	P–2210–244	Appalachian Power Company.
H–3	P–12532–005	Pine Creek Mine, LLC.
H–4	P–7019–061	Eastern Hydroelectric Corporation.
Certificates		
C–1	CP14–132–000	Gulf Oil Limited Partnership.

Kimberly D. Bose,

Secretary.

A free webcast of this event is available through *www.ferc.gov.* 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 *www.CapitolConnection.org* or contact Danelle Springer or David Reininger at 703–993–3100.

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. 2014–16658 Filed 7–11–14; 11:15 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. OR14–37–000]

Alpha Crude Connector, LLC; Notice of Petition for Declaratory Order

Take notice that on July 3, 2014, pursuant to Rule 207(a)(2) of the Commission's Rules of Practices and Procedure, 18 CFR 385.207(a)(2)(2014), Alpha Crude Connector, LLC filed a petition for declaratory order seeking approval of the overall tariff and rate structure and apportionment policy for a new crude oil pipeline system to transport crude oil from Southeast New Mexico and West Texas to points of interconnection with downstream pipelines and a rail terminal, and thence to local refineries, Cushing Oklahoma, and the Gulf Coast, all as more fully explained in the petition.

Any person desiring to intervene or to protest in this proceedings must file in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214) on or before 5:00 p.m. Eastern time on the specified comment date. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Anyone filing a motion to intervene or protest must serve a copy of that document on the Petitioner.

The Commission encourages electronic submission of protests and interventions in lieu of paper, using the FERC Online links at *http://www.ferc.gov.* To facilitate electronic service, persons with Internet access who will eFile a document and/or be listed as a contact for an intervenor must create and validate an eRegistration account using the eRegistration link. Select the eFiling link to log on and submit the intervention or protests.

Persons unable to file electronically should submit an original and 5 copies of the intervention or protest to the Federal Energy Regulatory Commission, 888 First St. NE., Washington, DC 20426.

The filings in the above proceedings are accessible in the Commission's eLibrary system by clicking on the appropriate link in the above list. They are also available for review in the Commission's Public Reference Room in Washington, DC. There is an eSubscription link on the Web site that enables subscribers to receive email notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please email *FERCOnlineSupport@ferc.gov.* or call (866) 208–3676 (toll free). For TTY, call (202) 502–8659.

Comment Date: 5:00 p.m. Eastern time on August 1, 2014.

Dated: July 8, 2014.

Kimberly D. Bose,

Secretary.

[FR Doc. 2014–16436 Filed 7–14–14; 8:45 am]

BILLING CODE 6717–01–P

ENVIRONMENTAL PROTECTION AGENCY

[EPA–HQ–OAR–2013–0451; FRL–9913–70–OAR]

Contractor Access to Vehicle and Engine Information Claimed as Confidential Business Information (CBI) Submitted Under Title II of the Clean Air Act

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: The Environmental Protection Agency (EPA's) Office of Transportation and Air Quality (OTAQ) has authorized various contractors to access information which has been submitted to EPA under Title II of the Clean Air Act and that is claimed to be, or has been determined to be, confidential business information (CBI). EPA is providing notice of past disclosure and of ongoing and contemplated future disclosure.

DATES: Access by EPA contractors to material discussed in this Notice that has been either claimed or determined to be confidential business information (CBI) is ongoing and is expected to continue in the future. EPA will accept comments on this Notice through July 21, 2014.

FOR FURTHER INFORMATION CONTACT: Julian M. Davis, Attorney-Advisor, Environmental Protection Agency, 2000 Traverwood, Ann Arbor, Michigan (48105); Telephone number: 734–214–

4029; Fax number: 734–214–4053; Email address: *davis.julian@epa.gov.*

SUPPLEMENTARY INFORMATION:

I. Does this notice apply to me?

This action is directed to the general public. However, this action may be of particular interest to parties who submit or have previously submitted information to EPA regarding the following programs:

Program	Regulation citation
Certification and defect reporting/recall of light-duty vehicles, motorcycles and heavy-duty on-highway vehicles and engines.	40 CFR part 86 and 40 CFR part 85, subpart T.
Certification and defect reporting/recall of non-road compression-ignition engines.	40 CFR part 89, subparts B and I, 40 CFR part 1039, subpart C, and 40 CFR part 1068, subpart F.
Certification and defect reporting/recall of spark-ignition engines less than or equal to 19 kilowatts.	40 CFR part 90, subparts C and I, 40 CFR part 1054, subpart C, and 40 CFR part 1068, subpart F.
Certification and defect reporting/recall of marine spark-ignition engines	40 CFR part 91, subparts B and J, 40 CFR part 1045, subpart C, and 40 CFR part 1068, subpart F.
Certification and defect reporting/recall of locomotives	40 CFR part 92, subparts C and E, 40 CFR part 1033, subpart C, and 40 CFR part 1068, subpart F.
Certification and defect reporting/recall of marine compression-ignition engines.	40 CFR part 94, subparts C and E, 40 CFR part 1042, subpart C, and 40 CFR part 1068, subpart F.
Certification of large nonroad spark-ignition engines	40 CFR part 1048, subpart C, and 40 CFR part 1068, subpart F.
Certification of recreational engines and vehicles	40 CFR part 1051, subpart C, and 40 CFR part 1068, subpart F.
Certification of non-road and stationary equipment for evaporative emissions compliance.	40 CFR part 1060, subpart C.
Fuel economy information	40 CFR part 600.

Reports submitted to EPA under 40 CFR parts 86 and 600 related to engine and vehicle compliance, such as light-duty certification and fuel economy information, are commonly referred to by the name of the reporting system itself—i.e., Verify, the EPA's vehicle and engine compliance information system. If you have any questions regarding the applicability of this action to a particular party, please contact the person listed in **FOR FURTHER INFORMATION CONTACT**.

II. How can I get copies of this document and other related information?

A. Electronically

EPA has established a public docket for this Notice under Docket EPA–HQ–OAR–2013–0451. All documents in the docket are identified in the docket index available at *http://www.regulations.gov.* Although listed in the index, some information is not publicly available, such as confidential business information (CBI) or other information for which disclosure is restricted by statute. Certain materials, such as copyrighted material, will only be available in hard copy at the EPA Docket Center.

B. EPA Docket Center

Materials listed under Docket EPA–HQ–OAR–2013–0451 will be available for public viewing at the EPA Docket Center (EPA/DC), EPA West, Room 3334, 1301 Constitution Avenue NW., Washington, DC. The EPA Docket Center Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding Federal holidays. The telephone number for the Reading Room is (202) 566–1744, and the telephone number for the Air Docket is (202) 566–1742.

III. Description of Programs and Potential Disclosure of Information Claimed as Confidential Business Information (CBI) to Contractors

The EPA's Office of Transportation and Air Quality (OTAQ) has responsibility for protecting public health and the environment by regulating air pollution from motor vehicles, engines, and the fuels used to operate them, and by encouraging travel choices that minimize emissions. In order to implement various Clean Air Act programs, and to permit regulated entities flexibility in meeting regulatory requirements, we collect compliance data and other information from them. Typically, the information submitted is claimed to be CBI. Information submitted under such a claim is handled in accordance with the EPA's regulations at 40 CFR part 2, subpart B and in accordance with EPA procedures, including comprehensive system security plans (SSPs), that are consistent with those regulations. When the EPA has determined that disclosure of information claimed as CBI to contractors is necessary, the corresponding contract must address the appropriate use and handling of the information by the contractor and the contractor must require its personnel who require access to information claimed as CBI to sign written nondisclosure agreements before they are granted access to the information.

Controls regarding the handling of information claimed as CBI, including sharing of information with contractors, are also addressed in individual SSPs. The required SSPs adhere to EPA regulations and policies, as well as with the National Institute of Standards and Technology (NIST) Standard 800–53, ''Recommended Security Controls for Federal Information Systems and Organizations.'' (NIST Standard 800–53 addresses technical, physical, environmental and other controls for information systems, including Local Area Networks (LANs) where information claimed as CBI may be stored.) Security plans address background investigations, required training, and rules of behavior for employees and contractors who require access to information claimed as CBI.

In accordance with 40 CFR 2.301(h), we have determined that the contractors, subcontractors, and grantees (collectively referred to as ''contractors'') listed below require access to CBI submitted to us under Title II of the Clean Air Act and in connection with various OTAQ programs related to vehicles and engines and are providing notice and an opportunity to comment. OTAQ collects this data and related information in order to monitor compliance with Clean Air Act programs and, in many cases, to permit regulated parties flexibility in meeting regulatory requirements. For example, data that may contain CBI is collected in order to determine if equipment manufacturers may be eligible for regulatory relief under EPA's Transition Program for Equipment Manufacturers (40 CFR Parts 89, 1039 and 1054). The nature of the work and its necessity, and the type of access granted, is described below for each contractor. Normally, EPA is required to

give affected businesses notice and an opportunity to comment at least five (5) working days prior to disclosure of information claimed as CBI to a Federal contractor. This **Federal Register** Notice provides notice to all affected businesses that, as described below, certain information may be provided to EPA contractors. We are publishing this notice in order to comply with the notification requirements of 40 CFR part 2, subpart B. We are issuing this notice to inform all submitters of information related to various vehicle and engine programs that we have provided, and may in the future provide, access to material claimed as CBI to the contractors identified below on a need-to-know basis.

Under Contract Number EP–C–13–033, Jacobs Technology, Inc., 600 William Northern Boulevard, Tullahoma, Tenessee 37388, provides support services for vehicle and engine emission certification programs to the National Vehicle and Fuel Emissions Laboratory in Ann Arbor, Michigan. Access by this contractor to vehicle and engine data and information claimed as CBI under this contract commenced on September 1, 2013 and will continue for the remainder of the contract and any further extensions without further notice.

Under contract number GSF4381G, Computer Sciences Corporation (CSC), 8400 Corporate Drive, New Carrollton, Maryland 20785, provides Information Technology (IT) support services related to the EPA's vehicle and engine compliance information system, commonly known as the Verify system. Access by this contractor to vehicle and engine data and information under this contract, including information claimed as CBI, has been ongoing since September 11, 2009 and is expected to continue through September 10, 2015. If the contract is extended, this access will continue for the remainder of the contract and any further extensions without further notice.

Under contract number GS00Q09BGD0022, CGI Federal, 12601 Fair Lakes Circle, Fairfax, Virginia 22033, provides technical and IT support for the Verify system. Access by this contractor to vehicle and engine data and information claimed as CBI commenced on January 1, 2012 and will continue through December 31, 2014. If the contract is extended this access will continue for the remainder of the contract and any further extensions without further notice.

Under contract number EP–C–11–007, SRA International, 4300 Fair Lakes Court, Fairfax, Virginia 22033, has provided and will continue to provide technical and analytical support for the OTAQ. Access by this contractor to vehicle and engine data and information under this contract claimed as CBI commenced on February 1, 2011 and will continue until December 31, 2014.

The Office of Transportation and Air Quality utilizes the services of enrollees under the Senior Environmental Employment (SEE) program. SEE funding for enrollees is provided through three grant programs. SSAI grant #835572 and SSAI grant #Q835372 located at Suite 1200, Coles Field Road, Silver Spring, Maryland 20910; and the National Association for Hispanic Elderly (NAHE) grant number 835418, located at 234 E. Colorado Blvd., Suite 300, Pasadena, California 91101. SSAI grant #835572 commenced on November 1, 2013 and will continue until October 31, 2016. SSAI grant #Q835372 commenced on November 1, 2012 and will continue until October 31, 2015. NAHE grant #835418 commenced on December 1, 2013 and will continue until November 30, 2016. SEE grantees have access to data and other information relating to all of the OTAQ's engine and vehicle programs, including information claimed as CBI. If the grant is extended, this access will continue for the remainder of the grant and any future extensions without further notice.

Parties who wish further information about this **Federal Register** notice or about OTAQ's disclosure of information designated or claimed as CBI to contactors may contact the person listed under **FOR FURTHER INFORMATION CONTACT**.

Dated: July 7, 2014.

Byron J. Bunker,

Director, Compliance Division, Office of Transportation and Air Quality.

[FR Doc. 2014–16574 Filed 7–14–14; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

[FRL –9913–87–OW]

Information Session; Stakeholder Input on Implementation of the Water Infrastructure Finance and Innovation Act of 2014

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: The Environmental Protection Agency is announcing plans to hold an information and stakeholder input session on July 22, 2014 in Chicago, Illinois to discuss implementation of the ''Water Infrastructure Finance and Innovation Act of 2014'' (WIFIA). Additional information and stakeholder input sessions will be held in locations around the country through November 2014. Locations and dates for the additional sessions will be announced when they become available.

WIFIA is an innovative financing mechanism for water-related infrastructure of national or regional significance. It was signed into law on June 11, 2014 as Public Law 113–121. EPA will be providing an overview of the statute, assistance options and terms, and ideas for implementing the program. EPA would like participants to discuss project ideas and potential selection criteria; opportunities, challenges, and questions about implementation; and future stakeholder engagement. The intended audience is municipal, state, and regional utility decision makers; private finance sector representatives; and other interested organizations and parties.

DATES: The session will be held on July 22, 2014.

ADDRESSES: The session will be held at: EPA Region 5, Ralph Metcalf Federal Building, Lake Michigan Room, 77 W. Jackson Street, Chicago, IL 60604.

FOR FURTHER INFORMATION CONTACT: For further information about this notice, including registration information, contact Jordan Dorfman, EPA Headquarters, Office of Water, Office of Wastewater Management at tel.: 202–564–0614 or email: *WIFIA@epa.gov*. Members of the public are invited to participate in the session as capacity allows.

Authority: Water Infrastructure Finance and Innovation Act, Public Law 113–121.

Dated: July 8, 2014.

Andrew D. Sawyers,

Director, Office of Wastewater Management.

[FR Doc. 2014–16573 Filed 7–14–14; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

[FRL–9913–89–OA]

Notification of a Public Teleconference of the Great Lakes Advisory Board

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: The Environmental Protection Agency (EPA) announces a teleconference of the Great Lakes Advisory Board (Board). The purpose of this teleconference is to discuss the

Great Lakes Restoration Initiative covering (GLRI) FY15–19 and other relevant matters.

DATES: The teleconference will be held Wednesday, July 30, 2014 from 10:00 a.m. to 12:00 p.m. Central Time, 11:00 a.m. to 1:00 p.m. Eastern Time. An opportunity will be provided to the public to comment.

ADDRESSES: The public teleconference will be held by teleconference only. The teleconference number is: (877) 744–6030; Participant code: 69651850.

FOR FURTHER INFORMATION: Any member of the public wishing further information regarding this teleconference may contact Rita Cestaric, Designated Federal Officer (DFO), by telephone at 312–886–6815 or email at *Cestaric.Rita@epa.gov.* General information on the GLRI and the Board can be found at *http://www.glri.us.*

SUPPLEMENTARY INFORMATION:

Background: The Board is a federal advisory committee chartered under the Federal Advisory Committee Act (FACA), Public Law 92–463. EPA established the Board in 2013 to provide independent advice to the EPA Administrator in her capacity as Chair of the federal Great Lakes Interagency Task Force (IATF). The Board conducts business in accordance with FACA and related regulations.

The Board consists of 18 members appointed by EPA's Administrator in her capacity as IATF Chair. Members serve as representatives of state, local and tribal government, environmental groups, agriculture, business, transportation, foundations, educational institutions, and as technical experts.

Availability of Meeting Materials: The agenda and other materials in support of the teleconference will be available at *http://greatlakesrestoration.us/advisory/index.html* in advance of the teleconference.

Procedures for Providing Public Input: Federal advisory committees provide independent advice to federal agencies. Members of the public can submit relevant comments for consideration by the Board. Input from the public to the Board will have the most impact if it provides specific information for the Board to consider. Members of the public wishing to provide comments should contact the DFO directly.

Oral Statements: In general, individuals or groups requesting to provide comments or oral presentation if appropriate at this public teleconference will be limited to three minutes per speaker, subject to the number of people wanting to comment. Interested parties should contact the DFO in writing (preferably via email) at the contact information noted above by July 29, 2014 to be placed on the list of public speakers for the teleconference.

Written Statements: Written statements must be received by July 25, 2014 so that the information may be made available to the Board for consideration. Written statements should be supplied to the DFO in the following formats: One hard copy with original signature and one electronic copy via email. Commenters are requested to provide two versions of each document submitted: one each with and without signatures because only documents without signatures may be published on the GLRI Web page.

Accessibility: For information on access or services for individuals with disabilities, please contact the DFO at the phone number or email address noted above, preferably at least 10 days prior to the teleconference, to give EPA as much time as possible to process your request.

Dated: July 7, 2014.

Cameron Davis,

Senior Advisor to the Administrator.

[FR Doc. 2014–16572 Filed 7–14–14; 8:45 am]

BILLING CODE 6560–50–P

FEDERAL MARITIME COMMISSION

Ocean Transportation Intermediary License Reissuance

The Commission gives notice that the following Ocean Transportation Intermediary license has been reissued pursuant to section 19 of the Shipping Act of 1984 (46 U.S.C. 40101).

License No.: 024273N.

Name: Evgeny Lavrentev dba Galaxy Enterprises LA.

Address: 14732 Calvert Street, Van Nuys, CA 91411.

Date Reissued: May 28, 2014.

Sandra L. Kusumoto,

Director, Bureau of Certification and Licensing.

[FR Doc. 2014–16473 Filed 7–14–14; 8:45 am]

BILLING CODE 6730–01–P

FEDERAL MARITIME COMMISSION

Ocean Transportation Intermediary License Rescission of Order of Revocation

The Commission gives notice that it has rescinded its Order revoking the following Ocean Transportation Intermediary licenses pursuant to section 19 of the Shipping Act of 1984 (46 U.S.C. 40101).

License No.: 022408NF.

Name: Pactrans Global, LLC.

Address: 951 Thorndale Avenue, Bensenville, IL 60106.

Order Published: July 3, 2014. (Volume 79, No. 128, Pg. 38028).

License No.: 13599NF.

Name: Pactrans Air & Sea, Inc.

Address: 951 Thorndale Avenue, Elk Grove Village, IL 60106.

Order Published: July 3, 2014. (Volume 79, No. 128, Pg. 38028).

Sandra L. Kusumoto,

Director, Bureau of Certification and Licensing.

[FR Doc. 2014–16474 Filed 7–14–14; 8:45 am]

BILLING CODE 6730–01–P

FEDERAL MARITIME COMMISSION

Ocean Transportation Intermediary License Revocations and Terminations

The Commission gives notice that the following Ocean Transportation Intermediary license has been revoked or terminated for the reason indicated pursuant to section 19 of the Shipping Act of 1984 (46 U.S.C. 40101) effective on the date shown.

License No.: 020234F.

Name: Arrow Worldwide, LLC.

Address: 917 Pacific Avenue, Tacoma, WA, 98402.

Date Revoked: June 20, 2014.

Reason: Failed to maintain a valid bond.

Sandra L. Kusumoto,

Director, Bureau of Certification and Licensing.

[FR Doc. 2014–16475 Filed 7–14–14; 8:45 am]

BILLING CODE 6730–01–P

FEDERAL RESERVE SYSTEM

Proposed Agency Information Collection Activities; Comment Request

AGENCY: Board of Governors of the Federal Reserve System.

SUMMARY: On June 15, 1984, the Office of Management and Budget (OMB) delegated to the Board of Governors of the Federal Reserve System (Board) its approval authority under the Paperwork Reduction Act (PRA), pursuant to 5 CFR 1320.16, to approve of and assign OMB control numbers to collection of information requests and requirements conducted or sponsored by the Board under conditions set forth in 5 CFR 1320 Appendix A.1. Board-approved collections of information are incorporated into the official OMB inventory of currently approved collections of information. Copies of the

Paperwork Reduction Act Submission, supporting statements and approved collection of information instruments are placed into OMB's public docket files. The Federal Reserve may not conduct or sponsor, and the respondent is not required to respond to, an information collection that has been extended, revised, or implemented on or after October 1, 1995, unless it displays a currently valid OMB control number.

DATES: Comments must be submitted on or before September 15, 2014.

ADDRESSES: You may submit comments, identified by FR Y–14A, FR Y–14Q, FR Y–14M or FR Y–16, by any of the following methods:

- *Agency Web site: http://www.federalreserve.gov*. Follow the instructions for submitting comments at *http://www.federalreserve.gov/apps/foia/proposedregs.aspx*.
- *Federal eRulemaking Portal: http://www.regulations.gov*. Follow the instructions for submitting comments.
- *Email: regs.comments@federalreserve.gov*. Include OMB number in the subject line of the message.
- FAX: (202) 452–3819 or (202) 452–3102.
- *Mail:* Robert deV. Frierson, Secretary, Board of Governors of the Federal Reserve System, 20th Street and Constitution Avenue NW., Washington, DC 20551.

All public comments are available from the Board's Web site at *http://www.federalreserve.gov/apps/foia/proposedregs.aspx* as submitted, unless modified for technical reasons. Accordingly, your comments will not be edited to remove any identifying or contact information. Public comments may also be viewed electronically or in paper form in Room MP–500 of the Board's Martin Building (20th and C Streets, NW.) between 9:00 a.m. and 5:00 p.m. on weekdays.

Additionally, commenters may send a copy of their comments to the OMB Desk Officer—Shagufta Ahmed—Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235 725 17th Street NW., Washington, DC 20503 or by fax to (202) 395–6974.

FOR FURTHER INFORMATION CONTACT: A copy of the PRA OMB submission, including the proposed reporting form and instructions, supporting statement, and other documentation will be placed into OMB's public docket files, once approved. These documents will also be made available on the Federal Reserve Board's public Web site at: *http://www.federalreserve.gov/apps/reportforms/review.aspx* or may be requested from the agency clearance officer, whose name appears below.

Federal Reserve Board Clearance Officer—Cynthia Ayouch—Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, Washington, DC 20551 (202) 452–3829. Telecommunications Device for the Deaf (TDD) users may contact (202) 263–4869, Board of Governors of the Federal Reserve System, Washington, DC 20551.

SUPPLEMENTARY INFORMATION:

Request for Comment on Information Collection Proposals

The following information collections, which are being handled under this delegated authority, have received initial Board approval and are hereby published for comment. At the end of the comment period, the proposed information collections, along with an analysis of comments and recommendations received, will be submitted to the Board for final approval under OMB delegated authority. Comments are invited on the following:

a. Whether the proposed collection of information is necessary for the proper performance of the Federal Reserve's functions; including whether the information has practical utility;

b. The accuracy of the Federal Reserve's estimate of the burden of the proposed information collection, including the validity of the methodology and assumptions used;

c. Ways to enhance the quality, utility, and clarity of the information to be collected;

d. Ways to minimize the burden of information collection 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.

Proposal To Approve Under OMB Delegated Authority the Extension for Three Years, With Revision, of the Following Reports

1. Report title: Capital Assessments and Stress Testing information collection.

Agency form number: FR Y–14A/Q/M.

OMB control number: 7100–0341.

Effective Date: September 30, 2014, and December 31, 2014.

Frequency: Annually, semi-annually, quarterly, and monthly.

Reporters: Any top-tier bank holding company (BHC) (other than a foreign banking organization), that has $50 billion or more in total consolidated assets, as determined based on: (i) the average of the BHC's total consolidated assets in the four most recent quarters as reported quarterly on the BHC's Consolidated Financial Statements for Bank Holding Companies (FR Y–9C) (OMB No. 7100–0128); or (ii) the average of the BHC's total consolidated assets in the most recent consecutive quarters as reported quarterly on the BHC's FR Y–9Cs, if the BHC has not filed an FR Y–9C for each of the most recent four quarters. Reporting is required as of the first day of the quarter immediately following the quarter in which it meets this asset threshold, unless otherwise directed by the Federal Reserve.

Estimated annual reporting hours: FR Y–14A: Summary, 67,848 hours; Macro scenario, 2,046 hours; Operational Risk, 396 hours; Regulatory capital transitions, 759; and Regulatory capital instruments, 660 hours. FR Y–14Q: Securities risk, 1,584 hours; Retail risk, 2,112 hours; Pre-provision net revenue (PPNR), 93,852 hours; Wholesale corporate loans, 8,556 hours; Wholesale commercial real estate (CRE) loans, 8,280 hours; Trading risk, 69,336 hours; Regulatory capital transitions, 3,036 hours; Regulatory capital instruments, 5,280 hours; Operational risk, 6,600 hours; Mortgage Servicing Rights (MSR) Valuation, 1,152 hours; Supplemental, 528 hours; and Retail Fair Value Option/Held for Sale (Retail FVO/HFS), 1,408 hours; Counterparty credit risk (CCR), 16,632 hours; and Balances, 2,112 hours; FR Y–14M: Retail 1st lien mortgage, 171,360 hours; Retail home equity, 165,240 hours; and Retail credit card, 110,160 hours. FR Y–14 Implementation, 21,600 hours; and On-Going Automation for existing respondents, 14,400 hours.

Estimated average hours per response: FR Y–14A: Summary, 1,028 hours; Macro scenario, 31 hours; Operational Risk, 12 hours; Regulatory capital transitions, 23; and Regulatory capital instruments, 20 hours. FR Y–14Q: Securities risk, 12 hours; Retail risk, 16 hours; PPNR, 711 hours; Wholesale corporate loans, 69 hours; Wholesale CRE loans, 69 hours; Trading risk, 1,926 hours; Regulatory capital transitions, 23 hours; Regulatory capital instruments, 40 hours; Operational risk, 50 hours; MSR Valuation, 24 hours; Supplemental, 4 hours; and Retail FVO/HFS, 16 hours; CCR, 462 hours; and Balances, 16 hours; FR Y–14M: Retail 1st lien mortgage, 510 hours; Retail home equity, 510 hours; and Retail credit card, 510 hours. FR Y–14 Implementation, 7,200 hours; and On-Going Automation for existing respondents, 480 hours.

Number of respondents: 33.

General description of report: The FR Y–14 series of reports are authorized by section 165 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act), which requires the Federal Reserve to establish prudential standards for BHCs with total consolidated assets of $50 billion or more and nonbank financial companies supervised by the Federal Reserve in order to mitigate risks to the financial stability of the United States (12 U.S.C. 5365). Additionally, section 5 of the BHC Act authorizes the Board to issue regulations and conduct information collections with regard to the supervision of BHCs (12 U.S.C. 1844).

As these data are collected as part of the supervisory process, they are subject to confidential treatment under exemption 8 of the Freedom of Information Act (FOIA) (5 U.S.C. 552(b)(8)). In addition, commercial and financial information contained in these information collections may be exempt from disclosure under exemption 4 of FOIA (5 U.S.C. 552(b)(4)). Such exemptions would be made on a case-by-case basis.

Abstract: The data collected through the FR Y–14A/Q/M schedules provide the Federal Reserve with the additional information and perspective needed to help ensure that large BHCs have strong, firm-wide risk measurement and management processes supporting their internal assessments of capital adequacy and that their capital resources are sufficient given their business focus, activities, and resulting risk exposures. The annual Comprehensive Capital Analysis and Review (CCAR) exercise is also complemented by other Federal Reserve supervisory efforts aimed at enhancing the continued viability of large BHCs, including continuous monitoring of BHCs' planning and management of liquidity and funding resources and regular assessments of credit, market and operational risks, and associated risk management practices. Information gathered in this data collection is also used in the supervision and regulation of these financial institutions. In order to fully evaluate the data submissions, the Federal Reserve may conduct follow up discussions with or request responses to follow up questions from respondents, as needed.

The semi-annual FR Y–14A collects large BHCs' quantitative projections of balance sheet, income, losses, and capital across a range of macroeconomic scenarios and qualitative information on methodologies used to develop internal projections of capital across scenarios.[1] The quarterly FR Y–14Q collects granular data on BHCs' various asset classes and PPNR for the reporting period. The monthly FR Y–14M comprises three loan- and portfolio-level collections, and one detailed address matching collection to supplement two of the portfolio and loan-level collections. Both the FR Y–14Q and the FR Y–14M are used to support supervisory stress test models and for continuous monitoring efforts.

Current Actions: The Federal Reserve proposes revising several schedules of the FR Y–14A/Q/M reports as well as expanding the reporting panel. Most revisions would be effective September 30, 2014, and some would be effective December 31, 2014, as noted. Many of the proposed changes would affect the schedules of the FR Y–14A, including increasing the reporting frequency of two schedules. To allow the Federal Reserve to enhance supervisory models and ongoing supervision, the collection of the CCR and portions of the Operational Risk schedules would be changed from annual to quarterly frequency. Additionally, both collections would be expanded to gain greater clarity and insight into these risk areas and to improve supervisory modeling. Both the Summary and Regulatory Capital Transitions schedules would be revised to be consistent with schedule HC–R of the FR Y–9C. This would include the addition, deletion, and modification of items primarily related to changes to standardized approach risk-weighted asset (RWAs) components that are currently being considered for the FR Y–9C.

The FR Y–14Q (quarterly collection) would be revised to (1) add items to and modify items on the Regulatory Transitions schedule consistent with the changes to the FR Y–14A Regulatory Capital Transitions schedule; (2) add a schedule that would collect as-of date balance information for 26 loan and lease items, as well as 20 items that provide sub-categorization of FR Y–9C items and eight items related to the unpaid principal balance of loan and leases; (3) add six and modify three items of the Corporate Loan schedule; (4) add seven and modify six items of the CRE schedule; (5) add a securities identifier and security type to the Securities schedule as well as an additional table that collects information related to cash flow and fair value hedges, (6) expand the Operational Risk schedule with information from the FR Y–14A Operational Risk schedule that is being changed from annual to quarterly frequency, (7) add the CCR schedule that is being changed from annual to quarterly frequency and (8) expand the collection of subordinated debt on the Regulatory Capital Instruments schedule to include subordinated debt instruments that do not qualify as regulatory capital.

The FR Y–14M (monthly collection) would be revised to (1) add two items to the Domestic First Lien Closed-end 1–4 Family Residential Loan (First Lien) schedule and (2) add one item to the Domestic Home Equity Loan and Home Equity Line (Home Equity) schedule.

The data are used to assess the capital adequacy of large BHCs using forward-looking projections of revenue and losses, to support supervisory stress test models and continuous monitoring efforts, as well as to inform the Federal Reserve's operational decision-making as it continues to implement the Dodd-Frank Act.

Proposed Revision to the Reporting Panel

The reporting panel would be revised to include BHCs that are relying on Supervision and Regulation Letter SR 01–01, effective September 30, 2014.

Proposed Revision to the FR Y–14A

The proposed revisions to the FR Y–14A consist of clarifying instructions, adding data items, deleting data items, and redefining existing data items. These proposed changes would (1) increase consistency between the FR Y–14A and FR Y–9C as well as between the FR Y–14A and the FR Y–14Q, (2) improve the scope of supervisory models, (3) provide additional information to greatly enhance the ability of the Federal Reserve to analyze the validity and integrity of firms' projections, and (4) be responsive to industry comments. The Federal Reserve has conducted a thorough review of proposed changes and believes that the incremental burden of these changes is justified given the need for these data to properly conduct the Federal Reserve's supervisory responsibilities related to the stress testing and CCAR process as well as ongoing supervisory activity as described in more detail below.

Summary Schedule

Revisions to Income Statement Sub-Schedule (A.1a) Respondents have noted a definitional difference between the realized gains (losses) on available-for-sale (AFS) and held-to-maturity

[1] BHCs that must re-submit their capital plan generally also must provide a revised FR Y–14A in connection with their resubmission.

(HTM) securities reported on the Income Statement (items 127 and 128) and the AFS and HTM totals computed on sub-schedule A.3.c (Projected Other-Than-Temporary Impairment (OTTI) for AFS and HTM Securities by Portfolio), resulting from the Revised Capital Framework. In order to accurately collect information for the Income Statement, The Federal Reserve proposes changing items 127 and 128 to be reported items instead of being equal to the total amounts on sub-schedule A.3.c. Additionally, for consistency with changes proposed to sub-schedule A.5 (Counterparty Risk) described below, items 59 and 62 (Trading Incremental Default Losses and Other CCR Losses) would be modified to be Trading Issuer Default Losses and CCR Losses, and line item 61 (Counterparty Incremental Default Losses) would be removed.

Revisions to RWA and Capital Sub-Schedules (A.1.c.1 and A.1.d)[2] To better align the collection of regulatory capital components with schedule HC–R of the FR Y–9C, the definitions of the items on schedule A.1.d (Capital) have been modified to refer to or mirror the definitions that appear on the FR Y–9C. Furthermore, in order to ensure comparability among respondents and that transition provisions are being accurately and consistently applied, respondents would be required to apply the appropriate transition provisions to all transition-affected items of schedule A.1.d per the revised regulatory capital rule. With regard to the RWA sub-schedules, the standardized approach RWA and market RWA items of schedule A.1.c.1 (General RWA) have been changed in accordance with modifications to schedule HC–R of the FR Y–9C that are currently being considered, and moved to a separate schedule A.1.c.2 (Standardized RWA). These changes include both the modification and addition of items, for an overall addition of 12 items. Additionally, the computed items one through five of the current sub-schedule A.1.c.2 (Advanced RWA) would be removed. Despite the alignment of these schedules with the FR Y–9C, the column of actual values has not been removed because the values reported on these schedules are assumed to have completed the transition schedule outlined in the Revised Capital Framework, whereas values reported on the FR Y–9C follow the transition schedule.

Revisions to Retail Repurchase Sub-Schedule (A.2.b) Due to recent activity by respondents involving settlements related to their representation & warranty (R&W) liabilities, additional detail would be collected about the R&W liabilities. Specifically, line items would be added that collect the unpaid principal balance (UPB) of loans covered by completed settlements for which liability remains and for which no liability remains by vintage beginning with 2004, as well as total settlement across vintages, for the following categories of loans: loans sold to Fannie Mae, loans sold to Freddie Mac, loans insured by the U.S. government, loans securitized with monoline insurance, loans secured without monoline insurance, and whole loans sold.

Revisions to Securities Sub-Schedule (A.3) Because covered bonds are a material exposure of BHCs that have unique characteristics relative to other asset categories currently on this sub-schedule, the Federal Reserve would add a covered bond category to sub-schedules A.3.b, A.3.c, A.3.d, and A.3.e in order to appropriately and separately evaluate respondents' projections of these assets. Additionally, two columns would be added to collect information for each of the asset categories of sub-schedule A.3.d that would allow changes in market value to be distinguished from changes in portfolio allocation for each projected quarter: Beginning Fair Market Value and Fair Value Rate of Change, which is the weighted average percent change in fair value over the quarter. Finally, to reduce reporting burden and increase efficiency in reporting, the nine sub-asset categories of Domestic Non-Agency Residential Mortgage-Backed Securities (RMBS) would be removed from the same sub-schedules, and the AFS and HTM portions of sub-schedule A.3.c would be combined with the addition of a column to identify AFS amounts versus HTM amounts.

Revisions to Trading Sub-Schedule (A.4) Because credit valuation adjustment (CVA) losses are modeled separately from trading portfolio losses, the Federal Reserve proposes that the profit (loss) amount related to CVA hedges be reported separately from other trading activity.

Revisions to Counterparty Risk Sub-Schedule (A.5) In order to allow respondents to use alternative methodologies for estimating losses related to the default of issuers and counterparties, the requirement of using the incremental default risk (IDR) methodology would be removed. Accordingly, line items 1, 1a and 1b (Trading Incremental Default Losses, Trading Incremental Default Losses from securitized products, and Trading Incremental Default Losses from other credit sensitive instruments) would be modified to be Trading Issuer Default Losses. Additionally, line items 3 (Counterparty Incremental Default Losses) and 3a (Impact of CCR IDR Hedges) would be removed, line item 4 (Other CCR Losses) would be modified to be CCR Losses, and the line item Effect of CCR Hedges would be added.

Regulatory Capital Instruments Schedule

Proposed changes to the Regulatory Capital Instruments schedule would be responsive to industry feedback and ensure that information is being accurately captured. Specifically, the Federal Reserve proposes (1) adding an item that collects employee stock compensation to the four quarterly redemption/repurchase and issuance activity sub-sections; (2) adding 18 items to the general risk-based capital rules section and 28 items to the revised regulatory capital section that collect activity other than issuances or repurchases for each instrument in the section, because respondents adding this activity to other items; and (3) changing the capital balance items in the general risk-based capital rules section and the revised regulatory capital section from reported items to formulas, since they would be able to be computed using the items proposed above.

Regulatory Capital Transitions Schedule

Similar to the changes proposed to be made to the RWA and Capital sub-schedules of the Summary schedule, proposed changes to the Regulatory Capital Transitions schedule would be made to better align the collection of regulatory capital components with schedule HC–R of the FR Y–9C, which are currently being considered. The Federal Reserve proposes (1) aligning the definitions of the items on the Capital Composition sub-schedule to be consistent with schedule HC–R; (2) modifying the RWA General sub-schedule to align with proposed revisions to schedule HC–R, including changing the name to Standardized RWA and modifying, removing and adding items for a net increase of 15 items; (3) modifying, adding and removing items of the Advanced RWA sub-schedule to align with schedule A.1.c.2 (Advanced RWA on the Summary schedule), for a net increase of 21 items; and (4) revising the

[2] The Federal Reserve may modify the proposed revisions to the FR Y–14 report prior to finalization of this proposal as appropriate and consistent to align with any additional changes being considered to the FR Y–9C report.

Leverage Ratio sub-schedule in accordance with the supplementary leverage ratio rulemaking proposal,[3] for a net increase of ten items. Despite the alignment of these schedules with the FR Y–9C, the column of actual values has not been removed because the values reported on these schedules are assumed to have completed the transition schedule outlined in the Revised Capital Framework, whereas values reported on the FR Y–9C follow the transition schedule.

Operational Risk Schedule

Proposed changes to the Operational Risk schedule would provide greater insight into the types and frequency of operational risk expenses incurred by respondents, which would improve both supervisory modeling and ongoing supervisory activities.

The Federal Reserve proposes adding a data item for firms to voluntarily disclose how much of their mortgage related litigation reserve is attributable to contractual representation and warranty claims.

Additionally, effective December 31, 2014, the Federal Reserve proposes (1) changing the collection of the annual Legal Reserve information to be part of the quarterly Operational Risk collection as a separate sub-schedule; (2) adding columns to collect Gross Increase and Decrease to Reserves to better track the flow of legal reserves; and (3) requiring that the 20 previous quarters of data be submitted upon initial submission and four quarters of data thereafter.

Counterparty Credit Risk Schedule

Significant additions would be made to the CCR schedule in order to more adequately and accurately capture exposure information related to derivatives and securities financing transactions (SFTs) used in supervisory loss estimates and supervisory activities. These additions would remediate deficiencies discovered in the current collection related to exposure, including a lack of information regarding collateral, asset types, and total exposure to a given counterparty, and have been carefully evaluated internally and vetted with respondents.

The Federal Reserve proposes (1) changing the collection of CCR information from annual to quarterly frequency to capture the fluctuations in counterparty risk and exposure (from schedule F of the FR Y–14A to schedule L of the FR Y–14Q); (2) adding a sub-schedule that collects the derivative exposures at a legal-entity netting-agreement level for the top 25 non-central clearing counterparty (non-CCP) and non-G–7 counterparties, as well as all CCPs and the G–7 counterparties that includes a breakout of collateral into cash and non-cash, and exposures into 14 asset categories; (3) changing current the SFT sub-schedule to collect exposures and collateral separately at a counterparty legal-entity netting-agreement level for the top 25 non-CCP and non-G–7 counterparties as well as all CCPs and the G–7 and adding asset sub-categories for a total of 30 specific asset types; (4) removing all columns with the BHC specification of margin period of risk (MPOR) under the global market shocks from sub-schedules F.1.a-F.1.e and F.2; (5) removing the column LGD Derived from Unstressed PD on F.2; and (6) adding columns to worksheet F.1.e to collect both gross and net stressed and unstressed current exposure to central clearing counterparties.

Proposed Revision to the FR Y–14Q

The proposed revisions to the FR Y–14Q consist of clarifying instructions, adding a schedule, and adding, deleting and redefining existing data items. These proposed changes would be responsive to industry comments and provide additional information to enhance supervisory models. The Federal Reserve has conducted a thorough review of proposed changes and believes that because the proposed item additions and modifications to the FR Y–14Q request information currently collected by respondents in their regular course of business reporting burden will be minimized. A summary of the proposed changes by schedule is provided below.

Proposed Balances Schedule

As part of revisions to the FR Y–14A/Q/M announced September 30, 2013 (see 78 FR 59934), the Federal Reserve removed the as-of column from schedule A.1.b of the FR Y–14A (Balance Sheet) in an effort to reduce burden and avoid duplicative reporting. However, this removal has caused numerous issues related to both reporting and analysis that have been raised by respondents.

The proposed schedule would collect the information required to eliminate these issues and provide a clear reconciliation between the FR Y–14 and FR Y–9C reporting forms. Specifically, the schedule would collect as-of balance information for 26 loan and lease items, as well as 20 FR Y–9C reconciliation items and eight unpaid principal balance items related to loan and leases.

Supplemental Schedule

The Federal Reserve proposes removing columns H through N and P through R, because this information would be collected on the proposed FR Y–14Q Balances schedule.

Commercial Real Estate Schedule

The Federal Reserve proposes (1) modifying item 20 (Amortization) to capture non-standard amortization schedule by allowing banks to report '-1' in response to industry comments; (2) adding an option to current item 21 (Recourse) that indicates partial recourse and modifying option 1 to indicate full recourse in order to capture the level of recourse; (3) modifying current item 25 (Loan Purpose) to include an option for Mini-perm to identify short-term loans on recently constructed buildings because of their unique credit risk; (4) modify current item 39 (Property Size) in the CRE schedule to only capture credit facilities secured by one property of one type to simplify the collection; (5) removing current item 48 (Fair Value Adjustment) and replacing it with three items that provide additional detail on the drawn and undrawn portions of the facilities and the respondent's methodology of computation, both of which are key factors for understanding the adjustment made: Fair Value Committed Exposure, Fair Value Adjustment Drawn, and Lower of Cost or Market Flag to capture the breakdown of adjustments between the drawn and undrawn portions and the approach used to calculate the adjustment; (6) adding an item to collect the date on which current occupancy was determined in order to track this information over time; (7) adding an item that collects the Current Value Basis, which provides a more accurate understanding of the property valuation; and (8) adding an item that captures the credit facility currency in order to evaluate exchange rate risk.

Additionally, effective December 31, 2014, the Federal Reserve proposes: (1) expanding the required respondents for the Basel II probability of default (PD), loss given default (LGD), and exposure at default (EAD) items to include all respondents but giving the option to non-advanced approaches respondents to report an internal metric, which would support ongoing supervisory activities as well as provide more detail on internal credit processes; (2) adding an item that collects the date that a credit facility has been renewed in order to distinguish between new money and renewals and to be able better to track the loans over time; (3) adding an item to collect the Shared National Credit

[3] Proposed changes to 12 CFR parts 208 and 217.

(SNC) Internal Credit ID, which would greatly enhance the ability to monitor credit risk of reported loans; and (4) adding an item that is a flag to indicate prepayment penalties to be able to account for the behavioral changes from such penalties.

Corporate Loan Schedule

The Federal Reserve proposes (1) additionally excluding the reporting of obligor financial data for offices of bank holding companies, because this information is no longer relevant; (2) replacing current item 29 (FVA) with three items (Fair Value Committed Exposure, Fair Value Adjustment Drawn, Lower of Cost or Market Flag), similar to the CRE schedule; (3) adding an item that captures the credit facility currency in order to evaluate exchange rate risk; and (4) adding an item to collect the industry code for the entity that is the primary source of the repayment for the credit facility in order to capture instances in which the primary source of repayment is not the obligor.

Additionally, effective December 31, 2014, the Federal Reserve proposes: (1) replacing current field 17 (Credit Facility Internal Risk Rating) in Corporate Schedule with three items adding three items: PD, LGD, and EAD, which would be required by all respondents, but giving the option to non-advanced approaches respondents to report an internal metric in order to support ongoing supervisory activities as well as provide more detail on internal credit processes; (2) adding an item that collects the date on which a credit facility has been renewed in order to distinguish between new money and renewals and to be able better to track the loans over time; (3) adding an item that is a flag to indicate prepayment penalties, similar to the CRE schedule; (4) adding an item to collect the SNC Internal Credit ID, also similar to the CRE schedule; and (5) adding an item that captures the market value of collateral in order to incorporate the collateral requirements of individual loans.

All Retail Schedules (A.1 to A.10)

The Federal Reserve proposes redefining items related to charge-offs and recoveries to be consistent with charge-offs and recoveries as defined in the FR Y–9C.

International Credit Cards Schedule

The Federal Reserve proposes modifying the third option (Other) of the Product Type segment variable to be Corporate and Small- and Medium-Sized Enterprise SME Cards to more accurately align the segments with respondents' international credit card portfolios.

International Auto Schedule

The Federal Reserve proposes removing the item Basel II EAD and replacing it with RWA per the most recent capital framework, which is a more meaningful item for closed-end loans such as auto loans.

U.S. Auto Schedule

The Federal Reserve proposes (1) modifying the LTV segmentation variable to be based on the wholesale value of the vehicle instead of the retail value and adding the segmentation ''N/A'' for any missing data in order to better align reporting with respondents' internal records; (2) removing the item Basel II EAD and replacing it with RWA per the most recent capital framework, which is a more meaningful item for closed-end loans such as auto loans; and (3) adding two variables related to LGD, which would include the collection of historical data, in order to capture key components of LGD: Unpaid Principal Balance at Charge-off and Percent Loss Severity (3 month Lagged).

Trading Schedule

The Federal Reserve proposes to collect the sensitivities related to CVA hedges separately from all other trading activity in order to accurately separate the two exposures.

Securities Schedule

The Federal Reserve proposes (1) adding a sub-schedule that collects the identifier and amounts of each investment security for which the respondent has established a qualifying hedging relationship (cash flow hedge or fair value hedge, as defined according to Generally Accepted Accounting Principles (GAAP) in order to capture the effect on Other Comprehensive Income (OCI) attributable to changes in the unrealized gains and losses of AFS securities hedged; (2) adding an item that indicates positions that are private placements; (3) adding a security category for Covered Bonds, which have been found to be a major portion of the securities reported in the Other category; (4) requiring additional descriptive information on municipal bonds in the Description 2 column in order to collect specific information for instances in which the CUSIP (Committee on Uniform Securities Identification Procedures) number is unavailable; (5) adding a column that collects the currency denomination of the reported bonds in order to account for changes in exchange rates; (6) requiring additional information for mutual fund categories in the Description 2 column in order to collect specific information for instances in which the CUSIP is unavailable; and (7) adding an item that collects a unique identifier for each unique record.

Operational Risk Schedule

The Federal Reserve proposes (1) adding a Unique Identifier item for each row in order to clearly identify record submissions with the same information that are unique records; and, effective December 31, 2014, (2) for each closed/settled legal event above 250k adding (i) date of awareness, (ii) date on which a claim was filed, proceedings were instituted, or settlement negotiations began, (iii) date of settlement, fine, or final judgment, (iv) cause of action, (v) the reserve history, and (vi) terminal outcome, which would all provide greater insight into reserving practices and changes in reserves.

Regulatory Capital Transitions Schedule

The Federal Reserve proposes revising this schedule in accordance with proposed changes to the FR Y–14A Regulatory Capital Transitions schedule.

Regulatory Capital Instruments Schedule

In order to better understand the characteristics of subordinated debt instruments, the collection would be expanded to include all subordinated debt instruments, not only those that qualify as regulatory capital. Additionally, a one-time collection of the items from schedule C.3 (Issuances During Quarter) for all subordinated debt instruments as of quarter end would be required for the Q3 2014 as of period for respondents that are currently reporting the schedule, or the initial submission for respondents that begin reporting the schedule after the Q3 2014 as of period.

Proposed Revisions to the FR Y–14M

Domestic First Lien Closed-end 1–4 Family Residential Loan Schedule

The Federal Reserve proposes (1) adding an item that is a flag that indicates if the first lien is a home equity loan in order to ensure the most appropriate risk characteristics are associated with these loans, (2) adding an item that collects the date that the credit score of the borrower was refreshed so this information can be tracked over time, and (3) adding an option to the Loan Purpose item that identifies reverse mortgages.

Domestic Home Equity Loan and Home Equity Line Schedule

The Federal Reserve proposes (1) adding an item that collects the date that the credit score of the borrower was refreshed, similar to the First Lien schedule, and (2) adding an option to the Loan Purpose item that identifies reverse mortgages.

2. *Report title:* Annual Company-Run Stress Test information collection.

Agency form number: FR Y–16.

OMB control number: 7100–0356.

Effective Date: March 31, 2015.

Frequency: Annually.

Reporters: BHCs, savings and loan holding companies (SLHCs) [4] with average total consolidated assets of greater than $10 billion but less than $50 billion, and any affiliated or unaffiliated state member bank (SMB) with average total consolidated assets of more than $10 billion but less than $50 billion excluding SMB subsidiaries of covered companies.[5]

Estimated annual reporting hours: 38,623 hours.

Estimated average hours per response: 469 hours; 3,600 hours, one-time implementation.

Number of respondents: BHCs, 46; SLHCs, 11; SMBs, 10; and one-time implementation, 2.

General description of report: This information collection is authorized pursuant Section 165(i)(2) of the Dodd-Frank Act that specifically authorizes the Board to issue regulations implementing the annual stress testing requirements for its supervised institutions. 12 U.S.C. 5365(i)(2)(C). More generally, with respect to BHCs, Section 5(c) of the Bank Holding Company Act, 12 U.S.C. 1844(c), authorizes the Board to require a BHC and any subsidiary ''to keep the Board informed as to—(i) its financial condition, [and] systems for monitoring and controlling financial and operating risks. . . .'' Section 9(6) of the Federal Reserve Act, 12 U.S.C. 324, requires SMBs to make reports of condition to their supervising Reserve Bank in such form and containing such information as the Board may require. Finally, with respect to SLHCs, under Section 312 of the Dodd-Frank Act, 12 U.S.C. 5412, the Board succeeded to all powers and authorities of the OTS and its Director, including the authority to require SLHCs to ''file . . . such reports as may be required . . . in such form and for such periods as the [agency] may prescribe.'' 12 U.S.C. 1467a(b)(2).

Obligation to Respond is Mandatory: Section 165(i)(2)(A) provides that ''financial companies that have total consolidated assets [meeting the asset thresholds] . . . and are regulated by a primary Federal financial regulatory agency shall conduct annual stress tests.'' Section 165(i)(2)(B) provides that a company required to conduct annual stress tests ''shall submit a report to the Board of Governors and to its primary financial regulatory agency at such time, in such form, and containing such information as the primary financial regulatory agency shall require.'' 12 U.S.C. 5365(i)(2)(B).

Confidentiality: As noted under Section 165(i)(2)(C)(iv), companies conducting annual stress tests under these provisions are ''require[d] . . . to publish a summary of the results of the required stress tests.'' 12 U.S.C. 5365(i)(2)(C)(iv). Regarding the information collected by the Board, however, as such information will be collected as part of the Board's supervisory process, it may be accorded confidential treatment under Exemption 8 of the Freedom of Information Act (FOIA), 5 U.S.C. 552(b)(8). This information also is the type of confidential commercial and financial information that may be withheld under Exemption 4 of FOIA, 5 U.S.C. 552(b)(4). As required information, it may be withheld under Exemption 4 only if public disclosure could result in substantial competitive harm to the submitting institution, under National Parks & Conservation Ass'n v. Morton, 498 F.2d 765 (D.C. Cir. 1974).

Abstract: The annual FR Y–16 report collects quantitative projections of income, losses, assets, liabilities, and capital across three scenarios provided by the Board (baseline, adverse, and severely adverse) and qualitative supporting information on the methodologies and processes used to develop these internal projections.

Current Actions: The Federal Reserve proposes the following revisions and clarifications to the FR Y–16 report for the report submission due annually beginning on March 31, 2015: (1) add common equity tier 1 capital as a data item, (2) add common equity tier 1 risk based capital ratio as a data item, and (3) modify the reporting instructions to clarify a number of items.

On July 2, 2013, the Board approved revised risk based and leverage capital requirements for banking organizations that implement the Basel III regulatory capital reforms and certain changes required by the Dodd-Frank Act (revised capital framework).[6] The revised capital framework introduces the new common equity tier 1 capital component and a new common equity tier 1 risk based capital ratio, changes the definition of regulatory capital items, and changes the calculation of risk-weighted assets. All banking organizations that are not subject to the advanced approaches rule must begin to comply with the revised capital framework beginning on January 1, 2015.[7] Under the Board's rules implementing the stress tests established by the Dodd-Frank Act,[8] banking organizations would be required to reflect the new capital rules, including the new common equity tier 1 capital component and ratio, in their company-run stress test planning horizon as the revised capital framework becomes applicable. However, on September 30, 2013, the Board provided BHCs and SMBs with total consolidated assets of more than $10 but less than $50 billion (other than state member banks that are subsidiaries of BHCs with total consolidated assets of $50 billion or more) with a one-year transition period to incorporate the revised capital framework into their company-run stress tests.[9] Therefore, the FR Y–16 did not include the effects of the revised capital framework for the initial 2014 stress test cycle.

The Federal Reserve proposes to revise the FR Y–16 by adding a common equity tier 1 capital data item to the Balance Sheet Schedule and a common equity tier 1 risk based capital ratio data item to the Summary Schedule and Balance Sheet Schedule in order to reflect the requirements of the revised capital framework. These revisions would be effective for the 2015 stress test cycle (with reporting in March 2015). In addition, the Federal Reserve

[4] SLHCs are not subject to Dodd-Frank Act annual company-run stress testing requirements until the calendar year after SLHCs become subject to regulatory capital requirements. All SLHCs except those substantially engaged in insurance underwriting or commercial activities are subject to capital requirements beginning in 2015. These ''covered SLHCs'' are required to report using the FR Y–16 in March 2017 (stress test as-of date September 30, 2016).

[5] ''Covered companies'' are defined as BHCs with at least $50 billion in total consolidated assets and nonbank systemically important financial institutions, subject to annual supervisory stress tests and semi-annual company-run stress tests.

[6] See Regulatory Capital Rules: Regulatory Capital, Implementation of Basel III, Capital Adequacy, Transition Provisions, Prompt Corrective Action, Standardized Approach for Risk-weighted Assets, Market Discipline and Disclosure Requirements, Advanced Approaches Risk-Based Capital Rule, and Market Risk Capital Rule (July 2, 2013), available at: *http://www.federalreserve.gov/newsevents/press/bcreg/20130702a.htm* (Revised capital framework).

[7] A banking organization is subject to the advanced approaches rule if it has consolidated assets greater than or equal to $250 billion, if it has total consolidated on-balance sheet foreign exposures of at least $10 billion, or if it elects to apply the advanced approaches rule.

[8] See 77 FR 62378 (October 12, 2012) (codified at 12 CFR part, 252 subpart H) (stress test rule).

[9] See 78 FR 59791 (September 30, 2013).

proposes to clarify the FR Y–16 instructions to emphasize that companies should transition to the revised capital framework requirements in its company-run stress test projections in the quarter in which the requirements become effective. Specifically, companies would be required to transition to the revised capital framework and begin including the common equity tier 1 capital data item and common equity tier 1 risk based capital ratio data item in projected quarter two (1st quarter 2015) through projected quarter nine (4th quarter 2016) for each supervisory scenario for the 2015 stress test cycle.

The Federal Reserve also proposes several clarifications to the FR Y–16 report instructions, including: indicating that the Scenario Variables Schedule would be collected as a reporting form in the Reporting Central application (instead of as a file submitted in Adobe Acrobat PDF format); clarifying that covered SLHCs will begin reporting in March 2017; clarifying what BHCs and SLHCs should include in Balance Sheet Schedule line items 32 and 33 (retail and wholesale funding); and finally clarifying how the supporting qualitative information should be organized.

Board of Governors of the Federal Reserve System, July 9, 2014.

Robert deV. Frierson,

Secretary of the Board.

[FR Doc. 2014–16443 Filed 7–14–14; 8:45 am]

BILLING CODE 6210–01–P

FEDERAL RESERVE SYSTEM

Change in Bank Control Notices; Acquisitions of Shares of a Bank or Bank Holding Company

The notificants listed below have applied under the Change in Bank Control Act (12 U.S.C. 1817(j)) and § 225.41 of the Board's Regulation Y (12 CFR 225.41) to acquire shares of a bank or bank holding company. The factors that are considered in acting on the notices are set forth in paragraph 7 of the Act (12 U.S.C. 1817(j)(7)).

The notices are available for immediate inspection at the Federal Reserve Bank indicated. The notices also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing to the Reserve Bank indicated for that notice or to the offices of the Board of Governors. Comments must be received not later than July 29, 2014.

A. Federal Reserve Bank of Kansas City (Dennis Denney, Assistant Vice President) 1 Memorial Drive, Kansas City, Missouri 64198–0001:

1. *The Schwartz Family Revocable Trust, Janice F. Schwartz, trustee; Susan Andersen; and Mark Andersen, all of Lawrence, Kansas, as members of the Bob Schwartz Family Group, acting in concert, and the Schwartz Family Revocable Trust, and Janice F. Schwartz,* individually; to retain voting shares of Blue Rapids Bancshares, Inc., and thereby indirectly retain voting shares of State Bank of Blue Rapids, both in Blue Rapids, Kansas.

B. Federal Reserve Bank of San Francisco (Gerald C. Tsai, Director, Applications and Enforcement) 101 Market Street, San Francisco, California 94105–1579:

1. *Sang Young Lee, Chun Young Lee and Lee's Gold and Diamond Import, Inc.,* La Canada, California; to acquire voting shares of Pacific City Financial Corporation, and thereby indirectly acquire voting shares of Pacific City Bank, both of Los Angeles, California.

Board of Governors of the Federal Reserve System, July 9, 2014.

Michael J. Lewandowski,

Associate Secretary of the Board.

[FR Doc. 2014–16450 Filed 7–14–14; 8:45 am]

BILLING CODE 6210–01–P

FEDERAL RESERVE SYSTEM

Formations of, Acquisitions by, and Mergers of Bank Holding Companies

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 *et seq.*) (BHC Act), Regulation Y (12 CFR part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

The applications listed below, as well as other related filings required by the Board, are available for immediate inspection at the Federal Reserve Bank indicated. The applications will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the standards enumerated in the BHC Act (12 U.S.C. 1842(c)). If the proposal also involves the acquisition of a nonbanking company, the review also includes whether the acquisition of the nonbanking company complies with the standards in section 4 of the BHC Act (12 U.S.C. 1843). Unless otherwise noted, nonbanking activities will be conducted throughout the United States.

Unless otherwise noted, comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than August 8, 2014.

A Federal Reserve Bank of Chicago (Colette A. Fried, Assistant Vice President) 230 South LaSalle Street, Chicago, Illinois 60690–1414:

1. *Cedar Valley Bankshares, LTD,* Charles City, Iowa; to acquire 100 percent of Hampton State Bank, Hampton, Iowa.

Board of Governors of the Federal Reserve System, July 10, 2014.

Michael J. Lewandowski,

Assistant Secretary of the Board.

[FR Doc. 2014–16515 Filed 7–14–14; 8:45 am]

BILLING CODE 6210–01–P

FEDERAL RESERVE SYSTEM

Notice of Proposals To Engage in or To Acquire Companies Engaged in Permissible Nonbanking Activities

The companies listed in this notice have given notice under section 4 of the Bank Holding Company Act (12 U.S.C. 1843) (BHC Act) and Regulation Y, (12 CFR part 225) to engage *de novo,* or to acquire or control voting securities or assets of a company, including the companies listed below, that engages either directly or through a subsidiary or other company, in a nonbanking activity that is listed in § 225.28 of Regulation Y (12 CFR 225.28) or that the Board has determined by Order to be closely related to banking and permissible for bank holding companies. Unless otherwise noted, these activities will be conducted throughout the United States.

Each notice is available for inspection at the Federal Reserve Bank indicated. The notice also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the question whether the proposal complies with the standards of section 4 of the BHC Act.

Unless otherwise noted, comments regarding the applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than August 8, 2014.

A. Federal Reserve Bank of Philadelphia (William Lang, Senior Vice President) 100 North 6th Street, Philadelphia, Pennsylvania 19105–1521:

1. *National Penn Bancshares, Inc.,* Allentown, Pennsylvania; to acquire 100 percent of the voting shares of TF Financial, Corporation, and indirectly

acquire 3rd Federal Bank, both in Newtown, Pennsylvania, and thereby engage in operating a savings association, pursuant to section 225.28(b)(4)(ii).

Board of Governors of the Federal Reserve System, July 9, 2014.

Michael J. Lewandowski,

Associate Secretary of the Board.

[FR Doc. 2014–16451 Filed 7–14–14; 8:45 am]

BILLING CODE 6210–01–P

FEDERAL TRADE COMMISSION

Agency Information Collection Activities; Proposed Collection; Comment Request

AGENCY: Federal Trade Commission (''FTC'' or ''Commission'').

ACTION: Notice.

SUMMARY: The FTC intends to ask the Office of Management and Budget (''OMB'') to extend for an additional three years the current Paperwork Reduction Act (''PRA'') clearance for information collection requirements contained in its Trade Regulation Rule on Disclosure Requirements and Prohibitions Concerning Franchising (''Franchise Rule'' or ''Rule''). That clearance expires on December 31, 2014.

DATES: Comments must be submitted by September 15, 2014.

ADDRESSES: Interested parties may file a comment online or on paper, by following the instructions in the Request for Comment part of the **SUPPLEMENTARY INFORMATION** section below. Write ''Franchise Rule, PRA Comment, FTC File No. P094400'' on your comment, and file your comment online at *https://ftcpublic.commentworks.com/ftc/franchiserulePRA* by following the instructions on the web-based form. If you prefer to file your comment on paper, mail your comment to the following address: Federal Trade Commission, Office of the Secretary, 600 Pennsylvania Avenue NW., Suite CC–5610 (Annex J), Washington, DC 20580, or deliver your comment to the following address: Federal Trade Commission, Office of the Secretary, Constitution Center, 400 7th Street SW., 5th Floor, Suite 5610 (Annex J), Washington, DC 20024.

FOR FURTHER INFORMATION CONTACT: Requests for additional information should be addressed to Craig Tregillus, Attorney, Division of Marketing Practices, Bureau of Consumer Protection, Federal Trade Commission, 600 Pennsylvania Avenue NW., Room 8607, Washington, DC 20580, (202) 326–2970.

SUPPLEMENTARY INFORMATION: Under the PRA, 44 U.S.C. 3501–3521, federal agencies must obtain approval from OMB for each collection of information they conduct or sponsor. ''Collection of information'' means agency requests or requirements that members of the public submit reports, keep records, or provide information to a third party. 44 U.S.C. 3502(3); 5 CFR 1320.3(c). As required by section 3506(c)(2)(A) of the PRA, the FTC is providing this opportunity for public comment before requesting that OMB extend the existing clearance for the information collection requirements contained in the Franchise Rule, 16 CFR Part 436 (OMB Control No. 3084–0107).

The FTC invites comments on: (1) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (2) the accuracy of the agency's estimate of the burden of the proposed collection of information, 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, *e.g.,* permitting electronic submission of responses.

The Franchise Rule ensures that consumers who are considering a franchise investment have access to the material information they need to make an informed investment decision provided in a format that facilitates comparisons of different franchise offerings. The Rule requires that franchisors disclose this information to consumers and maintain records to facilitate enforcement of the Rule.

Amendments to the Rule promulgated on March 30, 2007, which took effect after a one-year phase-in on July 1, 2008, merged the Rule's disclosure requirements with the disclosure format accepted by 15 states that have franchise registration or disclosure laws.[1] The amended Rule has significantly minimized any compliance burden beyond what is already required by state law.

The amended Rule requires franchisors to furnish prospective purchasers with a Franchise Disclosure Document (''FDD'') that provides information relating to the franchisor, its business, the nature of the proposed franchise, and any representations by the franchisor about financial performance regarding actual or potential sales, income, or profits made to a prospective franchise purchaser. The franchisor must preserve materially different copies of its disclosures and franchise agreements, as well as information that provides a reasonable basis for any financial performance representation it elects to make. These requirements are subject to the PRA and underlie the Commission's pursuit of renewed OMB clearance.

Estimated Annual Hours Burden: 16,750 hours

Based on a review of trade publications and information from state regulatory authorities, staff believes that, on average, from year to year, there are approximately 2,500 sellers of franchises covered by the Rule, with perhaps about 10% of that total reflecting an equal amount of new and departing business entrants.[2] Commission staff's burden hour estimate reflects the incremental tasks that the Rule may impose beyond the information and recordkeeping requirements imposed by state law and/or followed by franchisors who have been using the FDD disclosure format nationwide. This estimate likely overstates the actual incremental burden because some franchisors, for various reasons, may not be covered by the Rule (*e.g.,* they sell only franchises that qualify for the Rule's large franchise investment exemption of at least $1 million).

Staff estimates that the average annual disclosure burden to update existing disclosure documents will be three hours each for the 2,250 established franchisors, or 6,750 hours cumulatively for them, and 30 hours apiece each year for the 250 or so new-entrant franchisors to prepare their initial disclosure documents, or 7,500 hours, cumulatively, for the latter group. These estimates parallel staff's 2011 estimates for the amended Rule.[3] No public comments were received on those prior estimates. Accordingly, the FTC retains them for this analysis subject to further opportunity for public comment.

As recognized in the 2011 analysis, covered franchisors also may need to maintain additional documentation for the sale of franchises in non-registration states, which could take up to an additional hour of recordkeeping per

[1] 72 FR 15544 *et seq.*

[2] This number, which was also used in the 2011 clearance request, appears to be consistent with the number of business format franchise offerings registered in compliance with state franchise laws, and listed in franchise directories.

[3] *See* 76 FR 49479 (Aug. 10, 2011); 76 FR 67191 (Oct. 31, 2011).

year. Assuming, as before, an hour of incremental recordkeeping per covered franchisor, this yields an additional cumulative total of 2,500 hours for all covered franchisors.

Under the Rule, a franchisor is required to retain copies of receipts of disclosure documents, as well as materially different versions of its disclosure documents. Such recordkeeping requirements, however, are consistent with, or less burdensome than, those imposed by the states. Accordingly, staff believes that incremental recordkeeping burden, if any, would be de minimis.

Based on the above assumptions and estimates, average annual burden for new and established franchisors during a prospective three-year clearance would be 16,750 hours ((30 hours of annual disclosure burden × 250 new franchisors) + (3 hours of average annual disclosure burden × 2,250 established franchisors) + (1 hour of annual recordkeeping burden × 2,500 franchisors)).

Estimated Annual Labor Cost Burden: $3,597,500

Labor costs are derived by applying appropriate hourly cost figures to the burden hours described above. The hourly rates used below are estimated averages.

Commission staff anticipates that an attorney will prepare the disclosure document. Applying the above assumptions to an estimated hourly attorney rate of $250 yields the following annual totals: $7,500 per new franchisor (or, $1,875,000, cumulatively, for new franchisors) and $750 per established franchisor (or, $1,687,500, cumulatively, for established franchisors).

The FTC additionally anticipates that recordkeeping under the Rule will be performed by clerical staff at approximately $14 per hour.[4] Thus, 2,500 hours of recordkeeping burden per year for all covered franchisors will amount to a total annual labor cost of $35,000.

Cumulatively, then, total estimated labor cost under the Rule is $3,597,500 (($7,500 attorney costs × 250 new franchisors = $1,875,000) + ($750 attorney costs × 2,250 established franchisors = $1,687,500) + ($14 clerical costs × 2,500 franchisors = $35,000)).

[4] Based on mean hourly wages for file clerks found in ''Occupational Employment and Wages—May 2013,'' U.S. Department of Labor, released April 1, 2014, Table 1, *available at http://www.bls.gov/news.release/pdf/ocwage.pdf.*

Estimated Non-Labor Costs: $8,000,000

In developing cost estimates initially for this Rule, FTC staff consulted with practitioners who prepare disclosure documents for a cross-section of franchise systems. The FTC believes that its cost estimates remain representative of the costs incurred by franchise systems generally. In addition, many franchisors establish and maintain Web sites for ordinary business purposes, including advertising their goods or services and to facilitate communication with the public. Accordingly, any costs franchisors would incur specifically as a result of electronic disclosure under the Rule appear to be minimal.

As set forth in the 2011 Notices, FTC staff estimates that the non-labor burden incurred by franchisors under the Franchise Rule differs based on the length of the disclosure document and the number of them produced. Staff estimates that 2,000 franchisors (80% of total franchisors covered by the Rule) will print and mail 100 disclosure documents at $35 each. Thus, these franchisors would each incur an estimated $3,500 in printing and mailing costs. Staff estimates that the remaining 20% of covered franchisors (500) will transmit 50% of their 100 disclosure documents electronically, at $5 per electronic disclosure. Thus, these franchisors will each incur $2,000 in distribution costs (($250 for electronic disclosure [$5 for electronic disclosure × 50 disclosure documents]) + ($1,750 for printing and mailing [$35 for printing and mailing × 50 disclosure documents])).

Accordingly, the cumulative annual non-labor costs for the Rule is approximately $8,000,000 (($3,500 printing and mailing costs × 2,000 franchisors = $7,000,000) + ($250 electronic distribution costs + $1,750 printing and mailing costs) × 500 franchisors = $1,000,000)).

Request for Comment: You can file a comment online or on paper. For the FTC to consider your comment, we must receive it on or before September 15, 2014. Write ''Franchise Rule, PRA Comment, FTC File No. P094400'' on your comment. Your comment—including your name and your state—will be placed on the public record of this proceeding, including, to the extent practicable, on the public Commission Web site, at *http://www.ftc.gov/os/publiccomments.shtm.* As a matter of discretion, the Commission tries to remove individuals' home contact information from comments before placing them on the Commission Web site.

Because your comment will be made public, you are solely responsible for making sure that your comment does not include any sensitive personal information, like anyone's Social Security number, date of birth, driver's license number or other state identification number or foreign country equivalent, passport number, financial account number, or credit or debit card number. You are also solely responsible for making sure that your comment does not include any sensitive health information, like medical records or other individually identifiable health information. In addition, do not include any ''[t]rade secret or any commercial or financial information which is obtained from any person and which is privileged or confidential . . .,'' as provided in Section 6(f) of the FTC Act, 15 U.S.C. 46(f), and FTC Rule 4.10(a)(2), 16 CFR 4.10(a)(2). If you want the Commission to give your comment confidential treatment, you must file it in paper form, with a request for confidential treatment, and you have to follow the procedure explained in FTC Rule 4.9(c), 16 CFR 4.9(c).[5] Your comment will be kept confidential only if the FTC General Counsel grants your request in accordance with the law and the public interest.

Postal mail addressed to the Commission is subject to delay due to heightened security screening. As a result, we encourage you to submit your comments online, or to send them to the Commission by courier or overnight service. To make sure that the Commission considers your online comment, you must file it at *https://ftcpublic.commentworks.com/ftc/franchiserulePRA* by following the instructions on the web-based form. If this Notice appears at *http://www.regulations.gov/#!home,* you also may file a comment through that Web site.

If you file your comment on paper, write ''Franchise Rule, PRA Comment, FTC File No. P094400'' on your comment and on the envelope, and mail it to the following address: Federal Trade Commission, Office of the Secretary, 600 Pennsylvania Avenue NW., Suite CC–5610 (Annex J), Washington, DC 20580, or deliver your comment to the following address: Federal Trade Commission, Office of the Secretary, Constitution Center, 400 7th Street SW., 5th Floor, Suite 5610 (Annex J), Washington, DC 20024. If

[5] In particular, the written request for confidential treatment that accompanies the comment must include the factual and legal basis for the request, and must identify the specific portions of the comment to be withheld from the public record. See FTC Rule 4.9(c), 16 CFR 4.9(c).

possible, submit your paper comment to the Commission by courier or overnight service.

The FTC Act and other laws that the Commission administers permit the collection of public comments to consider and use in this proceeding as appropriate. The Commission will consider all timely and responsive public comments that it receives on or before September 15, 2014. You can find more information, including routine uses permitted by the Privacy Act, in the Commission's privacy policy, at *http://www.ftc.gov/ftc/privacy.htm.*

David C. Shonka,

Principal Deputy General Counsel.

[FR Doc. 2014–16545 Filed 7–14–14; 8:45 am]

BILLING CODE 6750–01–P

DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[OMB Control No. 9000–0022; Docket 2014–0055; Sequence 9]

Submission to OMB for review; Federal Acquisition Regulation; Duty-Free Entry

AGENCY: Department of Defense (DOD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Notice of request for public comments regarding an extension to an existing OMB clearance.

SUMMARY: Under the provisions of the Paperwork Reduction Act (44 U.S.C. chapter 35), the Regulatory Secretariat Division (MVCB) will be submitting to the Office of Management and Budget (OMB) a request to review and approve an extension of a previously approved information collection requirement concerning duty-free entry. A notice was published in the **Federal Register** at 79 FR 18551, on April 2, 2014. No comments were received.

DATES: Submit comments on or before August 14, 2014.

ADDRESSES: Submit comments identified by Information Collection 9000–0022, Duty-Free Entry by any of the following methods:

- Regulations.gov: *http://www.regulations.gov.* Submit comments via the Federal eRulemaking portal by searching the OMB control number 9000–0022. Select the link ''Comment Now'' that corresponds with ''Information Collection 9000–0022, Duty-Free Entry.'' Follow the instructions provided on the screen. Please include your name, company name (if any), and ''Information Collection 9000–0022, Duty-Free Entry'', on your attached document.
- Fax: 202–501–4067.
- Mail: General Services Administration, Regulatory Secretariat Division (MVCB) 1800 F Street NW., Washington, DC 20405. ATTN: Ms. Flowers/IC 9000–0022, Duty-Free Entry.

Instructions: Please submit comments only and cite Information Collection 9000–0022, Duty-Free Entry, in all correspondence related to this collection. All comments received will be posted without change to *http://www.regulations.gov,* including any personal and/or business confidential information provided.

FOR FURTHER INFORMATION CONTACT: Ms. Cecelia L. Davis, Procurement Analyst, Acquisition Policy Division, GSA, 202–219–0202 or email *Cecelia.davis@gsa.gov.*

SUPPLEMENTARY INFORMATION:

A. Purpose

United States laws impose duties on foreign supplies imported into the customs territory of the United States. Certain exemptions from these duties are available to Government agencies. These exemptions are used whenever the anticipated savings outweigh the administrative costs associated with processing required documentation. When a Government contractor purchases foreign supplies, it must notify the contracting officer to determine whether the supplies should be duty-free. In addition, all shipping documents and containers must specify certain information to assure the duty-free entry of the supplies.

The clause at FAR 52.225–8, Duty-Free Entry, is included in solicitations and contracts for supplies that may be imported into the United States and for which duty-free entry may be obtained in accordance with FAR 25.903(a), if the value of the acquisition (1) exceeds the simplified acquisition threshold; or (2) does not exceed the simplified acquisition threshold, but the savings from waiving the duty is anticipated to be more than the administrative cost of waiving the duty. The contracting officer analyzes the information submitted by the contractor to determine whether or not supplies should enter the country duty-free. The information, the contracting officer's determination, and the U.S. Customs forms are placed in the contract file.

B. Annual Reporting Burden

Respondents: 1,330.

Responses per Respondent: 10.

Total Responses: 13,300.

Hours per Response: .5.

Total Burden Hours: 6,650.

Obtaining Copies of Proposals: Requesters may obtain a copy of the information collection documents from the General Services Administration, Regulatory Secretariat Division (MVCB), 1800 F Street NW., 2nd Floor, Washington, DC 20405, telephone 202–501–4755. Please cite OMB Control No. 9000–0022, Duty-Free Entry, in all correspondence.

Dated: July 10, 2014.

Karlos Morgan,

Acting Director, Federal Acquisition Policy Division, Office of Government-wide Acquisition Policy, Office of Acquisition Policy, Office of Government-wide Policy.

[FR Doc. 2014–16601 Filed 7–14–14; 8:45 am]

BILLING CODE 6820–EP–P

DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[OMB Control No. 9000–0047; Docket No. 2014–0055; Sequence 14]

Federal Acquisition Regulation; Information Collection; Place of Performance

AGENCY: Department of Defense (DOD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Notice of request for public comments regarding an extension to an existing OMB clearance.

SUMMARY: Under the provisions of the Paperwork Reduction Act (44 U.S.C. chapter 35), the Regulatory Secretariat Division (MVCB) will be submitting to the Office of Management and Budget (OMB) a request to review and approve an extension of a currently approved information collection requirement concerning place of performance.

DATES: Submit comments on or before September 15, 2014.

ADDRESSES: Submit comments identified by Information Collection 9000–0047, Place of Performance by any of the following methods:

- Regulations.gov: *http://www.regulations.gov.* Submit comments via the Federal eRulemaking portal by searching the OMB Control number 9000–0047. Select the link ''Comment Now'' that corresponds with ''Information Collection 9000–0047,

Place of Performance''. Follow the instructions provided on the screen. Please include your name, company name (if any), and ''Information Collection 9000–0047 Place of Performance'' on your attached document.

- Fax: 202–501–4067.
- Mail: General Services Administration, Regulatory Secretariat Division (MVCB) 1800 F Street NW., Washington, DC 20405. ATTN: Ms. Hada Flowers/IC 9000–0047, Place of Performance.

Instructions: Please submit comments only and cite Information Collection 9000–0047 Place of Performance, in all correspondence related to this collection. All comments received will be posted without change to *http://www.regulations.gov,* including any personal and/or business confidential information provided.

FOR FURTHER INFORMATION CONTACT: Mr. Michael O. Jackson, Procurement Analyst, Acquisition Policy Division at 202–208–4949 or email *michaelo.jackson@gsa.gov.*

A. Purpose

The information relative to the place of performance and owner of plant or facility, if other than the prospective contractor, is a basic requirement when contracting for supplies or services (including construction). This information is instrumental in determining bidder responsibility, responsiveness, and price reasonableness. A prospective contractor must affirmatively demonstrate its responsibility. Hence, the Government must be apprised of this information prior to award. The contracting officer must know the place of performance and the owner of the plant or facility to (1) determine bidder responsibility; (2) determine price reasonableness; (3) conduct plant or source inspections; and (4) determine whether the prospective contractor is a manufacturer or a regular dealer. The information is used to determine the firm's eligibility for awards and to assure proper preparation of the contract. Contractors can complete the provision electronically in the System for Award Management (SAM); however, because the data being collected could change for a specific solicitation, contractors will still be required to submit place of performance information on an exceptional basis; that is, whenever the place of performance for a specific solicitation is different from the place of performance shown in SAM.

B. Annual Reporting Burden

This information collection will result in no change from what published in the **Federal Register** at 76 FR 42127 on July 18, 2011. No public comments were received in prior years that have challenged the validity of the Government's estimate.

Respondents: 79,397.
Responses per Respondent: 14.
Total Responses: 1,111,558.
Hours per Response: .07.
Total Burden Hours: 77,810.

C. Public Comments

Public comments are particularly invited on: Whether this collection of information is necessary for the proper performance of functions of the FAR, and whether it will have practical utility; whether our estimate of the public burden of this collection of information is accurate, and based on valid assumptions and methodology; and ways to enhance the quality, utility, and clarity of the information to be collected.

Obtaining Copies of Proposals: Requesters may obtain a copy of the information collection documents from the General Services Administration, Regulatory Secretariat Division (MVCB), 1800 F Street NW., Washington, DC 20405 telephone 202–501–4755. Please cite OMB Control No. 9000–0047, Place of Performance, in all correspondence.

Dated: July 10, 2014.

Karlos Morgan,

Acting Director, Federal Acquisition Policy Division, Office of Government-wide Acquisition Policy, Office of Acquisition Policy, Office of Government-wide Policy.

[FR Doc. 2014–16600 Filed 7–14–14; 8:45 am]

BILLING CODE 6820–EP –P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

[30-Day–14–0900]

Agency Forms Undergoing Paperwork Reduction Act Review

The Centers for Disease Control and Prevention (CDC) has submitted the following information collection request to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act of 1995. The notice for the proposed information collection is published to obtain comments from the public and affected agencies.

Written comments and suggestions from the public and affected agencies concerning the proposed collection of information are encouraged. Your comments should address any of the following: (a) 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; (b) Evaluate the accuracy of the agencies estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; (c) Enhance the quality, utility, and clarity of the information to be collected; (d) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses; and (e) Assess information collection costs.

To request additional information on the proposed project or to obtain a copy of the information collection plan and instruments, call (404) 639–7570 or send an email to *omb@cdc.gov.* Written comments and/or suggestions regarding the items contained in this notice should be directed to the Attention: CDC Desk Officer, Office of Management and Budget, Washington, DC 20503 or by fax to (202) 395–5806. Written comments should be received within 30 days of this notice.

Proposed Project

Contact Investigation Outcome Reporting Forms (0920–0900)–Revision—(Expiration date: September 30, 2014)—National Center for Emerging and Zoonotic Infectious Diseases (NCEZID), Division of Global Migration and Quarantine (DGMQ), Centers for Disease Control and Prevention (CDC).

Background and Brief Description

The Centers for Disease Control and Prevention (CDC), Division of Global Migration and Quarantine (DGMQ) requests a revision of the currently approved Information Collection Request: ''Contact Investigation Outcome Reporting Forms,'' expiring September 30, 2014. CDC has conducted a thorough review of the data collection tools approved in this information collection request. To streamline the data collected, ease the completion of each data collection tool, and to target information collected to be more specific to the individual illness of public health concern, several changes to the data collection tools have been proposed. The result is a 12% reduction in burden, or a reduction of 32 total

burden hours. A summary of changes is as follows:

• Data pertaining to contact investigations for measles, mumps and rubella will no longer be collected using one form for either the air or maritime environments.

• Data collection for measles contact investigations will be collected either by using the Measles Contact Investigation Reporting Form—Air, or the Measles Contact Investigation Reporting Form—Maritime.

• CDC will no longer collect information pertaining to cases of mumps occurring during air travel. Contact investigations for cases of mumps occurring onboard maritime conveyances will still be evaluated, using the General Contact Investigation Outcome Form—Maritime.

• Data collection for rubella contact investigations will be collected either by using the Rubella Contact Investigation Reporting Form—Air, or the Rubella Contact Investigation Reporting Form—Maritime. Data collection fields pertaining to pregnant women have been added to assist in recommending the appropriate prophylaxis of those exposed.

• Data pertaining to contact investigations occurring in the air and land-border crossing environments will no longer be collected using the same form. Factors affecting the disease transmission in these environments is very different, thus, CDC has created separate data collection tools and fields. Data collection for contact investigations of illnesses of public health concern occurring in a land-border crossing environment will be collected by using the General Contact Investigation Reporting Form—Land. Data collection for illnesses of public health concern occurring in an air environment will be collected using tools specific to each disease.

• In response to a request from maritime operators (cruise ship physicians/cargo ship managers), CDC has added the option for contact investigation outcome reporting to be completed in either a MS Word or MS Excel format. The Excel format allows reporting for multiple patients simultaneously without completing separate documents for each ill traveler. The information collected on each of the data collection tools is the same. Data collection for contact investigations for diseases of public health concern occurring in a maritime environment will be collected using tools specific to each of the diseases listed above.

This data collection supports the need for CDC staff to evaluate cases of communicable diseases of public health concern during travel and conduct investigative contact tracing for those that may have been exposed. The proposed data collection tools facilitate the collection of data pertaining to these contact investigations.

CDC is requesting a total of 248 burden hours in this revision. There are no costs to respondents other than their time.

ESTIMATED ANNUALIZED BURDEN HOURS

Type of respondents	Form name	Number of respondents	Number of responses per respondent	Average burden per response (in hrs.)
State/local health department staff	General Contact Investigation Outcome Reporting Form (Air).	12	1	5/60
Cruise Ship Physicians/Cargo Ship Managers	General Contact Investigation Outcome Reporting Form (Maritime—Word version).	100	1	5/60
Cruise Ship Physicians/Cargo Ship Managers	General Contact Investigation Outcome Reporting Form (Maritime—Excel version).	100	1	5/60
State/local health department staff	General Contact Investigation Outcome Reporting Form (Land).	12	1	5/60
State/local health department staff	TB Contact Investigation Outcome Reporting Form (Air).	1,244	1	5/60
Cruise Ship Physicians/Cargo Ship Managers	TB Contact Investigation Outcome Reporting Form (Maritime—Word version).	150	1	5/60
Cruise Ship Physicians/Cargo Ship Managers	TB Contact Investigation Outcome Reporting Form (Maritime—Excel version).	150	1	5/60
State/local health department staff	Measles Contact Investigation Outcome Reporting Form (Air).	964	1	5/60
Cruise Ship Physicians/Cargo Ship Managers	Measles Contact Investigation Outcome Reporting Form (Maritime—Word version).	63	1	5/60
Cruise Ship Physicians/Cargo Ship Managers	Measles Contact Investigation Outcome Reporting Form (Maritime—Excel version).	63	1	5/60
State/local health department staff	Rubella Contact Investigation Outcome Reporting Form (Air).	95	1	5/60
Cruise Ship Physicians/Cargo Ship Managers	Rubella Contact Investigation Outcome Reporting Form (Maritime—Word version).	12	1	5/60
Cruise Ship Physicians/Cargo Ship Managers	Rubella Contact Investigation Outcome Reporting Form (Maritime—Excel version).	12	1	5/60

Leroy Richardson,

Chief, Information Collection Review Office, Office of Scientific Integrity, Office of the Associate Director for Science, Office of the Director, Centers for Disease Control and Prevention.

[FR Doc. 2014–16569 Filed 7–14–14; 8:45 am]

BILLING CODE 4163–18–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

Disease, Disability, and Injury Prevention and Control Special Emphasis Panel (SEP): Initial Review

The meeting announced below concerns Evaluating Promising Strategies to Build the Evidence Base for Sexual Violence Prevention, Funding Opportunity Announcement (FOA) CE14–005, initial review

In accordance with Section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92–463), the Centers for Disease Control and Prevention (CDC) announces the aforementioned meeting:

Time and Date: 11:30 a.m.–12:30 p.m., EDT, July 30, 2014 (Closed).

Place: Teleconference.

Status: The meeting will be closed to the public in accordance with provisions set forth in Section 552b(c)(4) and (6), Title 5 U.S.C., and the Determination of the Director, Management Analysis and Services Office, CDC, pursuant to Public Law 92–463.

Matters for Discussion: The meeting will include the initial review, discussion, and evaluation of applications received in response to ''Evaluating Promising Strategies to Build the Evidence Base for Sexual Violence Prevention, FOA CE14–005.'' The panel is reconvening to review one application that was not reviewed in the previous panel for FOA CE14–005 on May 15, 2014.

Contact Person For More Information: Donald Blackman, Ph.D., Scientific Review Officer, CDC, 4770 Buford Highway NE., Mailstop F63, Atlanta, Georgia 30341, Telephone: (770) 488–0641.

The Director, Management Analysis and Services Office, has been delegated the authority to sign **Federal Register** notices pertaining to announcements of meetings and other committee management activities, for both the Centers for Disease Control and Prevention and the Agency for Toxic Substances and Disease Registry.

Elaine L. Baker,

Director, Management Analysis and Services Office, Centers for Disease Control and Prevention.

[FR Doc. 2014–16453 Filed 7–14–14; 8:45 am]

BILLING CODE 4163–18–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

Advisory Committee on Breast Cancer in Young Women (ACBCYW)

In accordance with section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92–463), the Centers for Disease Control and Prevention (CDC), announces the following meeting of the aforementioned committee:

Time And Date: 1:00 p.m.–5:00 p.m., EST, August 11, 2014.

Place: This meeting is accessible by teleconference and web access. Teleconference and web access login information is as follows:

Toll-Free Telephone: 1–877–917–7126, Participant passcode: 1594803. There is also a toll free number for anyone outside of the USA: TOLL NUMBER: 1–415–228–4972, Participant passcode: 1594803.

Net Conference And Web URL: *https://www.mymeetings.com/nc/join/.*

Conference number: PW7515819, Audience passcode: 1594803 and: *https://www.mymeetings.com/nc/join.php?i=PW7515819&p=1594803&t=c.*

Status: Open to the public, limited only by the net conference and audio phone lines available.

Purpose: The committee provides advice and guidance to the Secretary, HHS; the Assistant Secretary for Health; and the Director, CDC, regarding the formative research, development, implementation and evaluation of evidence-based activities designed to prevent breast cancer (particularly among those at heightened risk) and promote the early detection and support of young women who develop the disease. The advice provided by the Committee will assist in ensuring scientific quality, timeliness, utility, and dissemination of credible appropriate messages and resource materials.

Matters For Discussion: The agenda will include discussions on the current and emerging topics related to breast cancer in young women. These include current survivorship activities and public health campaign activities. Other areas of discussion may include risk communication and health education, as well as approaches to increase awareness of clinicians/practitioners regarding topics such as breast cancer risk, breast health, symptoms, diagnosis, and treatment of breast cancer in young women.

Agenda items are subject to change as priorities dictate.

Online Registration Required: All ACBCYW Meeting participants must register for the meeting online at least three business days in advance at *http://www.cdc.gov/cancer/breast/what_cdc_is_doing/meetings.htm.* Please complete all the required fields before submitting your registration and submit no later than August 6, 2014.

Contact Person For More Information: Temeika L. Fairley, Ph.D., Designated Federal Officer, National Center for Chronic Disease Prevention and Health Promotion, CDC, 4770 Buford Highway, NE., Mailstop K52, Atlanta, Georgia 30341, Telephone (770) 488–4518, Fax (770) 488–4760 Email: *acbcyw@cdc.gov.*

The Director, Management Analysis and Services Office, has been delegated the authority to sign **Federal Register** notices pertaining to announcements of meetings and other committee management activities, for both the Centers for Disease Control and Prevention, and Agency for Toxic Substances and Disease Registry.

Elaine Baker,

Director, Management Analysis and Services Office, Centers for Disease Control and Prevention.

[FR Doc. 2014–16494 Filed 7–14–14; 8:45 am]

BILLING CODE 4163–18–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2014–D–0900]

Benefit-Risk Factors To Consider When Determining Substantial Equivalence in Premarket Notifications [510(k)] With Different Technological Characteristics; Draft Guidance for Industry and Food and Drug Administration Staff; Availability

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) is announcing the availability of the draft guidance document entitled ''Benefit-Risk Factors to Consider When Determining Substantial Equivalence in Premarket Notifications [510(k)] with Different Technological Characteristics.'' This guidance is intended to provide greater clarity regarding the principal benefit-risk factors that FDA considers during the review process for a premarket notification (510(k)) submission when there are different technological characteristics between the new device and the legally marketed (predicate)

device. This draft guidance is not final nor is it in effect at this time.

DATES: Although you can comment on any guidance at any time (see 21 CFR 10.115(g)(5)), to ensure that the Agency considers your comment on this draft guidance before it begins work on the final version of the guidance, submit electronic or written comments on the draft guidance by October 14, 2014.

ADDRESSES: An electronic copy of the guidance document is available for download from the Internet. See the **SUPPLEMENTARY INFORMATION** section for information on electronic access to the guidance. Submit written requests for a single hard copy of the guidance document entitled ''Benefit-Risk Factors to Consider When Determining Substantial Equivalence in Premarket Notifications [510(k)] with Different Technological Characteristics'' to the Office of the Center Director, Guidance and Policy Development, Center for Devices and Radiological Health, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 66, Rm. 5431, Silver Spring, MD 20993–0002 or the Office of Communication, Outreach and Development, Center for Biologics Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 71, Rm. 3128, Silver Spring, MD 20993–0002. Send one self-addressed adhesive label to assist that office in processing your request.

Submit electronic comments on the draft guidance to *http://www.regulations.gov.* Submit written comments to the Division of Dockets Management (HFA–305), Food and Drug Administration, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852. Identify comments with the docket number found in brackets in the heading of this document.

FOR FURTHER INFORMATION CONTACT: Office of Center Director, Center for Devices and Radiological Health, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 66, Silver Spring, MD 20993–0002, 301–796–5900, 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, 240–402–7911.

SUPPLEMENTARY INFORMATION:

I. Background

A submitter of a premarket notification submission (510(k)) must demonstrate to FDA in its 510(k) submission that the new device is ''substantially equivalent'' to a ''predicate device'' (see section 513(i) of the Federal Food, Drug & Cosmetic Act (21 U.S.C. 360c(i)). At certain points in the substantial equivalence analysis, the probable benefits and risks of a new device as compared to a legally marketed (predicate) device may be relevant. This draft guidance does not focus on benefit-risk factors that may be considered during the first step of the 510(k) review process where FDA must find that the intended use of the device and the predicate device are ''the same.'' Instead, this guidance focuses on the step of the 510(k) review process after FDA has determined that there are different technological characteristics between the new device and the predicate device, and FDA has determined that the differences in the technological characteristics do not raise different questions of safety and effectiveness. At this step in the review process, FDA must determine whether the new device is ''as safe and effective'' as the predicate device. This draft guidance discusses the principal benefit-risk factors FDA considers when making this determination, and also provides examples of how these factors may be used during premarket review.

The benefit-risk factors discussed in this guidance may assist FDA reviewers in making substantial equivalence determinations and may help accommodate evolving technology during the 510(k) premarket process. This guidance may also help submitters of 510(k) premarket notifications demonstrate substantial equivalence in their premarket submissions. FDA has developed this guidance in order to improve the predictability, consistency, and transparency of the 510(k) premarket review process. This guidance does not change the 510(k) premarket review standard or create extra burden on a submitter of a 510(k) to provide additional performance data from what has traditionally been submitted during the review process for 510(k) submissions.

II. Significance of Guidance

This draft guidance is being issued consistent with FDA's good guidance practices regulation (21 CFR 10.115). This draft guidance, when finalized, will represent the Agency's current thinking on benefit-risk factors to consider when determining substantial equivalence in medical device premarket notifications (510(k)) with different technological characteristics. It does not create or confer any rights for or on any person and does not operate to bind FDA or the public. An alternative approach may be used if such approach satisfies the requirements of the applicable statute and regulations.

III. Electronic Access

Persons interested in obtaining a copy of the guidance may do so by using the Internet. A search capability for all CDRH guidance documents is available at *http://www.fda.gov/MedicalDevices/DeviceRegulationandGuidance/GuidanceDocuments/default.htm.* Guidance documents are also available at *http://www.regulations.gov.* or *http://www.fda.gov/BiologicsBloodVaccines/GuidanceComplianceRegulatoryInformation/default.htm.* Persons unable to download an electronic copy of ''Benefit-Risk Factors to Consider When Determining Substantial Equivalence in Premarket Notifications [510(k)] with Different Technological Characteristics,'' may send an email request to *CDRH-Guidance@fda.hhs.gov* to receive an electronic copy of the document. Please use the document number 1818 to identify the guidance you are requesting.

IV. Paperwork Reduction Act of 1995

The draft guidance refers to currently 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 collections of information in 21 CFR part 807, subpart E have been approved under OMB control number 0910–0120; and the collections of information in 21 CFR part 803 have been approved under OMB control number 0910–0437.

V. Comments

Interested persons may submit either electronic comments regarding this document to *http://www.regulations.gov* or written comments to the Division of Dockets Management (see **ADDRESSES**). It is necessary to send only one set of comments. Identify comments with the docket number found in brackets in the heading of this document. Received comments may be seen in the Division of Dockets Management between 9 a.m. and 4 p.m., Monday through Friday and will be posted to the docket at *http://www.regulations.gov.*

Dated: July 10, 2014.

Leslie Kux,

Assistant Commissioner for Policy.

[FR Doc. 2014–16565 Filed 7–14–14; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2006–D–0031]

Draft Informed Consent Information Sheet: Guidance for Institutional Review Boards, Clinical Investigators, and Sponsors; Availability

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) is announcing the availability of a draft guidance entitled ''Informed Consent Information Sheet: Guidance for IRBs, Clinical Investigators, and Sponsors.'' The draft guidance announced in this notice is intended to assist institutional review boards (IRBs), clinical investigators, and sponsors involved in clinical investigations of FDA-regulated products in carrying out their responsibilities related to informed consent. The draft guidance provides the Agency's recommendations and requirements for informed consent to assure the protection of the rights and welfare of human subjects in clinical investigations.

DATES: Although comments on any guidance can be submitted at any time (see 21 CFR 10.115(g)(5)), to ensure that the Agency considers a comment on this draft guidance before it begins work on the final version of the guidance, electronic or written comments on the draft guidance should be submitted by September 15, 2014.

ADDRESSES: Submit written requests for single copies of this draft guidance to the Division of Drug Information, Center for Drug Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 51, Rm. 2201, Silver Spring, MD 20993–0002 (1–888–463–6332 or 301–796–3400); or the Office of Communication, Outreach and Development, Center for Biologics Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 71, Rm. 3128, Silver Spring, MD 20993–0002 (1–800–835–4709 or 240–402–7800); or the Division of Industry and Consumer Education, Center for Devices and Radiological Health, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 66, Rm. 4622, Silver Spring, MD 20993 (1–800–638–2041 or 301–796–7100). Send one self-addressed adhesive label to assist the office in processing your requests.

Submit electronic comments on the draft guidance to *http://www.regulations.gov.* Submit written comments to the Division of Dockets Management (HFA–305), Food and Drug Administration, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852.

FOR FURTHER INFORMATION CONTACT: Marsha Melvin, Office of Good Clinical Practice, Food and Drug Administration, 10903 New Hampshire Ave, Building 32, Silver Spring, MD 20993, *marsha.melvin@fda.hhs.gov.*

SUPPLEMENTARY INFORMATION:

I. Background

FDA is announcing the availability of a draft guidance entitled: ''Informed Consent Information Sheet: Guidance for IRBs, Clinical Investigators, and Sponsors.'' This draft guidance is intended to assist IRBs, clinical investigators, and sponsors involved in clinical investigations of FDA-regulated products in carrying out their responsibilities related to informed consent under 21 CFR part 50 by providing recommendations regarding the informed consent process, the elements of informed consent, and the documentation of informed consent to assure the protection of the rights and welfare of human subjects in clinical investigations. When finalized, this guidance will supersede the following Information Sheets: ''A Guide to Informed Consent'' and ''Frequently Asked Questions'' (only the sections entitled ''Informed Consent Process'' and ''Informed Consent Document Content'') (September 1998, Office of Health Affairs, Food and Drug Administration). To enhance human subject protection and reduce regulatory burden, the Department of Health and Human Services (HHS), Office for Human Research Protections (OHRP) and FDA have been actively working to harmonize the Agencies' regulatory requirements and guidance for human subject research. This draft guidance document was developed as a part of these efforts.

In addition, FDA acknowledges that HHS announced in 2011 that the Federal Government is contemplating various ways of enhancing the regulations overseeing research on human subjects. Before developing proposed changes to the regulations—which have been in place since 1991 and are often referred to as the Common Rule—the Government issued an Advance Notice of Proposed Rulemaking (ANPRM) seeking the public's input on an array of issues related to the ethics, safety, and oversight of human research. The changes under consideration can be found in the July 26, 2011, issue of the **Federal Register** in an ANPRM entitled ''Human Subjects Research Protections: Enhancing Protections for Research Subjects and Reducing Burden, Delay, and Ambiguity for Investigators'' (available at *www.hhs.gov/ohrp/humansubjects/anprm2011page.html*). FDA issues this draft guidance while the Agencies continue to explore potential changes to the Common Rule. To the extent that issues presented in this draft guidance intersect with the Common Rule, FDA plans to coordinate with other relevant Federal Agencies to facilitate consistency across policies.

FDA is issuing this as a draft guidance because the Information Sheet entitled: ''A Guide to Informed Consent'' has been substantially revised due to changes in regulation/regulatory policy and in response to numerous questions about informed consent from subjects, subject advocates, and the research community. For example, the draft guidance includes a more detailed discussion of informed consent for non-English speaking subjects. In addition, new sections address the new element of informed consent for applicable clinical trials and discuss informed consent issues related to consent capacity, children as subjects, review of patient records, subjects with low literacy or numeracy, subjects participating in more than one clinical trial, and study suspension/termination. The draft guidance also explains the responsibilities of the IRB, investigator, sponsor, and FDA related to the development and review of informed consent documents.

The draft guidance is being issued consistent with FDA's good guidance practices regulation (21 CFR 10.115). The draft guidance, when finalized, will represent FDA's current thinking on this topic. It does not create or confer any rights for or on any person and does not operate to bind FDA or the public. An alternative approach may be used if such approach satisfies the requirements of the applicable statutes and regulations.

II. The Paperwork Reduction Act of 1995

This draft guidance includes information collections provisions 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 referenced in this guidance that are related to IRB recordkeeping requirements under 21 CFR 56.115, which include the requirements for records related to informed consent, have been approved under OMB control number 0910–0130;

the collections of information related to the elements of informed consent under 21 CFR 50.25, the documentation of informed consent under 21 CFR 50.27, IRB written notification to approve or disapprove research under 21 CFR 56.109(e), and IRB continuing review under 21 CFR 56.109(f) have been approved under OMB control number 0910–0755; the collection of information in 21 CFR part 312 have been approved under OMB control number 0910–0014; and the collections of information in 21 CFR part 812 have been approved under OMB control number 0910–0078.

III. Comments

Interested persons may submit either electronic comments regarding this document to *http://www.regulations.gov* or written comments to the Division of Dockets Management (see **ADDRESSES**). It is only necessary to send one set of comments. Identify comments with the docket number found in brackets in the heading of this document. Received comments may be seen in the Division of Dockets Management between 9 a.m. and 4 p.m., Monday through Friday, and will be posted to the docket at *http://www.regulations.gov.*

IV. Electronic Access

Persons with access to the Internet may obtain the draft guidance at either *http://www.regulations.gov* or *http://www.fda.gov/ScienceResearch/SpecialTopics/RunningClinicalTrials/ProposedRegulationsandDraftGuidances/default.htm.*

Dated: July 9, 2014.

Leslie Kux,

Assistant Commissioner for Policy.

[FR Doc. 2014–16492 Filed 7–14–14; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2014–D–0800]

Draft Guidance for Industry on Substantial Equivalence Reports; Manufacturer Requests for Extensions or To Change the Predicate Tobacco Product; Availability

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) is announcing the availability of a draft guidance entitled ''Substantial Equivalence Reports: Manufacturer Requests for Extensions or To Change the Predicate Tobacco Product.'' This draft guidance provides information to tobacco product manufacturers about FDA's policies on manufacturer requests for extensions of time to respond to deficiencies that FDA has identified, and manufacturer requests to change the predicate tobacco product, in substantial equivalence (SE) reports.

DATES: Although you can comment on any guidance at any time (see 21 CFR 10.115(g)(5)), to ensure that the Agency considers your comment on this draft guidance before it begins work on the final version of the guidance, submit either electronic or written comments on the draft guidance by September 15, 2014.

ADDRESSES: Submit written requests for single copies of this draft guidance to the Center for Tobacco Products, Food and Drug Administration, Document Control Center, Bldg. 71, Rm. G335, 10903 New Hampshire Ave., Silver Spring, MD 20993–0002. Send one self-addressed adhesive label to assist that office in processing your request or include a fax number to which the guidance may be sent. See the **SUPPLEMENTARY INFORMATION** section for information on electronic access to the guidance document.

Submit electronic comments on the draft guidance to *http://www.regulations.gov.* Submit written comments to the Division of Dockets Management (HFA–305), Food and Drug Administration, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852. Identify comments with the docket number found in brackets in the heading of this document.

FOR FURTHER INFORMATION CONTACT: Annette Marthaler, Center for Tobacco Products, Food and Drug Administration, Document Control Center, Bldg. 71, Rm. G335, 10903 New Hampshire Ave., Silver Spring, MD 20993–0002, 1–877–287–1373, email: *CTPRegulations@fda.hhs.gov.*

SUPPLEMENTARY INFORMATION:

I. Background

FDA is announcing the availability of a draft guidance for tobacco product manufacturers entitled ''Substantial Equivalence Reports: Manufacturer Requests for Extensions or To Change the Predicate Tobacco Product.'' During the review of an SE report, the Center for Tobacco Products (CTP) may issue a scientific advice/information letter or preliminary finding letter to a manufacturer highlighting deficiencies of the SE report (deficiency letter). In response to those letters, some manufacturers have requested an extension of time to respond to the deficiencies or have indicated they may change the predicate tobacco product identified in the SE report. In this draft guidance, FDA provides information to tobacco product manufacturers about CTP's policies on manufacturer requests for extensions of time to respond to deficiencies CTP has identified, and manufacturer requests to change the predicate tobacco product.

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 Agency's current thinking on ''Substantial Equivalence Reports: Manufacturer Requests for Extensions or To Change the Predicate Tobacco Product.'' It does not create or confer any rights for or on any person and does not operate to bind FDA or the public. An alternative approach may be used if such approach satisfies the requirements of the applicable statutes and regulations.

II. Paperwork Reduction Act of 1995

This draft guidance refers to previously approved collections of information. 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 collections of information have been approved under OMB control number 0910–0673.

III. Comments

Interested persons may submit either electronic comments regarding this document to *http://www.regulations.gov* or written comments to the Division of Dockets Management (see **ADDRESSES**). It is only necessary to send one set of comments. Identify comments with the docket number found in brackets in the heading of this document. Received comments may be seen in the Division of Dockets Management between 9 a.m. and 4 p.m., Monday through Friday, and will be posted to the docket at *http://www.regulations.gov.*

IV. Electronic Access

Persons with access to the Internet may obtain the guidance at either *http://www.regulations.gov* or *http://www.fda.gov/TobaccoProducts/GuidanceComplianceRegulatoryInformation/default.htm.*

Dated: July 10, 2014.

Leslie Kux,

Assistant Commissioner for Policy.

[FR Doc. 2014–16562 Filed 7–14–14; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Submission for OMB Review; 30-Day Comment Request; Special Volunteer and Guest Researcher Assignment, Office of the Director (OD)

SUMMARY: Under the provisions of Section 3507(a)(1)(D) of the Paperwork Reduction Act of 1995, the National Institutes of Health (NIH), has submitted to the Office of Management and Budget (OMB) a request for review and approval of the information collection listed below. This proposed information collection was previously published in the **Federal Register** on April 1, 2014 (Volume 79, Number 62), page 18300, and allowed 60 days for public comment. No public comments were received. The purpose of this notice is to allow an additional 30 days for public comment. The Office of Intramural Research (OIR), National Institutes of Health (NIH), may not conduct or sponsor, and the respondent is not required to respond to, an information collection that has been extended, revised, or implemented on or after October 1, 1995, unless it displays a currently valid OMB control number.

Direct Comments To OMB: Written comments and/or suggestions regarding the item(s) contained in this notice, especially regarding the estimated public burden and associated response time, should be directed to the Office of Management and Budget, Office of Regulatory Affairs, *OIRA_submission@omb.eop.gov;* or sent by fax to 202–395–6974, Attention: NIH Desk Officer.

Comment Due Date: Comments regarding this information collection are best assured of having their full effect if received within 30 days of the date of this publication.

FOR FURTHER INFORMATION CONTACT: To obtain a copy of the data collection plans and instruments, to submit comments in writing, or to request more information on the proposed project, contact Mr. Larry Chloupek, Management Liaison Director, OIR, OD, NIH, 2 Center Drive MSC 0235, Bethesda, MD 20892–0235; or call non-toll-free number 301–594–3992; or email your request, including your address to *larry.chloupek@nih.gov*. Formal requests for additional plans and instruments must be requested in writing.

Proposed Collection: Special Volunteer and Guest Researcher Assignment, 0925–0177, Expiration Date 07/31/2014, Extension, Office of Intramural Research (OIR), National Institutes of Health (NIH).

Need and Use of Information Collection: Form Number: NIH–590 is a single form completed by an NIH official for each Guest Researcher or Special Volunteer prior to his/her arrival at the NIH. The information on the form is necessary for the approving official to reach a decision on whether to allow a Guest Researcher to use NIH facilities or whether to accept volunteer services offered by a Special Volunteer. If the original assignment is extended, another form notating the extension is completed to update the file.

OMB approval is requested for 3 years. There are no costs to respondents other than their time. The total estimated annualized burden hours are 166.

ESTIMATED ANNUALIZED BURDEN HOURS

Type of respondents	Number of respondents	Frequency of response	Average time per response	Annual hour burden
Special Volunteers	1,250	1	6/60	125
Guest Researchers	410	1	6/60	41

Dated: July 9, 2014.

Lawrence A. Tabak,

Deputy Director, NIH.

[FR Doc. 2014–16527 Filed 7–14–14; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Proposed Collection; 30-day Comment Request: The Hispanic Community Health Study/Study of Latinos (HCHS/SOL)

SUMMARY: Under the provisions of Section 3507(a)(1)(D) of the Paperwork Reduction Act of 1995, the National Institutes of Health (NIH) has submitted to the Office of Management and Budget (OMB) a request for review and approval of the information collection listed below. This proposed information collection was previously published in the **Federal Register** on March 25, 2014 (Vol. 79, No. 57, pages 16345–16347). Three comments were received. The purpose of this notice is to allow an additional 30 days for public comment. The National Heart, Lung and Blood Institute (NHLBI), National Institutes of Health, may not conduct or sponsor, and the respondent is not required to respond to, an information collection that has been extended, revised, or implemented on or after October 1, 1995, unless it displays a currently valid OMB control number.

Direct Comments To OMB: Written comments and/or suggestions regarding the item(s) contained in this notice, especially regarding the estimated public burden and associated response time, should be directed to the: Office of Management and Budget, Office of Regulatory Affairs, *OIRA_submission@omb.eop.gov* or by fax to 202–395–6974, Attention: NIH Desk Officer.

DATES: *Comment Due Date:* Comments regarding this information collection are best assured of having their full effect if received within 30-days of the date of this publication.

FOR FURTHER INFORMATION CONTACT: To obtain a copy of the data collection plans and instruments or request more information on the proposed project contact either: Dr. Larissa Aviles-Santa, 6701 Rockledge, Epidemiology Branch, Program in Prevention and Population Sciences, Division of Cardiovascular Sciences, National Heart, Lung, and Blood Institute, National Institutes of Health, 6701 Rockledge Dr, MSC 7936, Bethesda, MD 20892–7936, or call non-toll-free number 301–435–0450, or Email your request, including your address to *avilessantal@nhlbi.nih.gov*. Formal requests for additional plans and instruments must be requested in writing.

Proposed Collection: The Hispanic Community Health Study/Study of Latinos (HCHS/SOL), Revision, National Heart, Lung and Blood Institute (NHLBI), National Institutes of Health (NIH).

Need and Use of Information Collection: The purpose and use of the information collection for this project is to study the prevalence of cardiovascular and pulmonary disease and other chronic diseases, and their risk and protective factors, understand their relationship to all-cause,

cardiovascular and pulmonary morbidity and mortality, and understand the role of sociocultural factors (including acculturation) on the prevalence or onset of disease among over 16,400 Hispanics/Latinos of diverse origins, aged 18–74 years at enrollment, living in four U.S. communities: San Diego, California; Chicago, Illinois; Miami, Florida, and the Bronx, New York. In order to achieve these objectives, the HCHS/SOL had two integrated components:

1. Examination of the cohort following a standardized protocol, which consisted of interviews and clinical measurements to assess physiological and biochemical measurements including DNA/RNA extraction for ancillary genetic research studies.

2. Follow-up of the cohort, which consists of an annual telephone interview to assess vital status, changes in health status and medication intake, and new cardiovascular and pulmonary events (including fatal and non-fatal myocardial infarction and heart failure; fatal and non-fatal stroke; and exacerbation of asthma and chronic obstructive pulmonary disease). This component also includes contact with physicians and informants to obtain medical information about participants.

OMB approval is requested for 3 years. There are no costs to respondents other than their time. The total estimated annualized burden hours are 75,305.

ESTIMATED ANNUALIZED BURDEN HOURS

A.12.1 ESTIMATES OF HOUR BURDEN

[Appendices 11, 14 and 15]

Type of respondents	Survey instrument	Number of respondents	Number of responses per respondent	Average time per response (in hours)	Total burden hours
Participants Visit 2 Examination (Appendices 11 and 14).	Pre-visit scheduling & safety screening (Appendix 14 —Procedures—ELE bilingual).	13878	1	2/60	463
	Reception, informed consent (Appendix 11), medical releases.	13878	1	20/60	4626
	Ppt. disability screening	13878	1	4/60	925
	Ppt. safety update and routing (Appendix 14—Procedures—PSE bilingual).	13878	1	2/60	463
	Change clothes, urine specimen (Appendix 14 — Procedures —BIO)*.	13878	1	10/60	2313
	Updated personal information	13878	1	5/60	1157
	Anthropometry	13878	1	7/60	1619
	Determination of fasting & blood draw (Appendix 14 — Procedures—BIO)*.	13878	1	11/60	2544
	Determination of blood glucose, OGTT (Appendix 14 — Procedures—BIO)*.	13878	1	6/60	1388
	Seated BP	13878	1	9/60	2082
	Echocardiography	8000	1	30/60	4000
	2-hour blood draw, snack (Appendix 14—Procedures—BIO)*.	13878	1	12/60	2776
	Personal Medical History	13878	1	10/60	2313
	Reproductive Medical History	9000	1	9/60	1350
	Pregnancy Complications History	9000	1	6/60	900
	Socio-economic Status—Occupation	13878	1	3/60	694
	Health Care Access and Utilization	13878	1	15/60	3470
	Chronic Stress	13878	1	4/60	925
	Family Cohesion	13878	1	5/60	1157
	Social Support	13878	1	3/60	694
	Acculturation	13878	1	3/60	694
	Well Being	13878	1	4/60	925
	Abbreviated Medication Use	13878	1	4/60	925
	Tobacco Use	13878	1	7/60	1619
	Alcohol Use	13878	1	3/60	694
	Participant Feedback	13878	1	12/60	2776
Total			206/60	43492	
Participants AFU Phone Interview (Appendix 15).	AFU Year 3	3146	1	15/60	787
	AFU Year 4	9033	1	15/60	2258
	AFU Year 5	14259	1	15/60	3565
	AFU Year 6	16222	1	15/60	4055
	AFU Year 7	16222	1	15/60	4055
	AFU Year 8	16222	1	15/60	4055
	AFU Year 9	16222	1	15/60	4055
	AFU Year 10	16222	1	15/60	4055

ESTIMATED ANNUALIZED BURDEN HOURS—Continued
A.12.1 ESTIMATES OF HOUR BURDEN
[Appendices 11, 14 and 15]

Type of respondents	Survey instrument	Number of respondents	Number of responses per respondent	Average time per response (in hours)	Total burden hours
	AFU Year 11	16222	1	15/60	4055
Total			120/60	30940	
Physicians and/or other health care providers.	Hospitalization records/physician interview (Appendix 16, PQE).	1591	1	30/60	796
Informants	Informant Interview Deaths (Appendix 16, IIE/IIS).	154	1	30/60	77
Total				60/60	873

Dated: June 18, 2014.

Michael Lauer,

Director, DCVS, NHLBI, NIH.

Dated: June 18, 2014.

Lynn Susulske,

NHLBI Project Clearance Liaison, National Institutes of Health.

[FR Doc. 2014–16528 Filed 7–14–14; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Proposed Collection; 60-Day Comment Request; Evaluation of Cancer Control Leadership Forums at the Center for Global Health

Summary: In compliance with the requirement of Section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995, for opportunity for public comment on proposed data collection projects, the National Cancer Institute (NCI), National Institutes of Health (NIH), will publish periodic summaries of proposed projects to be submitted to the Office of Management and Budget (OMB) for review and approval.

Written comments and/or suggestions from the public and affected agencies are invited on one or more of the following points: (1) Whether the proposed collection of information is necessary for the proper performance of the function of the agency, including whether the information will have practical utility; (2) The accuracy of the agency's estimate of the burden of the proposed collection of information, 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 the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

To Submit Comments And For Further Information: To obtain a copy of the data collection plans and instruments, or request more information on the proposed project, contact: Brenda Kostelecky, Center for Global Health, National Cancer Institute, 9609 Medical Center Dr., RM 3W276, Rockville MD, 20850 or call non-toll-free number 240–276–5585 or Email your request, including your address to: brenda.kostelecky@nih.gov. Formal requests for additional plans and instruments must be requested in writing.

Comment Due Date: Comments regarding this information collection are best assured of having their full effect if received within 60 days of the date of this publication.

Proposed Collection: Evaluation of Cancer Control Leadership Forums at the Center for Global Health (CGH) (NCI), 0925–NEW, National Cancer Institute (NCI), National Institutes of Health (NIH).

Need and Use of Information Collection: This submission is a request for OMB to approve the Cancer Control Leadership Forums. These workshops are organized and funded by the National Cancer Institute's CGH in conjunction with various partners ranging from foreign Ministries of Health and research institutions, to international non-governmental organizations (NGOs) and U.S. academic institutions. The goal of the U.S. National Cancer Institute (NCI) Cancer Control Leadership Forums is to increase the capacity of participating countries to initiate or enhance cancer control planning and implementation in their respective countries. The Forums are an opportunity for countries to exchange experiences and ideas about creating and implementing comprehensive cancer control plans. The proposed evaluation requests information about the outcomes of the forums including (1) status of cancer control planning and implementation in each participating country, (2) outcomes related to the action plans (e.g. developing written materials, completion of action items, resources and support acquired),(3) successes and challenges related to the action plans, and (4) new cancer control partnerships and networks. Baseline information regarding the status of cancer control planning and implementation will be collected 3 months prior to the Forums in order to inform the development of each Forum. The evaluation information will be collected 3–24 months after each forum and is needed to evaluate the effectiveness of these workshops in order to inform future programming and funding decisions.

OMB approval is requested for 3 years. There are no costs to respondents other than their time. The total estimated annualized burden hours are 108.

ESTIMATED ANNUALIZED BURDEN HOURS

Type of respondents	Form name	Number of respondents	Number of responses per respondent	Average burden per response (in hours)	Total annual burden hours
Chief Executives	3 Months Pre Workshop Form	18	1	2	36
	3 Months Post Workshop Form	18	1	1	18
	6 Months Post Workshop Form	18	1	1	18
	12 Months Post Workshop Form	18	1	1	18
	24 Months Post Workshop Form	18	1	1	18

Dated: July 3, 2014.

Karla Bailey,

NCI Project Clearance Liaison, National Institutes of Health.

[FR Doc. 2014–16445 Filed 7–14–14; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Center for Scientific Review; Notice of Closed Meetings

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. App.), notice is hereby given of the following meetings.

The meetings will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: Center for Scientific Review Special Emphasis Panel; Member Conflict: AIDS and AIDS Related Research.

Date: July 21, 2014.

Time: 12:00 p.m. to 5:30 p.m.

Agenda: To review and evaluate grant applications.

Place: Center for Scientific Review, 6701 Rockledge Drive, Bethesda, MD 20892, (Telephone Conference Call).

Contact Person: Jose H. Guerrier, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5218, MSC 7852, Bethesda, MD 20892, 301–435–1137, *guerriej@csr.nih.gov.*

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: Center for Scientific Review Special Emphasis Panel; Academic Research Enhancement Award.

Date: July 22, 2014.

Time: 1:00 p.m. to 4:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892.

Contact Person: Rebecca Henry, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 3158, MSC 7770, Bethesda, MD 20892, 301–435–1717, *henryrr@mail.nih.gov.*

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: Center for Scientific Review Special Emphasis Panel; Aging: Skeletal and Cardiac Muscle.

Date: July 23, 2014.

Time: 1:00 p.m. to 2:30 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (Telephone Conference Call).

Contact Person: Samuel C. Edwards, Ph.D., IRG CHIEF, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5210, MSC 7846, Bethesda, MD 20892, (301) 435–1246, *edwardss@csr.nih.gov.*

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: Center for Scientific Review Special Emphasis Panel; EAE\Multiple Sclerosis Neuroimmunology.

Date: July 31, 2014.

Time: 1:00 p.m. to 2:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (Telephone Conference Call).

Contact Person: Samuel C. Edwards, Ph.D., IRG CHIEF, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5210, MSC 7846, Bethesda, MD 20892, (301) 435–1246, *edwardss@csr.nih.gov.*

Name of Committee: Center for Scientific Review Special Emphasis Panel; Member Conflict: Cell Biology, Development and Aging.

Date: August 4–5, 2014.

Time: 8:00 a.m. to 5:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (Virtual Meeting).

Contact Person: Elena Smirnova, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5187, MSC 7840, Bethesda, MD 20892, 301–435–1236, *smirnove@csr.nih.gov.*

Name of Committee: Center for Scientific Review Special Emphasis Panel; Member Conflict: Genetic Variation and Evolution Applications.

Date: August 6, 2014.

Time: 1:00 p.m. to 3:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (Telephone Conference Call).

Contact Person: Barbara J. Thomas, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 2218, MSC 7890, Bethesda, MD 20892, 301–435–0603, *bthomas@csr.nih.gov.*

Name of Committee: Center for Scientific Review Special Emphasis Panel; Member Conflict: Adult Psychopathology and Disorders of Aging.

Date: August 6, 2014.

Time: 2:00 p.m. to 6:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (Virtual Meeting).

Contact Person: Andrea B. Kelly, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 3182, MSC 7770, Bethesda, MD 20892, (301) 455–1761, *kellya2@csr.nih.gov.*

Name of Committee: Center for Scientific Review Special Emphasis Panel; AREA Grants: Genomics.

Date: August 6, 2014.

Time: 4:00 p.m. to 6:30 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (Telephone Conference Call).

Contact Person: Ronald Adkins, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 2206, MSC 7890, Bethesda, MD 20892, 301–435–4511, *ronald.adkins@nih.gov.*

Name of Committee: Center for Scientific Review Special Emphasis Panel; PAR13–309–311: Translational Research in Pediatric and Obstetric, Pharmacology and Therapeutics.

Date: August 7, 2014.
Time: 12:30 p.m. to 3:00 p.m.
Agenda: To review and evaluate grant applications.
Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (Telephone Conference Call).
Contact Person: Michael Knecht, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 6176, MSC 7892, Bethesda, MD 20892, (301) 435–1046, *knechtm@csr.nih.gov.*

(Catalogue of Federal Domestic Assistance Program Nos. 93.306, Comparative Medicine; 93.333, Clinical Research, 93.306, 93.333, 93.337, 93.393–93.396, 93.837–93.844, 93.846–93.878, 93.892, 93.893, National Institutes of Health, HHS).

Dated: July 8, 2014.

Michelle Trout,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2014–16506 Filed 7–14–14; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Center for Scientific Review; Notice of Closed Meetings

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. App.), notice is hereby given of the following meetings.

The meetings will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: Center for Scientific Review Special Emphasis Panel; RFA Panel: US-South Africa Collaborative Biomedical Research.
Date: July 29, 2014.
Time: 8:00 a.m. to 5:00 p.m.
Agenda: To review and evaluate grant applications.
Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892.
Contact Person: Robert Freund, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5216, MSC 7852, Bethesda, MD 20892, 301–435–1050, *freundr@csr.nih.gov.*

Name of Committee: Center for Scientific Review Special Emphasis Panel; RFA Panel: US-South Africa Collaborative Biomedical Research.
Date: July 30, 2014.
Time: 8:00 a.m. to 6:00 p.m.
Agenda: To review and evaluate grant applications.
Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892.
Contact Person: Robert Freund, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5216, MSC 7852, Bethesda, MD 20892, 301–435–1050, *freundr@csr.nih.gov.*

Name of Committee: Center for Scientific Review Special Emphasis Panel; Member Conflict: AIDS and AIDS Related Research.
Date: July 30–31, 2014.
Time: 10:00 a.m. to 6:00 p.m.
Agenda: To review and evaluate grant applications.
Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (Virtual Meeting).
Contact Person: Kenneth A Roebuck, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5106, MSC 7852, Bethesda, MD 20892, (301) 435–1166, *roebuckk@csr.nih.gov.*

(Catalogue of Federal Domestic Assistance Program Nos. 93.306, Comparative Medicine; 93.333, Clinical Research, 93.306, 93.333, 93.337, 93.393–93.396, 93.837–93.844, 93.846–93.878, 93.892, 93.893, National Institutes of Health, HHS).

Dated: July 8, 2014.

Michelle Trout,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2014–16508 Filed 7–14–14; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Center for Scientific Review; Notice of Closed Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. App.), notice is hereby given of the following meeting.

The meeting will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: Center for Scientific Review Special Emphasis Panel; Bacterial Pathogens.
Date: July 16, 2014.
Time: 12:00 p.m. to 2:00 p.m.
Agency: To review and evaluate grant applications.
Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (Telephone Conference Call).
Contact Person: Richard G Kostriken, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 3192, MSC 7808, Bethesda, MD 20892, 240–519–7808, *kostrikr@csr.nih.gov.*

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

(Catalogue of Federal Domestic Assistance Program Nos. 93.306, Comparative Medicine; 93.333, Clinical Research, 93.306, 93.333, 93.337, 93.393–93.396, 93.837–93.844, 93.846–93.878, 93.892, 93.893, National Institutes of Health, HHS).

Dated: July 8, 2014.

Michelle Trout,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2014–16507 Filed 7–14–14; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Institute of Biomedical Imaging and Bioengineering; Notice of Closed Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. App.), notice is hereby given of the following meeting.

The meeting will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: National Institute of Biomedical Imaging and Bioengineering Special Emphasis Panel; NIBIB 2015–01 Reducing Health Disparity SBIR Review.
Date: September 18, 2014.
Time: 10:00 a.m. to 5:30 p.m.
Agenda: To review and evaluate grant applications.
Place: National Institutes of Health, Two Democracy Plaza, Suite 920, 6707 Democracy Boulevard, Bethesda, MD 20892 (Virtual Meeting).
Contact Person: Ruixia Zhou, Ph.D., Scientific Review Officer, 6707 Democracy Boulevard, Suite 957, Bethesda, MD 20892, 301–496–4773, *zhour@mail.nih.gov.*

Dated: July 9, 2014.

David Clary,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2014–16512 Filed 7–14–14; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Institute of Diabetes and Digestive and Kidney Diseases; Notice of Closed Meetings

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. App.), notice is hereby given of the following meetings.

The meetings will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: National Institute of Diabetes and Digestive and Kidney Diseases Special Emphasis Panel; Type 1 Diabetes Genetic and Biomarker Ancillary Studies.

Date: July 31, 2014.

Time: 4:00 p.m. to 5:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, Two Democracy Plaza, 6707 Democracy Boulevard, Bethesda, MD 20892 (Telephone Conference Call).

Contact Person: Carol J. Goter-Robinson, Ph.D., Scientific Review Officer, Review Branch, DEA, NIDDK, National Institutes of Health, Room 748, 6707 Democracy Boulevard, Bethesda, MD 20892–5452, (301) 594–7791, *goterrobinsonc@extra.niddk.nih.gov.*

Name of Committee: National Institute of Diabetes and Digestive and Kidney Diseases Special Emphasis Panel; NIDDK Career Awards Review.

Date: August 5, 2014.

Time: 2:30 p.m. to 3:30 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, Two Democracy Plaza, 6707 Democracy Boulevard, Bethesda, MD 20892, (Telephone Conference Call).

Contact Person: Carol J. Goter-Robinson, Ph.D., Scientific Review Officer, Review Branch, DEA, NIDDK, National Institutes of Health, Room 748, 6707 Democracy Boulevard, Bethesda, MD 20892–5452, (301) 594–7791, *goterrobinsonc@extra.niddk.nih.gov.*

Name of Committee: National Institute of Diabetes and Digestive and Kidney Diseases Special Emphasis Panel, Limited Competition for the Continuation of the Diabetes Prevention Program Outcomes Study (DPPOS) (U01).

Date: September 10, 2014.

Time: 11:00 a.m. to 5:00 p.m.

Agenda: To review and evaluate grant applications

Place: National Institutes of Health, Two Democracy Plaza, 6707 Democracy Boulevard, Bethesda, MD 20892, (Telephone Conference Call).

Contact Person: Dianne Camp, Ph.D., Scientific Review Officer, Review Branch, DEA, NIDDK, National Institutes of Health, Room 756, 6707 Democracy Boulevard, Bethesda, MD 20892–2542, 301–594–7682, *campd@extra.niddk.nih.gov.*

(Catalogue of Federal Domestic Assistance Program Nos. 93.847, Diabetes, Endocrinology and Metabolic Research; 93.848, Digestive Diseases and Nutrition Research; 93.849, Kidney Diseases, Urology and Hematology Research, National Institutes of Health, HHS).

Dated: July 8, 2014.

David Clary,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2014–16510 Filed 7–14–14; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Institute of Neurological Disorders and Stroke; Notice of Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. App.), notice is hereby given of the National Advisory Neurological Disorders and Stroke Council.

The meeting will be open to the public as indicated below, with attendance limited to space available. Individuals who plan to attend and need special assistance, such as sign language interpretation or other reasonable accommodations, should notify the Contact Person listed below in advance of the meeting.

The meeting will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable materials, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: National Advisory Neurological Disorders and Stroke Council.

Date: September 11–12, 2014.

Open: September 11, 2014, 8:00 a.m. to 3:00 p.m.

Agenda: Report by the Director, NINDS; Report by the Associate Director for Extramural Research; Administrative and Program Developments.

Place: National Institutes of Health, Building 31, 31 Center Drive, Conference Room 10, Bethesda, MD 20892.

Closed: September 11, 2014, 3:00 p.m. to 5:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, Building 31, 31 Center Drive, Conference Room 10, Bethesda, MD 20892.

Closed: September 12, 2014, 8:00 a.m. to 11:00 a.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, Building 31, 31 Center Drive, Conference Room 10, Bethesda, MD 20892.

Contact Person: Robert Finkelstein, Ph.D., Associate Director for Extramural Research, National Institute of Neurological Disorders and Stroke, NIH, 6001 Executive Blvd., Suite 3309, MSC 9531, Bethesda, MD 20892, (301) 496–9248.

Any interested person may file written comments with the committee by forwarding the statement to the Contact Person listed on this notice. The statement should include the name, address, telephone number and when applicable, the business or professional affiliation of the interested person.

In the interest of security, NIH has instituted stringent procedures for entrance onto the NIH campus. All visitor vehicles, including taxicabs, hotel, and airport shuttles will be inspected before being allowed on campus. Visitors will be asked to show one form of identification (for example, a government-issued photo ID, driver's license, or passport) and to state the purpose of their visit.

Information is also available on the Institute's/Center's home page: *http://www.ninds.nih.gov*, where an agenda and any additional information for the meeting will be posted when available.

(Catalogue of Federal Domestic Assistance Program Nos. 93.853, Clinical Research Related to Neurological Disorders; 93.854, Biological Basis Research in the Neurosciences, National Institutes of Health, HHS).

Dated: July 8, 2014.

Carolyn Baum,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2014–16511 Filed 7–14–14; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Center for Scientific Review; Notice of Closed Meetings

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. App.), notice is hereby given of the following meetings.

The meetings will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: Center for Scientific Review Special Emphasis Panel; Member Conflict: Pathogenic Eukaryotes and Vectors.
Date: July 24–25, 2014.
Time: 11:00 a.m. to 5:00 p.m.
Agenda: To review and evaluate grant applications.
Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (Virtual Meeting).
Contact Person: John C Pugh, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 3114, MSC 7808, Bethesda, MD 20892, (301) 435–2398, *pughjohn@csr.nih.gov*,

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

Name of Committee: Center for Scientific Review Special Emphasis Panel; Member Conflict: Biological Chemistry and Macromolecular Biophysics.
Date: August 15, 2014.
Time: 3:00 p.m. to 4:30 p.m.
Agenda: To review and evaluate grant applications.
Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (Telephone Conference Call).
Contact Person: John L Bowers, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4170, MSC 7806, Bethesda, MD 20892, (301) 435–1725, *bowersj@csr.nih.gov*.

(Catalogue of Federal Domestic Assistance Program Nos. 93.306, Comparative Medicine; 93.333, Clinical Research, 93.306, 93.333, 93.337, 93.393–93.396, 93.837–93.844, 93.846–93.878, 93.892, 93.893, National Institutes of Health, HHS)

Dated: July 9, 2014.

David Clary,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2014–16505 Filed 7–14–14; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Institute on Aging; Notice of Closed Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. App.), notice is hereby given of the following meeting.

The meeting will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: National Institute on Aging Special Emphasis Panel; The Aging Pituitary.
Date: July 30, 2014.
Time: 2:30 p.m. to 6:00 p.m.
Agenda: To review and evaluate grant applications.
Place: National Institute on Aging, Gateway Building, Suite 2C212, 7201 Wisconsin Avenue, Bethesda, MD 20892 (Telephone Conference Call).
Contact Person: ISIS S. MIKHAIL, MPH, DRPH, National Institute on Aging, Gateway Building, 7201 Wisconsin Avenue, Suite 2C212, Bethesda, MD 20892, 301–402–7702, *MIKHAILI@mail.nih.gov.*

This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycle.

(Catalogue of Federal Domestic Assistance Program Nos. 93.866, Aging Research, National Institutes of Health, HHS).

Dated: July 8, 2014.

Melanie J. Gray,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2014–16509 Filed 7–14–14; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for Children and Families

Office of Refugee Resettlement

[CFDA Number: 93.676]

Announcement of the Award of Five Urgent Single-Source Grants To Support Shelter Care for Unaccompanied Alien Children's Program

AGENCY: Office of Refugee Resettlement, ACF, HHS.

ACTION: The Office of Refugee Resettlement (ORR) announces the award of five urgent single-source grants from the Unaccompanied Alien Children's (UAC) Program to Abbott House in Irving, NY, Board of Child Care in Baltimore, MD, Children's Home of Poughkeepsie in Poughkeepsie, NY, Gulf Coast Jewish Family Services in Tampa, FL, and Neighbor to Family in Daytona Beach, FL.

SUMMARY: The Administration for Children and Families (ACF), Office of Refugee Resettlement (ORR) announces the award of five (5) urgent single awards to the following organizations.

Organization	Location	Amount
Abbott House	Irvington, NY	$2,983,200
Board of Child Care	Baltimore, MD	2,387,200
Children's Home of Poughkeepsie	Poughkeepsie, NY	775,361
Gulf Coast Jewish Family Services	Tampa, FL	958,424
Neighbor to Family	Daytona Beach, FL	2,727,525

These urgent single awards will support the expansion of bed capacity and supportive services to meet the number of unaccompanied alien children referrals from the Department of Homeland Security (DHS). The funding program is mandated by section 462 of the Homeland Security Act to ensure appropriate placement of all referrals from DHS. The program is tied to DHS apprehension strategies and sporadic number of border crossers. Award funds will support services to unaccompanied alien children through September 30, 2014.

DATES: The period of support under these supplements is June 1, 2014 through September 30, 2014.

FOR FURTHER INFORMATION CONTACT: Jallyn Sualog, Acting Director, Division of Children's Services, Office of Refugee Resettlement, 901 D Street SW., Washington, DC 20447, Telephone (202) 401–4997. Email: *jallyn.sualog@acf.hhs.gov.*

SUPPLEMENTARY INFORMATION: Since the beginning of FY 14, the UAC program has seen a dramatic increase in the number of DHS referrals. Initially, the ORR FY 14 bed capacity needs were projected to be similar to FY 13 record high bed capacity levels and were based on approximately 25,000 placements and approximately 5,000 beds.

The influx of border crossers referred by DHS has grown beyond anticipated rates and has resulted in the program needing a significant increase in the number of shelter beds and supportive services (increased transportation costs, compensation for staff overtime, and additional hiring of staff). Based on the increase in referrals from DHS, ORR now projects approximately 60,000 referrals for FY14, over 100% increase from the originally projected 25,000 for FY 14.

Statutory Authority: Section 462 of the Homeland Security Act, (6 U.S.C. 279) and sections 235(c) and 235(d) of the William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008, (8 U.S.C. 1232(c) and 1232(d)).

Christopher Beach,

Senior Grants Policy Specialist, Office of Administration.

[FR Doc. 2014–16478 Filed 7–14–14; 8:45 am]

BILLING CODE 4184–45–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[FWS–R5–R–2014–N119; BAC–4311–K9–S3]

Chincoteague National Wildlife Refuge and Wallops Island National Wildlife Refuge, Accomack County, Virginia; Draft Comprehensive Conservation Plan and Environmental Impact Statement

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Notice of availability; extension of public comment period.

SUMMARY: We, the U.S. Fish and Wildlife Service (Service), advise the public that we are extending the public review and comment period for the draft comprehensive conservation plan (CCP) and environmental impact statement (EIS) for Chincoteague National Wildlife Refuge (NWR) and Wallops Island NWR.

DATES: To ensure consideration, we must receive your written comments by August 15, 2014. We will hold a public meeting and open house-style meetings during the comment period to receive comments and provide information on the draft plan. In addition, we will use special mailings, newspaper articles, internet postings, and other media announcements to inform people of opportunities for input.

ADDRESSES: Send your comments or requests for more information by any one of the following methods:

- *Email: northeastplanning@fws.gov.* Include ''Chincoteague Draft CCP/EIS'' in the subject line of the message.
- *Fax:* Attention: Thomas Bonetti, Refuge Planner, 413–253–8468.
- *U.S. Mail:* Attention: Thomas Bonetti, Refuge Planner, USFWS, Northeast Regional Office, 300 Westgate Center Drive, Hadley, MA 01035.
- *In-Person Drop Off:* You may drop off comments during regular business hours at the refuge headquarters, 8231 Beach Road, Chincoteague Island, VA 23336.

You will find the draft CCP/EIS, as well as information about the planning process and a summary of the CCP, on the planning Web site: *http://www.fws.gov/northeast/planning/Chincoteague/ccphome.html.*

FOR FURTHER INFORMATION CONTACT: Thomas Bonetti, Planning Team Leader, 413–253–8307.

SUPPLEMENTARY INFORMATION:

Introduction

On May 15, 2014, we published a **Federal Register** notice (79 FR 27906) announcing the availability of the draft CCP/EIS for Chincoteague NWR and Wallops Island NWR for public review and comment in accordance with National Environmental Policy Act (40 CFR 1506.6(b)) requirements. We originally opened the comment period from May 15, 2014, to July 14, 2014. We are extending the public comment period until August 15, 2014, in response to a request we have received from town of Chincoteague officials. For more information on the draft CCP/EIS and the planning process we followed, please see the May 2014 notice.

Public Involvement

We will give the public an opportunity to provide input at public meetings. You can obtain the schedule from the address or Web site listed in this notice (see **ADDRESSES**). You may also submit written comments anytime during the comment period.

Public Availability of Comments

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.

Dated: June 24, 2014.

Deborah Rocque,

Acting Regional Director, Northeast Region.

[FR Doc. 2014–16530 Filed 7–14–14; 8:45 am]

BILLING CODE 4310–55–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[FWS–HQ–EA–2013–N139; FF09F42300–FVWF97920900000–XXX]

Sport Fishing and Boating Partnership Council

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Notice of meeting.

SUMMARY: We, the U.S. Fish and Wildlife Service (Service), announce a public meeting of the Sport Fishing and Boating Partnership Council (Council). A Federal advisory committee, the Council was created in part to foster partnerships to enhance public awareness of the importance of aquatic resources and the social and economic benefits of recreational fishing and boating in the United States. This meeting is open to the public, and interested persons may make oral statements to the Council or may file written statements for consideration.

DATES: The meeting will take place Wednesday, July 30, 2014, from 8:30 a.m. to 4 p.m. (Eastern Daylight Time) and Thursday, July 31, 2014 from 10 a.m. to 4 p.m. For deadlines and directions on registering to attend the meeting, submitting written material, and/or giving an oral presentation, please see ''Public Input'' under **SUPPLEMENTARY INFORMATION**.

ADDRESSES: The meeting will be held at the Department of the Interior, 1849 C Street NW., Room 5160, Washington, DC 20240.

FOR FURTHER INFORMATION CONTACT: Brian Bohnsack, Council Coordinator, 4401 North Fairfax Drive, Mailstop 3103–AEA, Arlington, VA 22203; telephone (703) 358–2435; fax (703)

358–2487; or email *brian_bohnsack@fws.gov.*

SUPPLEMENTARY INFORMATION: In accordance with the requirements of the Federal Advisory Committee Act, 5 U.S.C. App., we announce that the Sport Fishing and Boating Partnership Council will hold a meeting.

Background

The Council was formed in January 1993 to advise the Secretary of the Interior, through the Director of the Service, on aquatic conservation endeavors that benefit recreational fishery resources and recreational boating and that encourage partnerships among industry, the public, and government. The Council represents the interests of the public and private sectors of the recreational fishing, boating, and conservation communities and is organized to enhance partnerships among industry, constituency groups, and government. The 18-member Council, appointed by the Secretary of the Interior, includes the Service Director and the president of the Association of Fish and Wildlife Agencies, who both serve in ex officio capacities. Other Council members are directors from State agencies responsible for managing recreational fish and wildlife resources and individuals who represent the interests of saltwater and freshwater recreational fishing, recreational boating, the recreational fishing and boating industries, recreational fisheries resource conservation, Native American tribes, aquatic resource outreach and education, and tourism. Background information on the Council is available at *http://www.fws.gov/sfbpc.*

Meeting Agenda

The Council will hold a meeting to consider:

- An update from the FWS Fish and Aquatic Conservation Program on progress in implementing Council recommendations to improve program activities;
- An update on the Council's assessment of the Recreational Boating and Fishing Foundation's implementation of the National Outreach and Communication Program;
- An update on the activities of the Federal Interagency Council on Outdoor Recreation (FICOR) in implementing the America's Great Outdoors Initiative;
- An update of the Wildlife and Sport Fish Restoration Program;
- An update on the implementation of the National Wildlife Refuge System Vision, in particular recommendation 17: Hunting, Fishing and Outdoor Recreation;
- Other miscellaneous Council business.

The final agenda will be posted on the Internet at *http://www.fws.gov/sfbpc.*

Public Input

If you wish to	Then you must contact the Council Coordinator (see **FOR FURTHER INFORMATION CONTACT**) no later than
Attend the meeting	Wednesday, July 23, 2014.
Submit written information or questions before the meeting for the council to consider during the meeting.	Wednesday, July 23, 2014.
Give an oral presentation during the meeting	Wednesday, July 23, 2014.

Attendance

Because entry to Federal buildings is restricted, all visitors are required to preregister to be admitted. In order to attend this meeting, you must register by close of business on the dates listed in ''Public Input'' under **SUPPLEMENTARY INFORMATION**. Please submit your name, time of arrival, email address, and phone number to the Council Coordinator (see **FOR FURTHER INFORMATION CONTACT**).

Submitting Written Information or Questions

Interested members of the public may submit relevant information or questions for the Council to consider during the meeting. Written statements must be received by the date listed above in ''Public Input,'' so that the information may be made available to the Council for their consideration prior to the meeting. Written statements must be supplied to the Council Coordinator in one of the following formats: One hard copy with original signature, and one electronic copy via email (acceptable file formats are Adobe Acrobat PDF, MS Word, MS PowerPoint, or rich text file).

Giving an Oral Presentation

Individuals or groups requesting to make an oral presentation during the meeting will be limited to 2 minutes per speaker, with no more than a total of 30 minutes for all speakers. Interested parties should contact the Council Coordinator, in writing (preferably via email; see **FOR FURTHER INFORMATION CONTACT**), to be placed on the public speaker list for this meeting. To ensure an opportunity to speak during the public comment period of the meeting, members of the public must register with the Council Coordinator. Registered speakers who wish to expand upon their oral statements, or those who had wished to speak but could not be accommodated on the agenda, may submit written statements to the Council Coordinator up to 30 days subsequent to the meeting.

Meeting Minutes

Summary minutes of the meeting will be maintained by the Council Coordinator (see **FOR FURTHER INFORMATION CONTACT**) and will be available for public inspection within 90 days of the meeting and will be posted on the Council's Web site at *http://www.fws.gov/sfbpc.*

Rowan W. Gould,

Deputy Director.

[FR Doc. 2014–16541 Filed 7–14–14; 8:45 am]

BILLING CODE 4310–55–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[LLOR957000–L63100000–HD0000–14XL1116AF: HAG14–0159]

Filing of Plats of Survey: Oregon/Washington

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice.

SUMMARY: The plats of survey of the following described lands are scheduled to be officially filed in the Bureau of Land Management, Oregon State Office, Portland, Oregon, 30 days from the date of this publication.

Willamette Meridian

Oregon

T. 15 & 16 S., R. 12 E., accepted July 2, 2014
T. 15 S., R. 12 E., accepted July 2, 2014

Washington

T. 14 N., R. 17 E., accepted July 2, 2014

ADDRESSES: A copy of the plats may be obtained from the Public Room at the Bureau of Land Management, Oregon State Office, 1220 SW., 3rd Avenue, Portland, Oregon 97204, upon required payment.

FOR FURTHER INFORMATION CONTACT: Kyle Hensley, (503) 808–6132, Branch of Geographic Sciences, Bureau of Land Management, 1220 SW., 3rd Avenue, Portland, Oregon 97204. Persons who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1–800–877–8339 to contact the above individual during normal business hours. The FIRS is available 24 hours a day, 7 days a week, to leave a message or question with the above individual. You will receive a reply during normal business hours.

SUPPLEMENTARY INFORMATION: A person or party who wishes to protest against this survey must file a written notice with the Oregon State Director, Bureau of Land Management, stating that they wish to protest. A statement of reasons for a protest may be filed with the notice of protest and must be filed with the Oregon State Director within thirty days after the protest is filed. If a protest against the survey is received prior to the date of official filing, the filing will be stayed pending consideration of the protest. A plat will not be officially filed until the day after all protests have been dismissed or otherwise resolved.

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.

Mary J.M. Hartel,

Chief Cadastral Surveyor of Oregon/Washington.

[FR Doc. 2014–16543 Filed 7–14–14; 8:45 am]

BILLING CODE 4310–33–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[12X L5413AR LLUTG01000 L12320000.FV0000 LVRDUT230000]

Notice of Temporary Closure for Selected Public Lands in Uintah County, UT

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of temporary closure.

SUMMARY: Notice is hereby given that a temporary closure is in effect on public lands administered by the Vernal Field Office, Bureau of Land Management (BLM) during the 2014 No Gimmicks Racing Half-Marathon Event.

DATES: This temporary closure will be in effect from 6 a.m. to 5 p.m., July 12, 2014, Mountain Time.

FOR FURTHER INFORMATION CONTACT: Jason West, Outdoor Recreation Planner, telephone 435–781–4501 or the BLM Vernal Field Office, 170 South, 500 East, Vernal, UT 84078. Persons who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1–800–877–8339 to leave a message or question for the above individual. The FIRS is available 24 hours a day, seven days a week. Replies are provided during normal business hours.

SUPPLEMENTARY INFORMATION: This temporary closure effects selected public lands within the McCoy Flats designated mountain bike trail system and trailhead, approximately 5 miles southwest of Vernal in Uintah County, Utah. The BLM McCoy Flats Trailhead and Day-Use Area will remain open for access to additional trails in the area. Four trails of the McCoy Flats Trail System will be closed to the public to accommodate the race, including the beginning of the Milk trail, the entire Retail Sale and Slippery When Wet Trails and a connecting trail from the trailhead to the Retail Sale Trail. The legal description of the affected public lands is:

Salt Lake Meridian, Utah

T. 5 S., R. 21 E.,
Secs. 29 to 33, inclusive.
T. 6 S., R. 21 E.,
Secs. 5 and 6.

The areas described, including both public and non-public land, aggregate approximately 14 miles of single-track, multiple-use trails of between 18 and 36 inches in width.

The McCoy Flats Road will not be closed; however, a volunteer will be stationed between the Highway 40 access point and the race start to advise anyone traveling on the road that a race event is in progress. Flagging and/or other notifications will be utilized at the point where the race crosses the road to allow for racers to cross safely.

The temporary closure is necessary to provide for the safety of participants, spectators, permittees and the general public. The closure will also prevent unnecessary environmental degradation and protect natural and cultural resources adjacent to the event site.

The BLM will post closure signs at main entry points to the area. This closure order will be posted in the BLM-Vernal Field Office. Maps of the affected area and other documents associated with this closure are available at the BLM-Vernal Field Office at 170 South 500 East, Vernal, UT 84078.

Under the authority of Section 303(a) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1733(a)), 43 CFR 8360.0–7, and 43 CFR 8364.1, the BLM will enforce the following closure orders within the closure area:

Unless otherwise authorized, within the closure area no person shall:

- Camp or engage in camping in any area outside of the designated spectator areas;
- Enter any portion of the race course or any wash located within or adjacent to the race course;
- Discharge any firearm or weapon;
- Park, stop, or stand along the race course or other areas outside of the designated spectator viewing areas;
- Park any vehicle in violation of posted restrictions, or in such a manner as to obstruct or impede normal or emergency traffic movement or the parking of other vehicles, create a safety hazard, or endanger any person, property or feature. Vehicles so parked are subject to citation, removal and impoundment at owner's expense; or
- Take, drive, or operate any vehicle through, around or beyond a restrictive sign, barricade, fence or traffic control barrier or device.

Exceptions to Closure

1. Any Federal, State, or local officer or employees in the scope of their official duties;
2. Members of any organized rescue or firefighting force in performance of an official duty;
3. Permitted vehicles necessary for staging, EMS station support and water stations;
4. Vehicles owned by the United States, the state of Utah, and Uintah County; and
5. Any person authorized in writing by the BLM-Utah Vernal Field Manager.

Effect of Closure

The entire area encompassed by the legal description above is closed to all unauthorized personnel and will be marked clearly as such on the ground prior to and during the event. Access routes leading to the designated race course are closed to vehicles and people and will be marked as such. Unless specifically addressed by regulations set forth in 43 CFR, the laws of the state of Utah shall govern the use and operation of vehicles. The authorized event organizer or their representatives, in conjunction with the BLM, will post warning signs, control access to and clearly mark, the race course, spectator areas, common access roads and road crossings during the closure period. Spectator and support vehicles may be driven on open roads only. Spectators may only observe from designated spectator areas. Support vehicles under permit for operation by event participants must follow the race permit stipulations.

Any person who violates the above rule(s) and/or restriction(s) may be tried before a United States Magistrate and fined no more than $1,000, imprisoned for no more than 12 months, or both. Such violations may also be subject to the enhanced fines provided for by 18 U.S.C. 3571.

Authority: 43 CFR 8364.1.

Jenna Whitlock,

Associate State Director.

[FR Doc. 2014–16577 Filed 7–14–14; 8:45 am]

BILLING CODE 4310–DQ–P

INTERNATIONAL TRADE COMMISSION

[Investigation No. 337–TA–881]

Certain Windshield Wiper Devices and Components Thereof; Notice of Commission Decision To Review in Part a Final Initial Determination Finding a Violation of Section 337; Request for Written Submissions

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined to review in part the presiding administrative law judge's (''ALJ'') final initial determination (''final ID'') issued on May 8, 2014, finding a violation of section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. § 1337 (''section 337'') in the above-captioned investigation.

FOR FURTHER INFORMATION CONTACT: Megan M. Valentine, Office of the General Counsel, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436, telephone (202) 708–2301. Copies of non-confidential documents filed in connection with this investigation are or will be available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436, telephone (202) 205–2000. General information concerning the Commission may also be obtained by accessing its Internet server at *http://www.usitc.gov.* The public record for this investigation may be viewed on the Commission's electronic docket (EDIS) at *http://edis.usitc.gov.* Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on (202) 205–1810.

SUPPLEMENTARY INFORMATION: The Commission instituted this investigation on June 11, 2013, based on a complaint filed by complainants Federal-Mogul Corporation of Southfield, Michigan and Federal-Mogul S.A. of Aubange, Belgium (collectively ''Federal-Mogul''). 78 *FR* 35050–51 (June 11, 2013). The complaint alleges violations of section 337 in the importation into the United States, the sale for importation, and the sale within the United States after importation of certain windshield wiper devices and components thereof by reason of infringement of claims 1–14 of U.S. Patent No. 8,347,449 (''the '449 patent''). The complaint further alleges the existence of a domestic industry. The Commission's Notice of Investigation named as respondents Trico Corporation of Rochester Hills, Michigan (''Trico Corp.''); Trico Products of Brownsville, Texas (''Trico Products''); and Trico Components, SA de CV of Matamoros, Mexico (collectively ''Trico''). 78 *FR* at 35050. The Office of Unfair Import Investigations was also named as a party. *Id.* The Notice of Investigation was later amended to correct the names of Trico Corp. and Trico Products to Trico Products Corporation of New York. 79 *FR* 9922–923 (Feb. 21, 2014); *see* Order No. 27 (Jan. 22, 2014).

On May 8, 2014, the ALJ issued his final ID, finding a violation of section 337. In particular, the final ID finds that Trico's accused products infringe claims 1 and 5 of the '449 patent, but that Trico's accused products do not infringe claims 2–4 and 6–14. The ALJ also found that the asserted claims of the '449 patent are not invalid for obviousness under 35 U.S.C. 103 or for lack of written description under 35 U.S.C. 112. The ALJ further found that Federal-Mogul has satisfied the domestic industry requirement.

The final ID also includes the ALJ's recommended determination (''RD'') on remedy and bonding. The ALJ recommended in his RD that the appropriate remedy is a limited exclusion order barring entry of Trico's infringing windshield wiper devices and components thereof. The ALJ did not recommend issuance of a cease and desist order against any respondent. The ALJ recommended the imposition of a bond of $0.75 per imported unit during the period of Presidential review.

On May 21, 2014, Trico filed a petition for review concerning, inter alia, the final ID's finding of violation with respect to claims 1 and 5 of the '449 patent. In particular, Trico requested review of the final ID's construction of the claim limitation ''detachable,'' the final ID's finding that claims 1 and 5 are infringed, and the final ID's finding that the asserted claims of the '449 patent are not invalid for obviousness. Also on May 21, 2014, Federal-Mogul and the Commission investigative attorney (''IA'') each filed a petition for review of certain aspects of the final ID concerning the ALJ's finding of no violation with respect to claims 2–4 and 6–14 of the '449 patent. In particular, Federal-Mogul and the IA requested that the Commission review the final ID's construction of the claim limitation ''clamping'' and the final ID's finding of non-infringement with respect to claims 2–4 and 6–14 of the '449 patent.

On May 29, 2014, Federal-Mogul filed a response to Trico's petition for review. Also on May 29, 2014, Trico filed a combined response to Federal-Mogul's and the IA's petitions for review. Further on May 29, 2014, the IA filed a joint response to the private parties' petitions.

None of the parties filed a post-RD statement on the public interest pursuant to Commission Rule 210.50(a)(4). Furthermore, no responses were filed by the public in response to the post-RD Commission Notice issued on May 9, 2014. *See* Notice of Request for Statements on the Public Interest, 79 *FR* 27934–35 (May 9, 2014).

Having examined the record of this investigation, including the ALJ's final ID, the petitions for review, and the responses thereto, the Commission has determined to review the final ID in part.

Specifically, the Commission has determined to review the ALJ's omission of the caveat ''without

damage'' in the construction of the limitations ''detachable therefrom,'' ''detachably engage,'' ''detachably connected,'' and ''releasably secure'' recited in claims 1, 2, 8, and 12 of the '449 patent. The Commission has also determined to review the final ID's construction of the ''clamping'' limitation recited in claims 2, 3, 6, 7, and 12 of the '449 patent.

With respect to infringement, the Commission has determined to review the final ID's finding that the accused OE blade products satisfy the ''detachable'' limitation of claims 1 and 5 of the '449 patent. The Commission has also determined to review the final ID's finding of no infringement with respect to claims 2–4 and 6–7 of the '449 patent. The Commission has further determined to review the final ID's finding of no infringement with respect to claims 8–14 of the '449 patent.

The Commission has also determined to review the final ID's finding that the asserted domestic industry products satisfy the technical prong of the domestic industry requirement with respect to claim 1 of the '449 patent. The Commission has further determined to review the final ID's finding that Trico failed to show by clear and convincing evidence that the asserted claims of the '449 patent are obvious in view of U.S. Patent No. 5,713,099 in combination with U.S. Patent No. 6,799,348.

The Commission has determined not to review the remaining issues decided in the final ID.

The parties are requested to brief their positions on the issues under review with reference to the applicable law and the evidentiary record. In connection with its review, the Commission is particularly interested in responses to the following questions:

1. Address whether the claim limitations ''clamping features,'' ''clamping members,'' and ''clamping edge portions'' recited in the asserted claims of the '449 patent should be construed independently of the generic term ''clamping'' and, if so, how should the Commission construe those claim limitations in light of the intrinsic evidence.

2. Address whether the accused wiper blade products satisfy the ''clamping features'' limitation recited in claim 2 and the ''clamping members'' limitation recited in claims 3, 6, and 7 of the '449 patent under the proper construction of those limitations. Please specifically discuss this issue in relation to your position concerning whether claim limitations ''clamping features'' and ''clamping members'' should be construed independently of the generic term ''clamping.''

3. Address whether the accused wiper blade products infringe claims 8–14 of the '449 patent in light of the fact that the Commission has determined to review the construction of the claim limitations ''detachably connected'' (relevant to claims 8–11), ''releasably secure'' (relevant to claims 12–14), and ''clamping edge portions'' (relevant to claims 12–14). Regarding the latter claim limitation, please specifically discuss this issue in relation to your position concerning whether the claim limitation ''clamping edge portions'' should be construed independently of the generic term ''clamping.''

The parties have been invited to brief only these discrete issues, as enumerated above, with reference to the applicable law and evidentiary record. The parties are not to brief other issues on review, which are adequately presented in the parties' existing filings.

In connection with the final disposition of this investigation, the Commission may (1) issue an order that could result in the exclusion of the subject articles from entry into the United States, and/or (2) issue one or more cease and desist orders that could result in the respondent(s) being required to cease and desist from engaging in unfair acts in the importation and sale of such articles. Accordingly, the Commission is interested in receiving written submissions that address the form of remedy, if any, that should be ordered. If a party seeks exclusion of an article from entry into the United States for purposes other than entry for consumption, the party should so indicate and provide information establishing that activities involving other types of entry either are adversely affecting it or likely to do so. For background, see In the Matter of Certain Devices for Connecting Computers via Telephone Lines, Inv. No. 337–TA–360, USITC Pub. No. 2843 (December 1994) (Commission Opinion).

If the Commission contemplates some form of remedy, it must consider the effects of that remedy upon the public interest. The factors the Commission will consider include the effect that an exclusion order and/or cease and desist orders would have on (1) the public health and welfare, (2) competitive conditions in the U.S. economy, (3) U.S. production of articles that are like or directly competitive with those that are subject to investigation, and (4) U.S. consumers. The Commission is therefore interested in receiving written submissions that address the aforementioned public interest factors in the context of this investigation.

If the Commission orders some form of remedy, the U.S. Trade Representative, as delegated by the President, has 60 days to approve or disapprove the Commission's action. See Presidential Memorandum of July 21, 2005, 70 Fed. Reg. 43251 (July 26, 2005). During this period, the subject articles would be entitled to enter the United States under bond, in an amount determined by the Commission and prescribed by the Secretary of the Treasury. The Commission is therefore interested in receiving submissions concerning the amount of the bond that should be imposed if a remedy is ordered.

Written Submissions: The parties to the investigation, including the Office of Unfair Import Investigations, are requested to file written submissions on the issues identified in this notice. Parties to the investigation, including the Office of Unfair Import Investigations, interested government agencies, and any other interested parties are encouraged to file written submissions on the issues of remedy, the public interest, and bonding. Such submissions should address the recommended determination by the ALJ on remedy and bonding. Complainant is also requested to submit proposed remedial orders for the Commission's consideration. Complainant is also requested to state the dates that the patents expire and the HTSUS numbers under which the accused products are imported. The written submissions and proposed remedial orders must be filed no later than close of business on July 22, 2014. Initial submissions are limited to 70 pages, not including any attachments or exhibits related to discussion of the public interest. Reply submissions must be filed no later than the close of business on July 30, 2014. Reply submissions are limited to 25 pages, not including any attachments or exhibits related to discussion of the public interest. No further submissions on these issues will be permitted unless otherwise ordered by the Commission.

Persons filing written submissions must file the original document electronically on or before the deadlines stated above and submit 8 true paper copies to the Office of the Secretary by noon the next day pursuant to section 210.4(f) of the Commission's Rules of Practice and Procedure (19 CFR 210.4(f)). Submissions should refer to the investigation number (''Inv. No. 337–TA–881'') in a prominent place on the cover page and/or the first page. (*See* Handbook for Electronic Filing Procedures, *http://www.usitc.gov/*

secretary/fed_reg_notices/rules/handbook_on_electronic_filing.pdf). Persons with questions regarding filing should contact the Secretary (202–205–2000).

Any person desiring to submit a document to the Commission in confidence must request confidential treatment. All such requests should be directed to the Secretary to the Commission and must include a full statement of the reasons why the Commission should grant such treatment. *See* 19 CFR 201.6. Documents for which confidential treatment by the Commission is properly sought will be treated accordingly. A redacted non-confidential version of the document must also be filed simultaneously with the any confidential filing. All non-confidential written submissions will be available for public inspection at the Office of the Secretary and on EDIS.

The authority for the Commission's determination is contained in section 337 of the Tariff Act of 1930, as amended (19 U.S.C. 1337), and in Part 210 of the Commission's Rules of Practice and Procedure (19 CFR part 210).

By order of the Commission.

Issued: July 9, 2014.

Jennifer D. Rohrbach,

Supervisory Attorney.

[FR Doc. 2014–16526 Filed 7–14–14; 8:45 am]

BILLING CODE 7020–02–P

DEPARTMENT OF LABOR

Office of the Secretary

Agency Information Collection Activities; Submission for OMB Review; Comment Request; Rehabilitation Plan and Award

ACTION: Notice.

SUMMARY: The Department of Labor (DOL) is submitting the Office of Workers' Compensation Programs sponsored information collection request (ICR) revision titled, ''Rehabilitation Plan and Award,'' to the Office of Management and Budget (OMB) for review and approval for use in accordance with the Paperwork Reduction Act (PRA) of 1995 (44 U.S.C. 3501 et seq.). Public comments on the ICR are invited.

DATES: The OMB will consider all written comments that agency receives on or before August 14, 2014.

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 Web site at *http://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=201403-1240-003* (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 sending an email to *DOL_PRA_PUBLIC@dol.gov.*

Submit comments about this request by mail or courier to the Office of Information and Regulatory Affairs, Attn: OMB Desk Officer for DOL–OWCP, Office of Management and Budget, Room 10235, 725 17th Street NW., Washington, DC 20503; by Fax: 202–395–6881 (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 sending an email to *DOL_PRA_PUBLIC@dol.gov.*

Authority: 44 U.S.C. 3507(a)(1)(D).

SUPPLEMENTARY INFORMATION: This ICR seeks approval under the PRA for revisions to the Rehabilitation Plan and Award, Form OWCP–16, information collection. Vocational rehabilitation counselors use Form OWCP–16 to submit an agreed upon rehabilitation plan for OWCP approval. The form also documents any OWCP payment award for approved services. This information collection has been classified as a revision, because of format changes to allow respondents more room to provide responses, to make a minor clarification as to which entities must respond, and to enhance various disclosures to respondents. The Federal Employees' Compensation Act and Longshore and Harbor Workers' Compensation Act authorize this information collection. See 5 U.S.C. 8103, 8193; 33 U.S.C. 907.

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 1240–0045. The current approval is scheduled to expire on July 31, 2014; however, the DOL notes that existing information collection requirements submitted to the OMB receive a month-to-month extension while they undergo review. New requirements would only take effect upon OMB approval. For additional substantive information about this ICR, see the related notice published in the **Federal Register** on March 27, 2014 (79 FR 17193).

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 1240–0045. 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–OWCP.

Title of Collection: Rehabilitation Plan and Award.

OMB Control Number: 1240–0045.

Affected Public: Private Sector—businesses or other for-profits and not-for-profit institutions.

Total Estimated Number of Respondents: 4,590.

Total Estimated Number of Responses: 4,590.

Total Estimated Annual Time Burden: 2,295 hours.

Total Estimated Annual Other Costs Burden: $0.

Dated: July 9, 2014.

Michel Smyth,

Departmental Clearance Officer.

[FR Doc. 2014–16521 Filed 7–14–14; 8:45 am]

BILLING CODE 4510–CR–P

DEPARTMENT OF LABOR

Office of the Secretary

Agency Information Collection Activities; Submission for OMB Review; Comment Request; Producer Price Index Survey

ACTION: Notice.

SUMMARY: The Department of Labor (DOL) is submitting the Bureau of Labor Statistics (BLS) sponsored information collection request (ICR) titled, ''Producer Price Index Survey,'' to the Office of Management and Budget (OMB) for review and approval for continued use, without change, in accordance with the Paperwork Reduction Act of 1995 (PRA), 44 U.S.C. 3501 et seq. Public comments on the ICR are invited.

DATES: The OMB will consider all written comments that agency receives on or before August 14, 2014.

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 Web site at *http://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=201403-1220-001* (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 or courier to the Office of Information and Regulatory Affairs, Attn: OMB Desk Officer for DOL–BLS, Office of Management and Budget, Room 10235, 725 17th Street NW., Washington, DC 20503; by Fax: 202–395–6881 (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.*

Authority: 44 U.S.C. 3507(a)(1)(D).

SUPPLEMENTARY INFORMATION: This ICR seeks to extend PRA authority for the Producer Price Index (PPI) Survey. The PPI is a measure of price movements as an indicator of inflationary trends for inventory valuation and as a measure of purchasing power of the dollar at the primary market level. The PPI is also used in market and economic research and as a basis for escalation in long-term contracts and purchase agreements. This information collection accumulates data for the ongoing monthly publication of the PPI family of indexes.

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 1220–0008.

OMB authorization for an ICR cannot be for more than three (3) years without renewal, and the current approval for this collection is scheduled to expire on July 31, 2014. The DOL seeks to extend PRA authorization for this information collection for three (3) more years, without any change to existing requirements. The DOL notes that existing information collection requirements submitted to the OMB receive a month-to-month extension while they undergo review. For additional substantive information about this ICR, see the related notice published in the **Federal Register** on February 26, 2014 (79 FR 10843).

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 1220–0008. 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–BLS.

Title of Collection: Producer Price Index Survey.

OMB Control Number: 1220–0008.

Affected Public: Private Sector—businesses or other for-profits.

Total Estimated Number of Respondents: 32,086.

Total Estimated Number of Responses: 1,265,836.

Total Estimated Annual Time Burden: 116,672 hours.

Total Estimated Annual Other Costs Burden: $0.

Dated: July 7, 2014.

Michel Smyth,

Departmental Clearance Officer.

[FR Doc. 2014–16519 Filed 7–14–14; 8:45 am]

BILLING CODE 4510–24–P

LEGAL SERVICES CORPORATION

Sunshine Act Meeting

DATE AND TIME: The Legal Services Corporation's Board of Directors and its six committees will meet July 20–22, 2014. On Sunday, July 20, the first meeting will commence at 1:30 p.m., Central Daylight Time (CDT), with the meeting thereafter commencing promptly upon adjournment of the immediately preceding meeting. On Monday, July 21, the first meeting will commence at 2:30 p.m., CDT, with the meeting thereafter commencing promptly upon adjournment of the immediately preceding meeting. On Tuesday, July 22, the first meeting will commence at 9:00 a.m., CDT, and it will be followed by the closed session meeting of the Board of Directors, which will commence promptly upon adjournment of the first meeting.

LOCATION: Salon Conference Room, Des Moines Marriott Downtown, 700 Grand Avenue, Des Moines, Iowa 50309.

PUBLIC OBSERVATION: Unless otherwise noted herein, the Board and all committee meetings will be open to public observation. Members of the public who are unable to attend in person but wish to listen to the public proceedings may do so by following the telephone call-in directions provided below.

Call-In Directions for Open Sessions

- Call toll-free number: 1–866–451–4981;
- When prompted, enter the following numeric pass code: 5907707348;
- When connected to the call, please immediately ''mute'' your telephone.

Members of the public are asked to keep their telephones muted to eliminate background noises. To avoid disrupting the meeting, please refrain from placing the call on hold if doing so will trigger recorded music or other sound. From time to time, the presiding Chair may solicit comments from the public.

Meeting Schedule

	Time *
Sunday, July 20, 2014:	
1. Operations & Regulations Committee.	1:30 p.m.
2. Institutional Advancement Committee.	
3. Governance & Performance Review Committee.	
Monday, July 21, 2014:	
1. Delivery of Legal Services Committee.	2:30 p.m.
2. Audit Committee.	
3. Finance Committee.	
Tuesday, July 22, 2014:	
1. Board of Directors	9:00 a.m.

Status of Meeting: Open, except as noted below.

Board of Directors—Open, except that, upon a vote of the Board of Directors, a portion of the meeting may be closed to the public to hear briefings by management and LSC's Inspector General, and to consider and act on the General Counsel's report on potential and pending litigation involving LSC and on a list of prospective funders.**

Institutional Advancement Committee—Open, except that, upon a vote of the Board of Directors, the meeting may be closed to the public for a briefing on contributions pledged and received, to discuss prospective funders for LSC's 40th anniversary celebration and development activities.**

Audit Committee—Open, except that the meeting may be closed to the public to hear briefings on the following matters: The Office of Compliance and Enforcement's active enforcement matter(s) and follow-up to the Office of the Inspector General's open investigations; and the Information Technology Systems Risk Assessment.**

A verbatim written transcript will be made of the closed session of the Board, Institutional Advancement Committee and Audit Committee meetings. The transcript of any portions of the closed sessions falling within the relevant provisions of the Government in the Sunshine Act, 5 U.S.C. § 552b(c)(6) and (10), will not be available for public inspection. A copy of the General Counsel's Certification that, in his opinion, the closing is authorized by law will be available upon request.

MATTERS TO BE CONSIDERED:

July 20, 2014

Operations & Regulations Committee

Open Session

1. Approval of agenda
2. Approval of minutes of the Committee's Open Session meeting on April 7, 2014
3. Report on risk item: Acquisitions Management (higher contract costs and possible areas of fraud, waste and abuse)
   - Ron Flagg, General Counsel
4. Report on 45 CFR Part 1614—Private Attorney Involvement
   - Ron Flagg, General Counsel
   - Stefanie Davis, Assistant General Counsel
5. Report on 2015 Grant Assurances
   - Jim Sandman, President
   - Public Comment
6. Consider and act on Proposed Rulemaking Agenda
   - Ron Flagg, General Counsel
   - Stefanie Davis, Assistant General Counsel
   - Mark Freedman, Senior Assistant General Counsel
   - Laurie Tarantowicz, Assistant Inspector General & Legal Counsel
7. Consider and act on request for Management to explore service eligibility options for persons covered by the Convention against Torture
8. Other public comment
9. Consider and act on other business
10. Consider and act on adjournment of meeting

Institutional Advancement Committee

Open Session

1. Approval of agenda
2. Approval of minutes of the Committee's Open Session meeting of April 6, 2014
3. Update on 40th Anniversary Campaign
4. Consider and act on In-kind Contributions Protocol
5. Update on September Conference Events
6. Public comment
7. Consider and act on other business

Closed Session

1. Approval of minutes of the Committee's Closed Session meeting of April 6, 2014
2. Consider and act on prospective funders
3. Donor report
4. Consider and act on adjournment of meeting

Governance and Performance Review Committee

Open Session

1. Approval of agenda
2. Approval of minutes of the Committee's Open Session meeting of April 6, 2014
3. Report on progress in implementing GAO Recommendations
   - Presentation by Carol Bergman, Director of Government Relations & Public Affairs
4. Report on Public Welfare Foundation grant and LSC research agenda
   - Presentation by Jim Sandman, President
5. Consider and Act on LSC Equal Opportunity, Non-Discrimination & Anti-Harassment Policy
   - Presentation by Ron Flagg, General Counsel
6. Board Member Attendance on Program Visits
   - Presentation by Ron Flagg, General Counsel
7. Consider and act on other business
8. Public comment
9. Consider and act on motion to adjourn meeting

July 21, 2014

Delivery of Legal Services Committee

Open Session

1. Approval of Agenda
2. Approval of minutes of the Committee's Open Session meeting on April 7, 2014
3. Panel presentation and Committee discussion of LSC's Performance Criteria, Performance Area Four, Criterion 1—''Board Governance—board composition, client eligible

* Please note that all times in this notice are in the *Central Daylight Time.*

** Any portion of the closed session consisting solely of briefings does not fall within the Sunshine Act's definition of the term ''meeting'' and, therefore, the requirements of the Sunshine Act do not apply to such portion of the closed session. 5 U.S.C. 552b(a)(2) and (b). *See also* 45 CFR 1622.2 & 1622.3.

member engagement in board decision making''
- Linda Morris, Client-Eligible Board Member and past President, Laurel Legal Services
- Cynthia A. Sheehan, Executive Director, Laurel Legal Services
- Susan Cae Barta, Secretary, Board of Directors, Iowa Legal Aid
- Dennis Groenenboom, Executive Director, Iowa Legal Aid
- Althea Hayward, Deputy Director, Office of Program Performance, LSC (*Moderator)*

4. Public comment
5. Consider and act on other business
6. Consider and act on motion to adjourn the meeting

Audit Committee

Open Session

1. Approval of agenda
2. Approval of minutes of the Committee's Open Session April 7, 2014 meeting
3. Approval of minutes of the Committee's Telephonic Open Session May 22, 2014 meeting
4. Briefing by Office of Inspector General
   - Jeffrey Schanz, Inspector General
5. Management update regarding risk management
   - Ron Flagg, Vice President of Legal Affairs
6. Briefing about Management representation letters in connection with financial reporting
   - David Richardson, Comptroller
7. Briefing regarding LSC audit and review activities
   - Lynn Jennings, Vice President of Grants Management
   - Janet LaBella, Director of Program Performance
   - Lora Rath, Director of Compliance and Enforcement
8. Briefing about follow-up by Office of Compliance and Enforcement from referrals by the Office of Inspector General regarding audit reports and annual Independent Public audits of grantees
   - Lora Rath, Director of Compliance and Enforcement
   - John Seeba, Assistant Inspector General for Audits
9. Public comment
10. Consider and act on other business

Closed Session

11. Approval of minutes of the committee's Closed Session meeting on April 7, 2014
12. Briefing by Office Compliance and Enforcement on active enforcement matter(s) and follow-up to open investigation referrals from the Office of Inspector General
    - Lora Rath, Director of Compliance and Enforcement
13. Update on management response to the OIG Information Technology Systems Risk Assessment
    - Peter Campbell, Chief Information Officer
14. Consider and act on adjournment of meeting

Finance Committee

Open Session

1. Approval of agenda
2. Presentation on LSC's Financial Reports for the first eight months of FY 2014
   - David Richardson, Treasurer/Comptroller
3. Consider and act on Revised Consolidated Operating Budget for FY 2014
   - David Richardson, Treasurer/Comptroller
4. Report on the FY 2015 appropriation process
   - Carol Bergman, Director, Government Relations and Public Affairs
5. Consider and act on Temporary Operating Authority for FY 2015, Resolution 2014–XXX
   - David Richardson, Treasurer/Comptroller
6. Consider and act on FY 2016 Budget Request
   - Jim Sandman, President
   - Carol Bergman, Director, Government Relations and Public Affairs
7. Public comment
8. Consider and act on other business
9. Consider and act on adjournment of meeting

July 22, 2014

Board of Directors

Open Session

1. Pledge of Allegiance
2. Approval of agenda
3. Approval of minutes of the Board's Open Session meeting of April 8, 2014 and the Board's Telephonic Open Session meeting of May 22, 2014
4. Chairman's Report
5. Members' Reports
6. President's Report
7. Inspector General's Report
8. Consider and act on resolution recognizing Charles De Monaco of Fox Rothschild for his pro bono representation of LSC in *Dreier v. LSC*
9. Consider and act on the report of the Delivery of Legal Services Committee
10. Consider and act on the report of the Finance Committee
11. Consider and act on the report of the Audit Committee
12. Consider and act on the report of the Operations and Regulations Committee
13. Consider and act on the report of the Governance and Performance Review Committee
14. Consider and act on the report of the Institutional Advancement Committee
15. Report on implementation of recommendations of the Pro Bono Task Force Report and Pro Bono Innovation Fund
16. Public comment
17. Consider and act on other business
18. Consider and act on whether to authorize an executive session of the Board to address items listed below, under Closed Session

Closed Session

19. Approval of minutes of the Board's Closed Session of April 8, 2014
20. Management Briefing
21. Inspector General Briefing
22. Consider and act on General Counsel's report on potential and pending litigation involving LSC
23. Consider and act on list of prospective funders
24. Consider and act on motion to adjourn meeting

CONTACT PERSON FOR INFORMATION: Katherine Ward, Executive Assistant to the Vice President & General Counsel, at (202) 295–1500. Questions may be sent by electronic mail to *FR_NOTICE_QUESTIONS@lsc.gov.*

NON-CONFIDENTIAL MEETING MATERIALS: Non-confidential meeting materials will be made available in electronic format at least 24 hours in advance of the meeting on the LSC Web site, at *http://www.lsc.gov/board-directors/meetings/board-meeting-notices/non-confidential-materials-be-considered-open-session.*

ACCESSIBILITY: LSC complies with the Americans with Disabilities Act and Section 504 of the 1973 Rehabilitation Act. Upon request, meeting notices and materials will be made available in alternative formats to accommodate individuals with disabilities. Individuals who need other accommodations due to disability in order to attend the meeting in person or telephonically should contact Katherine Ward, at (202) 295–1500 or *FR_NOTICE_QUESTIONS@lsc.gov,* at least 2 business days in advance of the meeting. If a request is made without advance notice, LSC will make every effort to accommodate the request but cannot guarantee that all requests can be fulfilled.

Dated: July 11, 2014.

Katherine Ward,

Executive Assistant to the Vice President for Legal Affairs & General Counsel.

[FR Doc. 2014–16758 Filed 7–11–14; 4:15 pm]

BILLING CODE 7050–01–P

LIBRARY OF CONGRESS

U.S. Copyright Office

[Docket No. 2014–2]

Study on the Right of Making Available; Request for Additional Comments

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

ACTION: Request for additional comments.

SUMMARY: The U.S. Copyright Office seeks further comments on the state of U.S. law recognizing and protecting ''making available'' and ''communication to the public'' rights for copyright holders. This request provides an opportunity for interested parties to address issues raised in prior written comments and during the public roundtable held on May 5, 2014, as well as express their views on recent legal developments.

DATES: Comments must be received no later than 5:00 p.m. EDT on August 14, 2014.

ADDRESSES: All comments should be submitted electronically. To submit comments, please visit *http://www.copyright.gov/docs/making_available/.* The Web site interface requires submitters to complete a form specifying name and organization, as applicable, and to upload comments as an attachment via a browser button. To meet accessibility standards, commenting parties must upload comments in a single file not to exceed six megabytes (''MB'') in one of the following formats: A Portable Document File (''PDF'') format that contains searchable, accessible text (not an image); Microsoft Word; WordPerfect; Rich Text Format (''RTF''); or ASCII text file format (not a scanned document). The form and face of the comments must include both the name of the submitter and organization. The Office will post all comments publicly on the Office's Web site exactly as they are received, along with names and organizations. If electronic submission of comments is not feasible, please contact the Office at 202–707–1027 for special instructions.

FOR FURTHER INFORMATION CONTACT: Maria Strong, Senior Counsel for Policy and International Affairs, by telephone at 202–707–1027 or by email at *mstrong@loc.gov,* or Kevin Amer, Counsel for Policy and International Affairs, by telephone at 202–707–1027 or by email at *kamer@loc.gov.*

SUPPLEMENTARY INFORMATION:

I. Background

The Copyright Office is undertaking a study at the request of Congress to assess the state of U.S. law recognizing and protecting ''making available'' and ''communication to the public'' rights for copyright holders, particularly in the digital age. As part of its review, the Office issued a Notice of Inquiry (the ''Notice'') on February 25, 2014,[1] seeking comments from the public on the following general issues: (1) How the existing bundle of exclusive rights under Title 17 covers the making available and communication to the public rights in the context of digital on-demand transmissions such as peer-to-peer networks, streaming services, and music downloads, as well as more broadly in the digital environment; (2) how foreign laws have interpreted and implemented the relevant provisions of the WIPO Internet Treaties;[2] and (3) the feasibility and necessity of amending U.S. law to strengthen or clarify our law in this area. The Office also posed additional questions on each of these topics.

The Office received twenty-seven written comments from various interested parties in response to the Notice. On May 5, 2014, the Office held a public roundtable in Washington, DC to hear stakeholder views on these issues. Commenters and participants in the roundtable expressed a variety of views on a broad range of topics. The Notice, public comments, the agenda for the public roundtable, and the transcript of the roundtable proceedings are posted on the Copyright Office Web site.[3] A video recording of the roundtable will be posted on the Web site when it becomes available.

Commenters and roundtable participants generally agreed that current U.S. law, properly interpreted, provides rights that are equivalent to the making available and communication to the public rights required by the WIPO Internet Treaties. There was disagreement, however, over whether and how particular provisions of Title 17 may apply to various activities in the digital context. For example, several stakeholders argued that the unauthorized uploading of a copyrighted work to a shared network folder that is accessible to the public constitutes a violation of the exclusive right of distribution under 17 U.S.C. 106(3). Others disagreed, arguing that direct or circumstantial evidence that another user has downloaded a copy of that file is necessary to establish an infringement of the distribution right by the uploader. The roundtable discussion and initial written comments also highlighted issues such as whether a digital file is a ''material object[]'' for purposes of the statutory definitions of ''copies'' and ''phonorecords'';[4] the relevance of legislative history to the construction of the distribution right; the role of secondary liability theories in assessing the United States' implementation of the relevant treaty provisions; and the use of evidence provided by a copyright owner's investigator in digital filesharing cases.

Following the Office's roundtable discussions, on June 25, 2014, the Supreme Court decided *American Broadcasting Cos., Inc.* v. *Aereo, Inc.*[5] The case involved a service, Aereo, that used thousands of dime-sized antennas to allow subscribers to capture and watch television programs over the Internet as the programs were being broadcast over the air. When a subscriber selected a program to watch on Aereo's Web site, the system would create a subscriber-specific copy of the program that would then be streamed to the subscriber's computer or Internet-connected device. The Court held that this activity infringed the exclusive right of the owners of the copyrights in the programs to perform those works publicly.[6]

A critical aspect of the Court's decision was its interpretation of Title 17's ''Transmit Clause.'' That clause provides that the public performance right afforded to copyright owners under Section 106 includes the exclusive right ''to transmit or otherwise communicate a performance . . . of the work . . . to the public, by means of any device or process, whether the members of the public capable of receiving the performance . . . receive it in the same place or in separate places and at the same time or at different times.''[7]

[1] Study on the Right of Making Available; Comments and Public Roundtable, 79 FR 10571 (Feb. 25, 2014).

[2] WIPO Copyright Treaty art. 8, Dec. 20, 1996, 36 I.L.M. 65; WIPO Performances and Phonograms Treaty arts. 10, 14, Dec. 20, 1996, 36 I.L.M. 76.

[3] *See Making Available Study,* U.S. Copyright Office, *http://www.copyright.gov/docs/making_available/.*

[4] *See* 17 U.S.C. 101.

[5] 573 U.S. ___, No. 13–461, 2014 U.S. LEXIS 4496 (June 25, 2014).

[6] *See* 17 U.S.C. 106(4).

[7] *Id.* section 101 (definition of ''To perform . . . a work 'publicly' '').

Finding Aereo's activities ''substantially similar to those of the [cable television] companies'' that Congress intended to reach when it updated the public performance right in 1976, the Court held that ''Aereo, and not just its subscribers, 'perform[ed]' (or 'transmit[ted]')'' within the meaning of the statute.[8] The Court further concluded that Aereo performed copyrighted works ''publicly,'' notwithstanding that each transmission was made to a single subscriber from a personal copy, holding that ''when an entity communicates the same contemporaneously perceptible images and sounds to multiple people, it transmits a performance to them regardless of the number of discrete communications it makes.'' [9]

Justice Scalia, joined by Justices Thomas and Alito, dissented, concluding that Aereo did not ''perform'' within the meaning of Section 106(4). The dissenting Justices reasoned that, because Aereo's subscribers, not the company itself, selected the programs to be streamed, the resulting performances were not ''the product of Aereo's volitional conduct,'' and therefore Aereo could not be held directly liable for infringement.[10]

II. Request for Comment

The Office invites further written comments on the issues raised in the Notice, including from parties who did not previously address those subjects, or those who wish to amplify or clarify their earlier comments or respond to issues raised during the public roundtable. In addition, the Office is interested in commenters' views regarding the Supreme Court's opinion in *Aereo* and how that opinion may affect the scope of the rights of making available and communication to the public in the United States. Specifically, commenters may wish to address the following questions:

1. To what extent does the Supreme Court's construction of the right of public performance in *Aereo* affect the scope of the United States' implementation of the rights of making available and communication to the public?

2. How should courts consider the requirement of volitional conduct when assessing direct liability in the context of interactive transmissions of content over the Internet, especially in the wake of *Aereo*?

3. To what extent do, or should, secondary theories of copyright liability affect the scope of the United States' implementation of the rights of making available and communication to the public?

4. How does, or should, the language on ''material objects'' in the Section 101 definitions of ''copy'' and ''phonorecord'' interact with the exclusive right of distribution, and/or making available and communication to the public, in the online environment?

5. What evidentiary showing should be required to prove a copyright infringement claim against an individual user or third-party service engaged in unauthorized filesharing? Should evidence that the defendant has placed a copyrighted work in a publicly accessible shared folder be sufficient to prove liability, or should courts require evidence that another party has downloaded a copy of the work? Can the latter showing be made through circumstantial evidence, or evidence that an investigator acting on the plaintiff's behalf has downloaded a copy of the work?

6. Please provide any additional comments or suggestions regarding recommendations or proposals the Copyright Office might wish to consider as it concludes its study.

A party choosing to respond to this request need not address all of these topics, but the Office requests that responding parties clearly identify and separately address those subjects for which a response is submitted. Commenters also may address any other issues pertinent to the Office's review.

Dated: July 10, 2014.

Karyn A. Temple Claggett,

Associate Register of Copyrights.

[FR Doc. 2014–16537 Filed 7–14–14; 8:45 am]

BILLING CODE 1410–30–P

[8] *Aereo,* 2014 U.S. LEXIS 4496, at *19 (alterations added). *See* 17 U.S.C. 101 (''To 'transmit' a performance or display is to communicate it by any device or process whereby images or sounds are received beyond the place from which they are sent.'').

[9] *Aereo,* 2014 U.S. LEXIS 4496, at *28.

[10] *Id.* at *42 (Scalia, J., dissenting).

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[Notice 14–071]

NASA Advisory Council; Institutional Committee; Meeting

AGENCY: National Aeronautics and Space Administration.

ACTION: Notice of Meeting.

SUMMARY: In accordance with the Federal Advisory Committee Act, Public Law 92–463, as amended, the National Aeronautics and Space Administration announces a meeting of the NASA Advisory Council (NAC) Institutional Committee. This committee reports to the NAC.

DATES: Tuesday, July 29, 2014, 8:00 a.m.–3:00 p.m., Local Time

ADDRESSES: NASA Langley Research Center, 5 Langley Boulevard, Building 2101, Room 205B, Hampton, VA 23681

FOR FURTHER INFORMATION CONTACT: Mr. Todd Mullins, NAC Institutional Committee Executive Secretary, NASA Headquarters, Washington, DC 20546, 202–358–3831.

SUPPLEMENTARY INFORMATION: The meeting will be open to the public up to the seating capacity of the room. This meeting is also available telephonically and by WebEx. You must use a touch tone phone to participate in this meeting. Any interested person may dial the toll free access number 844–467–6272 or toll access number 720–259–6462, and then the numeric participant passcode: 415447 followed by the # sign. To join via WebEx, the link is *https://nasa.webex.com/*, the meeting number is 397 119 933, and the password is IC–072914; (Password is case sensitive.) **Note:** If dialing in, please ''mute'' your telephone. The agenda for the meeting will include the following:

—Mission Support Overview
—NASA IT Overview
—Acquisition, Contracts, and Grants Processing Overview

Attendees will be requested to sign a register and to comply with NASA Langley Research Center (LaRC) security requirements, including the presentation of a valid picture ID before receiving access to NASA Langley Research Center. Foreign nationals attending this meeting will be required to provide a copy of their passport and visa in addition to providing the following information no less than 10 working days prior to the meeting: Full name; gender; date/place of birth; citizenship; visa/green card information (number, type, expiration date); passport information (number, country, telephone); employer/affiliation information (name of institution, address, country, telephone); title/position of attendee. To expedite admittance, attendees with U.S. citizenship and Permanent Residents (green card holders) can provide identifying information 3 working days in advance by contacting Ms. Cheryl Cleghorn, via email at *cheryl.w.cleghorn@nasa.gov* or by telephone at 757–864–2497. It is imperative that the meeting be held on this date to accommodate the

scheduling priorities of the key participants.

Patricia D. Rausch,

Advisory Committee Management Officer, National Aeronautics and Space Administration.

[FR Doc. 2014–16439 Filed 7–14–14; 8:45 am]

BILLING CODE 7510–13–P

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[Notice: 14–073]

NASA Advisory Council; Meeting

AGENCY: National Aeronautics and Space Administration.

ACTION: Notice of Meeting.

SUMMARY: In accordance with the Federal Advisory Committee Act, Public Law 92–463, as amended, the National Aeronautics and Space Administration announces a meeting of the NASA Advisory Council (NAC).

DATES: Wednesday, July 30, 2014, 1:00 p.m.–5:00 p.m., Local Time and Thursday, July 31, 2014, 9:00 a.m.–5:00 p.m., Local Time.

ADDRESSES: NASA Langley Research Center, 5 Langley Boulevard, Building 2101, Room 305, Hampton, VA 23681.

FOR FURTHER INFORMATION CONTACT: Ms. Marla King, NAC Administrative Officer, NASA Headquarters, Washington, DC 20546, 202–358–1148.

SUPPLEMENTARY INFORMATION: The agenda for the meeting will include the following:

—Aeronautics Committee Report
—Human Exploration and Operations Committee Report
—Institutional Committee Report
—Science Committee Report
—Technology, Innovation and Engineering Committee Report

The meeting will be open to the public up to the seating capacity of the room. This meeting is also available telephonically and by WebEx. You must use a touch tone phone to participate in this meeting. Any interested person may dial the access number 1–844–467–6272, and then the numeric participant passcode: 635429 followed by the # sign. To join via WebEx, the link is *https://nasa.webex.com/.* The meeting number on July 30th, is 995 123 474, and the password is 073014NAC!a . The meeting number on July 31st, is 992 856 785, and the password is 073114NAC!a. (Passwords are case-sensitive.) NOTE: If dialing in, please ''mute'' your telephone.

Attendees will be requested to sign a register and to comply with NASA Langley Research Center security requirements, including the presentation of a valid picture ID before receiving access to NASA Langley Research Center. Foreign nationals attending this meeting will be required to provide a copy of their passport and visa in addition to providing the following information no less than 10 working days prior to the meeting: full name; gender; date/place of birth; citizenship; visa/green card information (number, type, expiration date); passport information (number, country, telephone); employer/affiliation information (name of institution, address, country, telephone); title/position of attendee. To expedite admittance, attendees with U.S. citizenship and Permanent Residents (green card holders) can provide identifying information 3 working days in advance by contacting Ms. Cheryl Cleghorn at *cheryl.w.cleghorn@nasa.gov* or 757–864–2497. It is imperative that the meeting be held on this date to accommodate the scheduling priorities of the key participants.

Patricia D. Rausch,

Advisory Committee Management Officer, National Aeronautics and Space Administration.

[FR Doc. 2014–16548 Filed 7–14–14; 8:45 am]

BILLING CODE 7510–13–P

NATIONAL COUNCIL ON DISABILITY

Sunshine Act Meetings; Correction

AGENCY: National Council on Disability.

ACTION: Sunshine Act Meetings; Correction.

SUMMARY: The National Council on Disability published a notice in the **Federal Register** of July 8, 2014, concerning a meeting of the Council. This document contains a correction to the start time of the meeting.

CONTACT PERSON FOR MORE INFORMATION: Anne Sommers, NCD, 1331 F Street NW., Suite 850, Washington, DC 20004; 202–272–2004 (V), 202–272–2074 (TTY).

In the **Federal Register** of July 8, 2014, in FR Doc. 14–15946, on page 38572, in the second column, correct the ''Times and Dates'' caption to read:

TIME AND DATES: The Members of the National Council on Disability (NCD) will hold a quarterly meeting on Thursday, July 24, 2014, 9:30 a.m. to 4:30 p.m. (Eastern Daylight Time). On July 25, 2014, from 9:30 a.m. to 12 p.m., the Council will host a congressional forum on the topic of the rights of parents with disabilities and their children that is also open to the public.

Dated: July 10, 2014.

Rebecca Cokley,

Executive Director.

[FR Doc. 2014–16587 Filed 7–11–14; 11:15 am]

BILLING CODE 8421–02–P

NATIONAL SCIENCE FOUNDATION

President's Committee on the National Medal of Science; Notice of Meeting

In accordance with the Federal Advisory Committee Act (Pub., L. 92–463, as amended), the National Science Foundation announces the following meeting:

Name: President's Committee on the National Medal of Science (1182).

Date and Time: Friday, August 22, 2014, 8:30 a.m.–2:00 p.m.

Place: National Science Foundation, 4201 Wilson Boulevard, Arlington, VA, 22230.

Type of Meeting: Closed.

Contact Person: Ms. Mayra Montrose, Program Manager, Room 1282, National Science Foundation, 4201 Wilson Blvd., Arlington, VA 22230. Telephone: 703–292–4757.

Purpose of Meeting: To provide advice and recommendations to the President in the selection of the 2014 National Medal of Science recipients.

Agenda: To review and evaluate nominations as part of the selection process for awards.

Reason for Closing: The nominations being reviewed include information of a personal nature where disclosure would constitute unwarranted invasions of personal privacy. These matters are exempt under 5 U.S.C. 552b(c)(6) of the Government in the Sunshine Act.

Dated: July 10, 2014.

Suzanne Plimpton,

Acting, Committee Management Officer.

[FR Doc. 2014–16568 Filed 7–14–14; 8:45 am]

BILLING CODE 7555–01–P

NATIONAL TRANSPORTATION SAFETY BOARD

Sunshine Act Meeting

TIME AND DATE: 9:30 a.m., Tuesday, July 29, 2014.

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: 8475A—Railroad Accident Report—Conrail Freight Train Derailment with Vinyl Chloride Release, Paulsboro, New Jersey, November 30, 2012.

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 Hall at (202) 314–6305 or by email at *Rochelle.Hall@ntsb.gov* by Wednesday, July 23, 2014.

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 FURTHER INFORMATION CONTACT: Candi Bing, (202) 314–6403 or by email at *bingc@ntsb.gov.*

FOR MEDIA INFORMATION CONTACT: Terry Williams, (202) 314–6100 or by email at *williat@ntsb.gov.*

Dated: July 11, 2014.

Candi R. Bing,

Federal Register Liaison Officer.

[FR Doc. 2014–16691 Filed 7–11–14; 4:15 pm]

BILLING CODE 7533–01–P

NUCLEAR REGULATORY COMMISSION

[Docket Nos. 50–266 and 50–301; NRC–2014–0167]

NextEra Energy Point Beach, LLC; Point Beach Nuclear Plant, Units 1 and 2

AGENCY: Nuclear Regulatory Commission.

ACTION: Exemption; issuance.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) is issuing an exemption in response to a January 15, 2013, letter, as supplemented on March 1, 2013, April 18, 2013, September 12, 2013, and March 11, 2014, from NextEra Energy Point Beach, LLC, requesting an exemption to revise certain reactor pressure vessel (RPV) initial nil-ductility reference temperature (RT_{NDT}) properties using Framatome Advanced Nuclear Power (now AREVA Nuclear Power) Topical Report BAW–2308, Revisions 1–A and 2–A, ''Initial RT_{NDT} of Linde 80 Weld Materials.''

ADDRESSES: Please refer to Docket ID NRC–2014–0167 when contacting the NRC about the availability of information regarding this document. You may access publicly-available information related to this document using any of the following methods:

- *Federal Rulemaking Web site:* Go to *http://www.regulations.gov* and search for Docket ID NRC–2014–0167. Address questions about NRC dockets to Carol Gallagher; telephone: 301–287–3422; email: *Carol.Gallagher@nrc.gov*. For technical questions, contact the individual listed in the **FOR FURTHER INFORMATION CONTACT** section of this document.
- *NRC's Agencywide Documents Access and Management System (ADAMS):* You may access publicly available documents online in the ADAMS Public Documents collection at *http://www.nrc.gov/reading-rm/adams.html.* To begin the search, select ''ADAMS Public Documents'' and then select ''*Begin Web-based ADAMS Search.*'' For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1–800–397–4209, 301–415–4737, or by email to *pdr.resource@nrc.gov*. The ADAMS accession number for each document referenced in this document (if that document is available in ADAMS) is provided the first time that a document is referenced.
- *NRC's PDR:* You may examine and purchase copies of public documents at the NRC's PDR, Room O1–F21, One White Flint North, 11555 Rockville Pike, Rockville, Maryland 20852.

FOR FURTHER INFORMATION CONTACT: Terry A. Beltz, Office of Nuclear Reactor Regulation, telephone: 301–415–3049; email: *Terry.Beltz@nrc.gov*, U.S. Nuclear Regulatory Commission, Washington DC 20555–0001.

I. Background

NextEra Energy Point Beach, LLC (NextEra or the licensee) is the holder of renewed Facility Operating License Nos. DPR–24 and DPR–27, which authorize operation of the Point Beach Nuclear Plant (Point Beach), Units 1 and 2, respectively. The license provides, among other things, that the facility is subject to all rules, regulations, and orders of the NRC now or hereafter in effect.

The facility consists of two pressurized-water reactors located in Manitowac County in Wisconsin.

II. Request/Action

Pursuant to Section 50.12 of Title 10 of the *Code of Federal Regulations* (10 CFR), ''Specific exemptions,'' the licensee has, by letter dated January 15, 2013 (ADAMS Accession No. ML13016A208), as supplemented on March 1, April 18, and September 12, 2013, and March 11, 2014 (ADAMS Accession Nos. ML13063A292, ML13113A008, ML13256A064, and ML14071A405, respectively), requested an exemption from 10 CFR 50.61, ''Fracture toughness requirements for protection against pressurized thermal shock events,'' and Appendix G to 10 CFR Part 50, ''Fracture Toughness Requirements,'' to replace the use of the required Charpy V-notch (C_V) and drop weight-based methodology with BAW–2308, Revisions 1–A and 2–A, an alternate methodology for evaluating the integrity of certain RPV beltline welds, at Point Beach, Units 1 and 2. The methodology described in BAW–2308, Revisions 1–A and 2–A, utilized fracture toughness test data based on the use of the 1997 and 2002 editions of American Society for Testing and Materials (ASTM) Standard Test Method E 1921, ''Standard Test Method for Determination of Reference Temperature T_0, for Ferritic Steels in the Transition Range,'' and American Society for Mechanical Engineers Boiler and Pressure Vessel Code (ASME Code), Code Case N–629, ''Use of Fracture Toughness Test Data to establish Reference Temperature for Pressure Retaining materials of Section III, Division 1, Class 1.''

In order to use the BAW–2308, Revision 1–A and 2–A, methodology, an exemption is required since Appendix G to 10 CFR part 50, through reference to Appendix G to Section XI of the ASME Code pursuant to 10 CFR 50.55(a), requires the use of a methodology based on C_v and drop weight data.

The licensee also requested an exemption from 10 CFR 50.61 to use an alternate methodology to allow the use of fracture toughness test data for evaluating the integrity of certain Point Beach, Units 1 and 2, RPV beltline welds based on the use of the 1997 and 2002 editions of ASTM E 1921 and ASME Code Case N–629. An exemption is required since the methodology for evaluating RPV material fracture toughness in 10 CFR 50.61 requires the use of the C_V and drop weight data for establishing the PTS reference temperature (RT_{PTS}). This exemption only modifies the methodology to be used by the licensee for demonstrating compliance with the requirements of 10 CFR part 50, Appendix G and 10 CFR 50.61, and does not exempt the licensee from meeting any other requirement of 10 CFR part 50, Appendix G and 10 CFR 50.61.

III. Discussion

Pursuant to 10 CFR 50.12, the Commission may, upon application by any interested person or upon its own initiative, grant exemptions from the requirements of 10 CFR part 50 when: (1) the exemptions are authorized by law, will not present an undue risk to public health or safety, and are consistent with the common defense

and security; and (2) when special circumstances are present. Under 10 CFR 50.12(a)(2), special circumstances include, among other things, when application of the specific regulation in the particular circumstance would not serve, or is not necessary to achieve, the underlying purpose of the rule.

A. Special Circumstances

Special circumstances, in accordance with 10 CFR 50.12(a)(2)(ii), are present whenever application of the regulation in the particular circumstances is not necessary to achieve the underlying purpose of the rule. The underlying purpose of Appendix G to 10 CFR part 50, and 10 CFR 50.61, is to protect the integrity of the reactor coolant pressure boundary (RCPB) by ensuring each RPV material has adequate fracture toughness by setting forth fracture toughness requirements for ferritic materials of pressure-retaining components of the RCPB of light water nuclear power reactors to provide adequate margins of safety during any condition of normal operation, including anticipated operational occurrences and system hydrostatic tests, to which the pressure boundary may be subjected over its service lifetime. The particular circumstance allowing the licensee an exemption is that the use of the alternate methodology specified in BAW–2308, Revisions 1–A and 2–A, for evaluating the integrity of certain RPV beltline welds at Point Beach, Units 1 and 2, continues to achieve the underlying purpose of the rules. Therefore, the NRC staff determined that special circumstances as required by 10 CFR 50.12(a)(2(ii) exist for granting an exemption from portions of the requirements of 10 CFR part 50, Appendix G and 10 CFR 50.61.

B. Authorized by Law

This exemption would allow the use of an alternate methodology to make use of fracture toughness test data for evaluating the integrity of the Point Beach RPV Linde 80 beltline materials, and would not result in changes to operation of the plant. Section 50.60(b) allows the use of proposed alternatives to the described requirements in 10 CFR part 50, Appendix G, or portions thereof, when an exemption is granted by the Commission under 10 CFR 50.12. As stated above, 10 CFR 50.12(a) allows the NRC to grant exemptions from portions of the requirements of 10 CFR part 50, Appendix G, and 10 CFR 50.61. The NRC staff has determined that special circumstances exist to grant the requested exemption, and that granting the exemption will not result in a violation of the Atomic Energy Act of 1954, as amended, or the Commission's regulations. Therefore, the NRC staff determined that the exemption is authorized by law.

C. No Undue Risk to Public Health and Safety

The underlying purpose of Appendix G to 10 CFR part 50 is to set forth fracture toughness requirements for ferritic materials of pressure-retaining components of the reactor coolant pressure boundary of light-water nuclear power reactors to provide adequate margins of safety during any condition of normal operation, including anticipated operational occurrences and system hydrostatic tests, to which the pressure boundary may be subjected over its service lifetime. The methodology underlying the requirements of Appendix G to 10 CFR part 50 is based on the use of C_V and drop weight data because of reference to the ASME Code, as previously described. NextEra proposes to replace the use of the existing C_V and drop weight-based methodology by a fracture toughness-based methodology to demonstrate compliance with Appendix G to 10 CFR part 50.

The NRC staff has concluded that the requested exemption to Appendix G to 10 CFR part 50 is justified based on the licensee utilizing the fracture toughness methodology specified in BAW–2308, Revisions 1–A and 2–A, within the conditions and limitations delineated in the NRC staff's safety evaluations (SEs) dated August 4, 2005, and March 24, 2008 (ADAMS Accession Nos. ML052070408 and ML080770349, respectively). The use of the methodology specified in the NRC staff's SEs will ensure that pressure-temperature limits developed for the Point Beach, Units 1 and 2, RPVs will continue to be based on an adequately conservative estimate of RPV material properties and ensure that the pressure-retaining components of the reactor coolant pressure boundary retain adequate margins of safety during any condition of normal operation, including anticipated operational occurrences. This exemption only modifies the methodology to be used by NextEra for demonstrating compliance with the requirements of 10 CFR part 50, Appendix G(II)(D)(i) and 10 CFR part 50, Appendix G(I)(A), and does not exempt the licensee from meeting any other requirement of Appendix G to 10 CFR part 50.

Based on the above information, no new accident precursors are created by allowing an exemption from the use of the existing C_V and drop weight-based methodology, and the use of an alternative fracture toughness-based methodology to demonstrate compliance with Appendix G to 10 CFR part 50; thus, the probability of postulated accidents is not increased. Also, based on the above information, the consequences of postulated accidents are not increased. Therefore, there is no undue risk to public health and safety associated with the proposed exemption to Appendix G to 10 CFR part 50.

The underlying purpose of 10 CFR 50.61 is to establish requirements for evaluating the fracture toughness of RPV materials to ensure that a licensee's RPV will be protected from failure during a PTS event. The licensee seeks an exemption from 10 CFR 50.61 to use a methodology for the ''determination of adjusted/indexing reference temperatures.'' The licensee proposes to use the methodology of BAW–2308, Revision 1–A, as an alternative to the C_v and drop weight-based methodology required by 10 CFR 50.61 for establishing the initial properties when calculating RT_{PTS} values. BAW–2308, Revision 2–A, is not applicable since Point Beach does not have welds with the specific heat numbers referenced in BAW–2308, Revision 2–A. The NRC staff has concluded that the exemption is justified based on the licensee utilizing the approved methodology specified in the NRC staff's SEs regarding BAW–2308, Revision 1–A. This topical report established an alternative method for determining initial RT_{PTS} values for RPV welds manufactured using Linde 80 weld flux (i.e., ''Linde 80 welds'') and established weld wire heat-specific and generic initial RT_{PTS} values for the Linde 80 welds. These weld wire heat-specific and generic values may be used in lieu of the initial RT_{NDT} values that were determined in accordance with Paragraph NB–2331 of Section III of the ASME Code. Appendix G to 10 CFR part 50 and 10 CFR 50.61 require that the initial RT_{NDT} be determined in accordance with the provisions of the ASME Code and provide the process for determination of RT_{PTS}, evaluated for the end of license fluence.

In BAW–2308, Revision 1–A, the Babcock and Wilcox Owners Group (B&WOG) proposed to perform fracture toughness testing based on the application of the Master Curve evaluation procedure, which permits data obtained from sample sets tested at different temperatures to be combined, as the basis for redefining the initial material properties of Linde 80 welds based on T_0. NRC staff evaluated this methodology for determining Linde 80

weld initial material properties and uncertainty in those properties, as well as the overall method for combining unirradiated material property measurements based on T_o values (i.e., IRT_{To} in the BAW–2308 terminology), with property shifts from models in Regulatory Guide (RG) 1.99, Revision 2, ''Radiation Embrittlement of Reactor Vessel Materials,'' which are based on C_v testing and a defined margin term to account for uncertainties in the NRC staff's August 4, 2005, SE of BAW–2308, Revision 1–A. Table 3 in the SE contains the NRC staff-accepted IRT_{To} and initial margin (denoted as σ_i) for specific Linde 80 weld wire heat numbers. In accordance with the conditions and limitations outlined in the NRC staff's SE for utilizing the values in Table 3, the licensee has utilized the appropriate NRC staff-accepted IRT_{To} and σ_i values for Linde 80 weld wire heat numbers; applied a minimum chemistry factor of 167 °F (values greater than 167 °F were used for certain Linde 80 weld wire heat numbers if RG 1.99, Revision 2, indicated higher chemistry factors); applied a value of 28 °F for $\sigma\Delta$ in the margin term; and submitted values for ΔRT_{NDT} and the margin term for each Linde 80 weld in the RPV through the end of the 50 effective full power years (the EFPYs for the proposed P–T limits). Additionally, the NRC's SE for BAW–2308, Revision 2–A concludes that the revised IRT_{T0} and σ_i values for Linde 80 weld materials are acceptable for referencing in plant-specific licensing applications as delineated in BAW–2308, Revision 2–A and to the extent specified under Section 4.0, Limitations and Conditions, of the SE, which states: ''Future plant-specific applications for RPVs containing weld heat 72105, and weld heat 299L44, of Linde 80 welds must use the revised IRT_{To} and σ_i, values in BAW–2308, Revision 2.'' However, the staff notes that neither of these weld heats is used at Point Beach, Units 1 and 2. Thus, BAW–2308, Revision 2–A, is currently not applicable. All conditions and limitations outlined in the NRC staff SEs for BAW–2308, Revision 1–A, have been met for Point Beach, Units 1 and 2.

The use of the methodology in BAW–2308, Revision 1–A, will ensure the PTS evaluation developed for the Point Beach, Units 1 and 2, RPVs will continue to be based on an adequately conservative estimate of RPV material properties and ensure the RPVs will be protected from failure during a PTS event. Also, when additional fracture toughness data relevant to the evaluation of Point Beach, Units 1 and 2, RPV welds is acquired as part of the surveillance program, this data must be incorporated into the evaluation of the Point Beach RPV fracture toughness requirements.

Based on the above, no new accident precursors are created by allowing an exemption to use an alternate methodology to comply with the requirements of 10 CFR 50.61 in determining adjusted/indexing reference temperatures, thus, the probability of postulated accidents is not increased. Also, based on the above, the consequences of postulated accidents are not increased. Therefore, the NRC staff determined that there is no undue risk to public health and safety.

D. Consistent With the Common Defense and Security

The licensee's exemption request would allow the use of alternate methodologies from those specified in Appendix G to 10 CFR part 50, and 10 CFR 50.61, to allow the use of fracture toughness test data for evaluating the integrity of Point Beach, Units 1 and 2, RPV beltline welds. This change has no effect on security issues. Therefore, the NRC staff determined that this exemption does not impact, and thus is consistent with, the common defense and security.

E. Environmental Considerations

The NRC staff determined that the exemption discussed herein meets the eligibility criteria for the categorical exclusion set forth in 10 CFR 51.22(c)(9) because it is related to a requirement concerning the installation or use of a facility component located within the restricted area, as defined in 10 CFR part 20, and issuance of this exemption involves: (i) No significant hazards consideration, (ii) no significant change in the types or a significant increase in the amounts of any effluents that may be released offsite, and (iii) no significant increase in individual or cumulative occupational radiation exposure. Therefore, in accordance with 10 CFR 51.22(b), no environmental impact statement or environmental assessment need be prepared in connection with the NRC's consideration of this exemption request. The basis for the NRC staff's determination is discussed as follows with an evaluation against each of the requirements in 10 CFR 51.22(c)(9)(i)–(iii).

Requirements in 10 CFR 51.22(c)(9)(i)

The NRC staff evaluated whether the exemption involves no significant hazards consideration using the standards described in 10 CFR 50.92(c), as presented below:

1. Does the proposed exemption involve a significant increase in the probability or consequences of an accident previously evaluated?

Response: No.

The exemption would allow the use of alternate methodologies from those specified in Appendix G to 10 CFR part 50, and 10 CFR 50.61, to allow the use of fracture toughness test data for evaluating the integrity of RPV beltline welds. Use of the alternate methodology for determining the initial, unirradiated material reference temperatures of the Linde 80 weld materials present in the RPV beltline region will not result in changes in operation of configuration of the facility. The change in reactor vessel material initial properties will continue to satisfy the intent of 10 CFR 50, Appendix G, and 10 CFR 50.61. The change does not adversely affect accident initiators or precursors, nor alter the design assumptions, conditions, or the manner in which the plant is operated and maintained. The change does not alter or prevent the ability of structures, systems or components from performing their intended function to mitigate the consequences of an initiating event with the assumed acceptance limits. There will be no adverse change to normal plant operating parameters, engineered safety feature actuation setpoints, accident mitigation capabilities, or accident analysis assumptions or inputs. The change does not affect the source term, containment isolation, or radiological release assumptions used in evaluating the radiological consequences of an accident previously evaluated. Further, the change does not increase the types of amounts of radioactive effluent that may be released offsite, nor significantly increase individual or cumulative occupational/public radiation exposures.

Therefore, the proposed exemption does not involve a significant increase in the probability or consequences of an accident previously evaluated.

2. Does the proposed exemption create the possibility of a new or different kind of accident from any accident previously evaluated?

Response: No.

The exemption would allow the use of alternate methodologies from those specified in Appendix G to 10 CFR part 50, and 10 CFR 50.61, to allow the use of fracture toughness test data for evaluating the integrity of RPV beltline welds. Use of the alternate methodology for determining the initial, unirradiated

material reference temperatures of the Linde 80 weld materials present in the RPV beltline region will not result in changes in operation or configuration of the facility. The change does not impose any new or different requirements or eliminate any existing requirements. The change is consistent with the current safety analysis assumptions and current plant operating practice. No new accident scenarios, transient precursors, failure mechanisms, or limiting single failures are introduced as a result of the proposed change. Equipment important to safety will continue to operate as designed. The change does not result in any event previously deemed incredible being more credible. The change does not result in any adverse conditions or result in any increase in the challenges to safety systems.

Therefore, the proposed exemption does not create the possibility of a new or different kind of accident from any previously evaluated.

3. Does the proposed exemption involve a significant reduction in a margin of safety?

Response: No.

The proposed exemption does not alter safety limits, limiting safety system settings, or limiting conditions for operation. The setpoints at which protective actions are initiated are not altered by the change. There are no new or significant changes to initial conditions contributing to accident severity or consequences. The exemption will not otherwise affect plant protective boundaries, will not cause a release of fission products to the public, nor will it degrade the performance of any other structures, systems or components important to safety.

Therefore, the proposed exemption does not involve a significant reduction in a margin of safety.

Based on the above evaluation of the standards set forth in 10 CFR 50.92(c), the NRC staff concludes that the proposed exemption involves no significant hazards consideration. Accordingly, the requirements of 10 CFR 51.22(c)(9)(i) are met.

Requirements in 10 CFR 51.22(c)(9)(ii)

The proposed exemption would allow use of an alternate method for determining the initial, unirradiated material reference temperatures of the Linde 80 weld materials present in the RPV beltline region. The proposed change in reactor vessel material initial properties will continue to satisfy the intent of 10 CFR part 50, Appendix G, and 10 CFR 50.61. Thus, the use of this alternate methodology will not significantly change the types of effluents that may be released offsite, or significantly increase the amount of effluents that may be released offsite. Therefore, the requirements of 10 CFR 51.22(c)(9)(ii) are met.

Requirements in 10 CFR 51.22(c)(9)(iii)

The proposed exemption would allow use of an alternate method for determining the initial, unirradiated material reference temperatures of the Linde 80 weld materials present in the RPV beltline region. The proposed change in reactor vessel material initial properties will continue to satisfy the intent of 10 CFR part 50, Appendix G, and 10 CFR 50.61. Thus, the use of this alternate methodology will not significantly increase individual occupational radiation exposure, or significantly increase cumulative occupational radiation exposure. Therefore, the requirements of 10 CFR 51.22(c)(9)(iii) are met.

Conclusion

Based on the above, the NRC staff concludes that the proposed exemption meets the eligibility criteria for the categorical exclusion set forth in 10 CFR 51.22(c)(9). Therefore, in accordance with 10 CFR 51.22(b), no environmental impact statement or environmental assessment need be prepared in connection with the NRC's proposed issuance of this exemption.

IV. Conclusions

Accordingly, the Commission has determined that, pursuant to 10 CFR 50.12, the exemption is authorized by law, will not present an undue risk to the public health and safety, and is consistent with the common defense and security. Also, special circumstances pursuant to 10 CFR 50.12(a)(2)(ii) are present. Therefore, the Commission hereby grants NextEra Energy Point Beach an exemption from the requirements of Appendix G to 10 CFR part 50 and 10 CFR 50.61, to allow an alternative methodology as described in BAW–2308, Revisions 1–A and 2–A, that is based on using fracture toughness test data to determine initial, unirradiated properties for evaluating the integrity of the RPV beltline welds at the Point Beach Nuclear Plant, Units 1 and 2.

This exemption is effective upon issuance.

Dated at Rockville, Maryland, this 30th day of June 2014.

For The Nuclear Regulatory Commission.

Michele G. Evans,

Director, Division of Operating Reactor Licensing, Office of Nuclear Reactor Regulation.

[FR Doc. 2014–16415 Filed 7–14–14; 8:45 am]

BILLING CODE 7590–01–P

NUCLEAR REGULATORY COMMISSION

[NRC–2014–0021]

Corrective Action Programs for Fuel Cycle Facilities

AGENCY: Nuclear Regulatory Commission.

ACTION: Regulatory guide; issuance.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) is issuing a new regulatory guide (RG) 3.75, ''Corrective Action Programs for Fuel Cycle Facilities.'' This RG describes programmatic elements that the staff of the NRC considers acceptable when developing corrective action programs for fuel cycle facilities that are licensed under the NRC's regulations.

ADDRESSES: Please refer to Docket ID NRC–2014–0021 when contacting the NRC about the availability of information regarding this document. You may obtain publicly-available information related to this document using any of the following methods:

- *Federal Rulemaking Web site:* Go to *http://www.regulations.gov* and search for Docket ID NRC–2014–0021. Address questions about NRC dockets to Carol Gallagher; telephone: 301–287–3422; email: *Carol.Gallagher@nrc.gov*. For technical questions, contact the individual(s) listed in the **FOR FURTHER INFORMATION CONTACT** section of this document.
- *NRC's Agencywide Documents Access and Management System (ADAMS):* You may access publicly available documents online in the NRC Library at *http://www.nrc.gov/reading-rm/adams.html*. To begin the search, select ''*ADAMS Public Documents*'' and then select ''*Begin Web-based ADAMS Search.*'' For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1–800–397–4209, 301–415–4737, or by email to *pdr.resource@nrc.gov*. The ADAMS accession number for each document referenced in this notice (if that document is available in ADAMS) is provided the first time that a document is referenced. Revision 0 of RG 3.75 is available in ADAMS under Accession No. ML14139A321. The regulatory analysis may be found in

ADAMS under Accession No. ML14139A316.

• *NRC's PDR:* You may examine and purchase copies of public documents at the NRC's PDR, Room O1–F21, One White Flint North, 11555 Rockville Pike, Rockville, Maryland 20852.

Regulatory guides are not copyrighted, and NRC approval is not required to reproduce them.

FOR FURTHER INFORMATION CONTACT: Sabrina Atack, Office of Nuclear Material Safety and Safeguards; telephone: 301–287–9075, email: *Sabrina.Atack@nrc.gov;* and Steve Burton, Office of Nuclear Regulatory Research; telephone: 301–415–7000, *Stephen.Burton@nrc.gov*. Both are staff of the U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001.

SUPPLEMENTARY INFORMATION:

I. Introduction

The NRC is issuing a new guide in the NRC's ''Regulatory Guide'' series. This series was developed to describe and make available to the public information such as methods that are acceptable to the NRC staff for implementing specific parts of the agency's regulations, techniques that the staff uses in evaluating specific problems or postulated accidents, and data that the staff needs in its review of applications for permits and licenses.

Regulatory Guide 3.75 describes programmatic elements that the staff of the NRC considers acceptable when developing corrective action programs for fuel cycle facilities that are licensed under part 40 of Title 10 of the *Code of Federal Regulations* (10 CFR), ''Domestic Licensing of Source Material'' or 10 CFR part 70, ''Domestic Licensing of Special Nuclear Material'' or holders of certificates of compliance or approvals of a compliance plan for gaseous diffusion plants under 10 CFR part 76, ''Certification of Gaseous Diffusion Plants.''

II. Additional Information

Regulatory Guide 3.75 was issued with a temporary identification as draft regulatory guide (DG), DG–3044. Draft regulatory guide, DG–3044, was published in the **Federal Register** on February 12, 2014 (79 FR 8511), for a 30-day public comment period. The public comment period closed on March 14, 2014. Public comments on DG–3044 and the staff's responses to the public comments are available in ADAMS under Accession No. ML14139A318.

III. Congressional Review Act

This RG is a rule as defined in the Congressional Review Act (5 U.S.C. 801–808). However, the Office of Management and Budget has not found it to be a major rule as defined in the Congressional Review Act.

IV. Backfitting and Issue Finality

This RG describes programmatic elements that the staff considers acceptable for corrective action programs (CAPs) for fuel cycle facilities licensed under 10 CFR parts 40, or 70, and gaseous diffusion plants holding certificates of compliance under 10 CFR part 76. Applicants for such facilities and certificates of compliance, as well as existing licensees and holders of certificate of compliance, may use the guidance in developing, implementing or revising CAPs. Licensees may choose to develop and implement CAPs that meet the guidance in this RG for the purpose of applying Section 2.3.2 of the NRC Enforcement Policy. The NRC staff may find methods or solutions that differ from those described in this RG acceptable for the purpose of applying Section 2.3.2 of the NRC Enforcement Policy if those methods or solutions effectively implement controls to identify, document, and correct conditions adverse to safety and security.

Applicants for, and holders of fuel cycle licenses under part 40 are not subject to backfitting protection, inasmuch as the NRC's regulations do not provide backfitting protection to part 40 applicants or licensees.

This RG does not constitute backfitting for any fuel cycle facility applicants or licensees subject to backfitting protection under part 70, or applicants for or holders of certificates of compliance for gaseous diffusion plants under part 76. No part 70 licensee or holder of a part 76 certificates of compliance is required to comply with the guidance, and a licensee or holder of a certificate of compliance is free to demonstrate that its corrective action program is effective in identifying, documenting, and correcting conditions adverse to safety and security in order to be within the purview of Section 2.3.2 of the NRC Enforcement Policy. With respect to applicants or potential applicants for part 70 licenses and part 76 certificates of compliance, such entities are not protected by the backfitting provisions in parts 70 and 76. Backfitting is intended to protect the reasonable expectations of certain entities who have received NRC regulatory approvals (e.g., a license), and was not intended to apply to NRC actions which substantially change the expectations of current and future applicants.

This RG does not apply to any nuclear power reactors subject to 10 CFR parts 50 or 52. Therefore, backfitting considerations under 10 CFR 50.109 or issue finality considerations under 10 CFR part 52 are not applicable to this RG.

Dated at Rockville, Maryland, this 9 day of July, 2014.

For the Nuclear Regulatory Commission.

Thomas H. Boyce,

Chief, Regulatory Guidance and Generic Issues Branch, Division of Engineering, Office of Nuclear Regulatory Research.

[FR Doc. 2014–16513 Filed 7–14–14; 8:45 am]

BILLING CODE 7590–01–P

NUCLEAR REGULATORY COMMISSION

Advisory Committee on the Medical Uses of Isotopes: Meeting Notice

AGENCY: U.S. Nuclear Regulatory Commission.

ACTION: Notice of Meeting.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) will convene a meeting of the Advisory Committee on the Medical Uses of Isotopes (ACMUI) on September 29–30, 2014. A sample of agenda items to be discussed during the public session includes: (1) A discussion on the physical presence requirements for the Leksell Gamma Knife ® Perfexion ™; (2) a discussion on why and how certain emerging medical technologies are licensed under 10 CFR 35.1000; (3) a presentation on FDA's role regarding the global molybdenum-99 shortage; (4) an update on the NRC staff's efforts related to the release of patients administered radioactive material; (5) a discussion on the various mechanisms in use or proposed for reporting medical incidents; and (6) a discussion on the recommendations regarding the current medical event reporting criteria for yttrium-90 microspheres. The agenda is subject to change. The current agenda and any updates will be available at *http://www.nrc.gov/reading-rm/doc-collections/acmui/meetings/2014.html* or by emailing Ms. Sophie Holiday at the contact information below.

Purpose: Discuss issues related to 10 CFR Part 35 Medical Use of Byproduct Material.

Date and Time for Closed Sessions: September 30, 2014, from 1:30 p.m. to 3:00 p.m. The session on September 30, 2014 will be closed for ACMUI training.

Date and Time for Open Sessions: September 29, 2014, from 8:30 a.m. to 5:00 p.m. and September 30, 2014, from 8:00 a.m. to 1:30 p.m.

Address for Public Meeting: U.S. Nuclear Regulatory Commission, Two White Flint North Building, Room T2–B3, 11545 Rockville Pike, Rockville, Maryland 20852.

Public Participation: Any member of the public who wishes to participate in the meeting in person or via phone should contact Ms. Holiday using the information below. The meeting will also be webcast live: *video.nrc.gov.*

Contact Information: Sophie J. Holiday, email: *Sophie.Holiday@nrc.gov.*, telephone: (301) 415–7865.

Conduct of the Meeting

Bruce R. Thomadsen, Ph.D., will chair the meeting. Dr. Thomadsen will conduct the meeting in a manner that will facilitate the orderly conduct of business. The following procedures apply to public participation in the meeting:

1. Persons who wish to provide a written statement should submit an electronic copy to Ms. Holiday at the contact information listed above. All submittals must be received by September 24, 2014, and must pertain to the topic on the agenda for the meeting.

2. Questions and comments from members of the public will be permitted during the meeting, at the discretion of the Chairman.

3. The draft transcript and meeting summary will be available on ACMUI's Web site *http://www.nrc.gov/reading-rm/doc-collections/acmui/meetings/2014.html* on or about November 11, 2014.

4. Persons who require special services, such as those for the hearing impaired, should notify Ms. Holiday of their planned attendance.

This meeting will be held in accordance with the Atomic Energy Act of 1954, as amended (primarily Section 161a); the Federal Advisory Committee Act (5 U.S.C. App); and the Commission's regulations in Title 10, *U.S. Code of Federal Regulations,* Part 7.

Dated: July 8, 2014.

Andrew L. Bates,

Advisory Committee Management Officer.

[FR Doc. 2014–16584 Filed 7–14–14; 8:45 am]

BILLING CODE 7590–01–P

NUCLEAR REGULATORY COMMISSION

Sunshine Federal Register Notice

AGENCY HOLDING THE MEETINGS: Nuclear Regulatory Commission [NRC–2012–0002]

DATE: Week of July 14, 2014

PLACE: Commissioners' Conference Room, 11555 Rockville Pike, Rockville, Maryland

STATUS: Public and Closed.

ADDITIONAL ITEMS TO BE CONSIDERED:

Week of July 14, 2014

Thursday, July 17, 2014

8:55 a.m. Affirmation Session (Public Meeting) (Tentative)

a. Petitions to Suspend Reactor Licensing Decisions and Reactor License Renewal Decisions Pursuant to 10 C.F.R. § 2.802(D) (Filed on Multiple Dockets) (Tentative)

This meeting will be webcast live at the Web address—*http://www.nrc.gov/.*

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*The schedule for Commission meetings is subject to change on short notice. To verify the status of meetings, call (recording)—(301) 415–1292. Contact person for more information: Rochelle Bavol, (301) 415–1651.

* * * * *

The NRC Commission Meeting Schedule can be found on the Internet at: *www.nrc.gov/about-nrc/policy-making/schedule.html.*

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The NRC provides reasonable accommodation to individuals with disabilities where appropriate. If you need a reasonable accommodation to participate in these public meetings, or need this meeting notice or the transcript or other information from the public meetings in another format (e.g. braille, large print), please notify Bill Dosch, Chief, Work Life and Benefits Branch, at 301–415–6200, TDD: 301–415–2100, or by email at *william.dosch@nrc.gov.* Determinations on requests for reasonable accommodation will be made on a case-by-case basis.

* * * * *

This notice is distributed electronically to subscribers. If you no longer wish to receive it, or would like to be added to the distribution, please contact the Office of the Secretary, Washington, DC 20555 (301–415–1969), or send an email to *darlene.wright@nrc.gov.*

Dated: July 10, 2014.

Richard J. Laufer,

Technical Coordinator, Office of the Secretary.

[FR Doc. 2014–16566 Filed 7–11–14; 11:15 am]

BILLING CODE 7590–01–P

SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Public Law 94–409, that the Securities and Exchange Commission will hold a Closed Meeting on Thursday, July 17, 2014 at 2:00 p.m.

Commissioners, Counsel to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the Closed Meeting. Certain staff members who have an interest in the matters also may be present.

The General Counsel of the Commission, or her designee, has certified that, in her opinion, one or more of the exemptions set forth in 5 U.S.C. 552b(c)(3), (5), (7), 9(B) and (10) and 17 CFR 200.402(a)(3), (5), (7), 9(ii) and (10), permit consideration of the scheduled matter at the Closed Meeting.

Commissioner Gallagher, as duty officer, voted to consider the items listed for the Closed Meeting in closed session.

The subject matter of the Closed Meeting will be:

Institution and settlement of injunctive actions; institution and settlement of administrative proceedings; and other matters relating to enforcement proceedings.

At times, changes in Commission priorities require alterations in the scheduling of meeting items.

For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact the Office of the Secretary at (202) 551–5400.

Dated: July 11, 2014.

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–16697 Filed 7–11–14; 4:15 pm]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–72573; File No. SR–NYSEMKT–2014–54]

Self-Regulatory Organizations; NYSE MKT LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Amending the Members' Schedule of NYSE Amex Options LLC In Order To Reflect Changes To the Capital Structure of the Company

July 9, 2014.

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 July 1, 2014, NYSE MKT LLC (the ''Exchange'' or ''NYSE MKT'') filed with the Securities and Exchange Commission (the ''Commission'') the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend the Members' Schedule (as defined in the Amended and Restated Limited Liability Company Agreement of NYSE Amex Options LLC (the ''Company'') dated as of May 14, 2014 (the ''LLC Agreement'')) in order to reflect changes to the capital structure of the Company based on two transactions (such amendment, the ''Proposed Rule Change''). The first transaction involved the issuance of Annual Incentive Shares (as defined in the Members Agreement (as defined below)) to the Founding Firms (as defined below) consistent with the formula set forth in Section 2.1 of that certain Amended and Restated Members Agreement, dated as of May 14, 2014, by and among the Company, NYSE MKT, NYSE Holdings LLC (formerly known as NYSE Euronext) (''NYSE Holdings''), NYSE Market (DE), Inc. (formerly known as NYSE Market, Inc.) (''NYSE Market''), Banc of America Strategic Investments Corporation (''BAML''), Barclays Electronic Commerce Holdings Inc. (''Barclays''), Citadel Securities LLC (''Citadel''), Citigroup Financial Strategies, Inc. (''Citigroup''), Goldman, Sachs & Co. (''Goldman Sachs''), Datek Online Management Corp. (''TD Ameritrade'') and UBS Americas Inc. (''UBS'') (collectively, excluding the Company, NYSE MKT, NYSE Holdings and NYSE Market, the ''Founding Firms'') (the ''Members Agreement''). The second transaction will involve the transfer of Interests (as defined in the LLC Agreement) by the Founding Firms to NYSE Market, an affiliate of the Exchange, as soon as reasonably practicable following June 18, 2014 pursuant to Article XI of the LLC Agreement and Section 3.1 of the Members Agreement. The text of the proposed rule change is available on the Exchange's Web site 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 Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend the Members' Schedule as set forth herein. The amendment reflects changes to the capital structure of the Company due to (i) the issuance of Annual Incentive Shares to the Founding Firms effective February 28, 2014 pursuant to Section 2.1 of the Members Agreement and (ii) the transfer of Interests by the Founding Firms to NYSE Market as soon as reasonably practicable following June 18, 2014 pursuant to Article XI of the LLC Agreement and Section 3.1 of the Members Agreement.

Issuance of Annual Incentive Shares

Pursuant to Section 2.1 of the Members Agreement, each year (until 2015, unless extended by the board of directors of the Company) the Company must issue a number of Class B Common Interests (as defined in the LLC Agreement) equal to thirty percent (30%) of the then-outstanding Class B Common Interests as Annual Incentive Shares. These Annual Incentive Shares are allocated among the Members (as defined in the LLC Agreement) holding Class B Common Interests (such Members, the ''Class B Members'') based on each Class B Member's contribution to the volume of the Exchange relative to such Class B Member's Individual Target (as defined in the Members Agreement). The Annual Incentive Shares may change the relative economic and voting rights among the Class B Members but have no effect on the relative economic and voting rights as between Members holding Class A Common Interests (as defined in the LLC Agreement) and Class B Members.

Effective February 28, 2014, the Company issued 16.1429 Annual Incentive Shares in the aggregate to the Founding Firms (the ''Issuance of Annual Incentive Shares''). Two of the Founding Firms did not achieve their Individual Targets, which reduced the two Founding Firms' economic and voting interests in the Company relative to the other Founding Firms. The Exchange proposes to amend the Members' Schedule as set forth in Exhibit 5A attached hereto [4] (marked against the Members' Schedule in effect prior to such issuance) to reflect the Issuance of Annual Incentive Shares.

Founding Firm Transfer

Pursuant to Article XI of the LLC Agreement and Section 3.1 of the Members Agreement, a Member may transfer Interests to a third party or to another Member in accordance with the conditions and limitations set forth therein. The Exchange is filing this Proposed Rule Change, in part, to provide notice that the Founding Firms collectively intend to transfer an aggregate equity interest of 15.8400% in the Company to NYSE Market, an affiliate of the Exchange (the ''Founding Firm Transfer''). Upon consummation of the Founding Firm Transfer and the acquisition by NYSE Market of the Class B Common Interests transferred by the Founding Firms, such Class B Common Interests will automatically convert into an appropriate number of Class A Common Interests. Immediately following the Founding Firm Transfer, NYSE MKT will own an equity interest of 47.2000% in the Company, NYSE Market will own an equity interest of 36.8000%, and the Founding Firms, collectively, will own the remaining equity interest of 16.0000%. The Exchange proposes, upon consummation of the Founding Firm Transfer, to amend the Members' Schedule as set forth in Exhibit 5B

[1] 15 U.S.C.78s(b)(1).

[2] 15 U.S.C. 78a.

[3] 17 CFR 240.19b–4.

[4] The Commission notes that Exhibit 5A is attached to the filing, not to this Notice.

attached hereto [5] (marked against the Members' Schedule following the Issuance of Annual Incentive Shares) to reflect the Founding Firm Transfer.

2. Statutory Basis

The Proposed Rule Change is consistent with Section 6(b) [6] of the Act,[7] in general, and furthers the objectives of Section 6(b)(1) [8] of the Act, which requires a national securities exchange to be so organized and have the capacity to carry out the purposes of the Act and to comply, and to enforce compliance by its members and persons associated with its members, with the provisions of the Act, the rules and regulations promulgated thereunder and the rules of the Exchange. The Proposed Rule Change does not modify the Company's trading or compliance rules and preserves the existing mechanisms for ensuring the Exchange's and the Company's compliance with the Act, the rules and regulations promulgated thereunder and the rules of the Exchange. The Proposed Rule Change also preserves the structure of the joint venture which retains NYSE MKT's regulatory control over the Company and the provisions specifically designed to ensure the independence of its self-regulatory function and to ensure that any regulatory determinations by NYSE MKT, as the Company's SRO, are controlling with respect to the actions and decisions of the Company.

Additionally, the Proposed Rule Change continues to require the Company, its Members and its directors to comply with the federal securities laws and the rules and regulations promulgated thereunder and to engage in conduct that fosters and does not interfere with the Exchange's or the Company's ability to carry out its respective responsibilities under the Act.

The Proposed Rule Change is also consistent with, and furthers the objectives of, Section 6(b)(5) [9] of the Act, in that it preserves all of NYSE MKT's existing rules and mechanisms 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 mechanisms of a free and open market and a national market system and, in general, to protect investors and the public interest.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the Proposed Rule Change will have any impact on competition. The Proposed Rule Change solely relates to changes in the relative equity interests among existing Members of the Company pursuant to provisions of the LLC Agreement and Members Agreement that have been previously filed and approved by the Commission. In addition, neither the Issuance of Annual Incentive Shares nor the Founding Firm Transfer implicates the Commission's policies with respect to permissible ownership. Furthermore, because the Proposed Rule Change does not affect the availability or pricing of any goods or services, the Proposed Rule Change will not affect competition either between the Exchange and others that provide the same goods and services as the Exchange or among market participants.

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

The Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act [10] and Rule 19b–4(f)(6) thereunder.[11] 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.

A proposed rule change filed under Rule 19b–4(f)(6) [12] normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b–4(f)(6)(iii),[13] 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 Exchange stated that an immediate operative date is necessary to permit the efficient consummation of both the Issuance of Annual Incentive Shares and the Founding Firm Transfer. According to the Exchange, accomplishing the Founding Firm Transfer requires that the Members have certainty as to the amount of Common Interests owned by each, which in turn requires timely consummation of the Issuance of Annual Incentive Shares. The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest because such waiver would allow the Company to consummate the transactions described in the filing in an efficient and predictable manner. Accordingly, the Commission hereby grants the Exchange's request and designates the proposal operative upon filing.[14]

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.

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–NYSEMKT–2014–54 on the subject line.

[5] The Commission notes that Exhibit 5B is attached to the filing, not to this Notice.

[6] 15 U.S.C. 78f(b).

[7] 15 U.S.C. 78.

[8] 15 U.S.C. 78f(b)(1).

[9] 15 U.S.C. 78f(b)(5).

[10] 15 U.S.C. 78s(b)(3)(A)(iii).

[11] 17 CFR 240.19b–4(f)(6). In addition, Rule 19b–4(f)(6) requires the Exchange to give the Commission written notice of the Exchange's 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. The Exchange has satisfied this requirement.

[12] 17 CFR 240.19b–4(f)(6).

[13] 17 CFR 240.19b–4(f)(6)(iii).

[14] For purposes only of waiving the 30-day operative delay, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. *See* 15 U.S.C. 78c(f).

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–NYSEMKT–2014–54. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make publicly available. All submissions should refer to File Number SR–NYSEMKT–2014–54 and should be submitted on or before August 5, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[15]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–16499 Filed 7–14–14; 8:45 am]

BILLING CODE 8011–01–P

[15] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–72582; File No. SR–ICEEU–2014–11]

Self-Regulatory Organizations; ICE Clear Europe Limited; Notice of Filing of Proposed Rule Change Relating to EMIR Requirements

July 10, 2014.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on July 7, 2014, ICE Clear Europe Limited (''ICE Clear Europe'') 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 primarily by ICE Clear Europe. 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 principal purpose of the proposed changes is to amend the ICE Clear Europe Procedures in order to comply with requirements under the European Market Infrastructure Regulation (including regulations and implementing technical standards thereunder, ''EMIR'') [3] that will apply to ICE Clear Europe as an authorized central counterparty. ICE Clear Europe has separately filed with the Commission proposed changes to its Clearing Rules (the ''Rules'') relating to EMIR implementation and certain other matters (the ''Rule Submission'').[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, ICE Clear Europe 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. ICE Clear Europe has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of these statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

(1) Purpose

ICE Clear Europe submitted proposed amendments to its Procedures in order to comply with requirements under EMIR that will apply to ICE Clear Europe upon its authorization as a central counterparty and to further implement the related changes made to its Rules pursuant to the Rule Submission. As described in more detail in the Rule Submission, in order to comply with EMIR, ICE Clear Europe is adopting changes to the structure of customer accounts for cleared transactions to enhance segregation options for customers of Clearing Members. This includes the adoption of an individual client segregation framework (through Individually Segregated Sponsored Accounts and Individually Segregated Margin-flow Co-mingled Accounts) for Non-FCM/BD Clearing Members as well as certain modifications relating to the existing, omnibus client segregation model. The amendments to the Procedures described herein are intended to further implement these changes, as well as various other consolidating, conforming and clarifying changes and drafting improvements to the existing Procedures.

As described in the Rule Submission, the amendments to the Rules would establish two new types of individually segregated accounts, Individually Segregated Margin-flow Co-mingled Accounts and Individually Segregated Sponsored Accounts. The proposed Rules will also establish multiple new types of omnibus accounts, Segregated Customer Omnibus Accounts (separately for each product: FX, F&O and CDS) and Segregated TTFCA Customer Omnibus Accounts (separately for each product: FX, F&O and CDS) as well as Omnibus Margin-flow Co-mingled Accounts. These new individually segregated and omnibus accounts will be available only to Non-FCM/BD Clearing Members and their customers. For FCM/BD Clearing Members and their customers, individual client segregation is not being offered at this time, and the existing account types and segregation framework (which are required under applicable law) would be maintained.

ICE Clear Europe proposes to make amendments to the following Procedures: the Clearing Procedures, Finance Procedures, Membership Procedures, Business Continuity Procedures, Complaint Resolution Procedures, General Contract Terms, CDS Procedures, FX Procedures, OTC FX Product Guide and Published Terms for FX Contracts, Auction Terms for FX Default Auctions, Auction Terms for F&O Default Auctions and Delivery Procedures. The CDS Operational Procedures are being eliminated as they are no longer applicable.

The proposed Procedure amendments are described in detail as follows.

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories, as well as various implementing regulations and technical standards.

[4] Securities Exchange Act Release No. 34–72540 (July 3, 2014), 79 FR 39429 (July 10, 2014) (SR–ICEEU–2014–09).

Certain common changes are being made to all relevant sections of the Procedures. In each such section of the Procedures, ICE Clear Europe has added provisions addressing governing law, arbitration and submission to jurisdiction that are substantially the same as those set forth in the Rules (specifically, Rules 117 and 1608). In addition, various references to Sponsored Principals are added throughout, as well as conforming changes to reflect changes in defined terms in the Rules, such as the use of ''Buying Counterparty'' and ''Selling Counterparty''.

In the Clearing Procedures, paragraphs 2.3 and 2.4 (which relate to position keeping and recording of contract positions) have been revised to reflect the additional categories of customer accounts. Similarly, paragraph 3.1, which addresses margining of accounts, has been revised to reflect the new customer accounts and the manner in which the new customer accounts are margined in accordance with the Rules. In addition, the Summary of Account Codes in Table A of the Clearing Procedures has been updated with the new account classes. Paragraph 4 has also been updated to incorporate relevant defined terms for margin for the relevant product categories (F&O, CDS and FX), as well as clarify that certain terms only apply to the F&O product category, consistent with current practice. Paragraph 5 is amended to clarify that it applies only to options that are F&O contracts, as well as make certain other drafting clarifications. Existing paragraph 6, which related to ICE OTC transactions, has been removed, consistent with the removal of related provisions in the Rules, as such provisions are no longer used. A new paragraph 6 has been added addressing customer clearing. Paragraph 6.1 provides a procedure for a Clearing Member to close out or transfer customer positions to its proprietary account in the event of termination of the related Customer-CM Transaction (including as a result of a customer default). Paragraph 6.2 provides for transfer of customer positions at the request of a customer (this provision is substantially similar to existing paragraph 13.2 of the CDS Procedures, but has been revised to apply to all product categories and to apply to Sponsored Principals as well). New Paragraph 6.3 addresses certain matters with respect to Customer-CM Collateral provided to Non-FCM/BD Clearing Members, including the treatment of such collateral that is not in the form of Permitted Cover and the treatment of excess collateral provided to the Clearing Member beyond the clearing house requirement. New Paragraph 6.4 establishes certain recordkeeping requirements for Clearing Members with respect to Customers (including as to the identity and default portability preferences thereof) and requirements to provide such information to the clearing house. New Paragraph 7 adopts certain additional defined terms and procedures relating to position transfers made under Rule 408(a)(i) and Part 12 of the Rules, as well as paragraph 6 of the Clearing Procedures.

The Finance Procedures have been revised in paragraph 2 to incorporate relevant defined terms for margin for the relevant product categories as well as references to Sponsored Principals. Paragraph 3, which addresses the use of triparty collateral arrangements with Euroclear Bank, has been revised to apply to Sponsored Principals in addition to Clearing Members. The revisions also accommodate the use of pledged collateral arrangements as well as title transfer collateral and make certain drafting clarifications. Paragraph 4, which addresses ICE Clear Europe's assured payment system, has been amended to include references to FX Clearing Members and Sponsored Principal arrangements, as well as clarifications for the new account categories. Paragraph 5 contains additional procedures for the assured payment system in connection with the Sponsored Principal model. Paragraph 6 has been revised to address the requirements for payments in respect of each proprietary or customer account of a Clearing Member (including the new account categories), as well as changes to apply to Sponsored Principals the requirements applicable to Clearing Members. Certain provisions relating to margin for various product categories are also clarified and consolidated in this section. In particular, for drafting clarity, provisions relating to variation or mark-to-market margin for the F&O, CDS and FX product categories have been consolidated in Paragraph 6(i)(i) and provisions relating to original or initial margin for those product categories have been consolidated in Paragraph 6(i)(ii). Certain conforming references to such margin categories have also been added. In connection with the removal of the CDS Operational Procedures, references in paragraph 6 to making of CDS contract coupon payments thereunder have also been removed (with the effect that such payments will be made as provided under Paragraph 6). Paragraph 7, which applies to custody accounts for non-cash margin, has been revised to apply to Sponsored Principals as well as Clearing Members. The revised paragraph also specifies the requirements for each customer and proprietary account and clarifies certain tax form requirements. Paragraphs 8–11, which address permitted cover in the form of securities, emissions allowances, gold bullion and transfer procedures, respectively, have been revised to apply to Sponsored Principals as well as Clearing Members. New Paragraph 8.4 prohibits the use by a Clearing Member, Sponsor or Sponsored Principal of securities that are otherwise eligible as permitted cover where such securities are issued by such person or one of its affiliates (except in the case of a covered bond otherwise eligible as permitted cover [5] and only where the assets backing that bond are appropriately segregated within a robust legal framework that the clearing house determines to satisfy applicable legal requirements).

Revised Paragraphs 9.2 and 9.3 limit, for risk management purposes, the use of emissions allowances to satisfy margin requirements to contracts in respect of which such allowances are deliverable. Paragraph 10 also includes certain updates to defined terms and allows use of gold bullion as FX original margin. Paragraph 11 has also been revised to reflect the use by the clearing house of direct accounts at securities settlement systems. The provisions of Paragraph 12 of the Finance Procedures, which address use of letters of credit as margin for F&O contracts, have been revised to address use by Sponsored Principals. Certain other drafting clarifications are also made, including to clarify the right of the clearing house to reject a letter of credit, to make explicit requirements as to irrevocability and lack of defenses and to limit acceptance of letters of credit from issuing banks otherwise providing critical services to the clearing house. New provisions have been added to address collateralization of letters of credit consistent with certain EU regulations.

In paragraph 13, various conforming changes have been made to include references to Sponsors and Sponsored Principals, as well as appropriate references to original margin for the relevant product categories. Paragraph 14 has been revised to incorporate certain parameters for the FX guaranty fund, and to allow the clearing house to allow different currencies to be used for the guaranty fund contributions for any

[5] Covered bonds are not currently eligible as permitted cover.

product category. Revised paragraph 15 of the Finance Procedures specifies additional parameters for the Clearing House contributions to the three guaranty funds. Paragraph 15.1 specifies a minimum initial contribution of ICE Clear Europe's own resources (including retained earnings and reserves), equal to 25% of the minimum capital required to be maintained in accordance with article 16 of EMIR, to be divided among the three product category guaranty funds in proportion to the size of those guaranty funds. Paragraph 15.2 further specifies the minimum requirements for the Clearing House Initial CDS Contribution and Clearing House CDS GF Contribution. In the case of the Clearing House Initial CDS Contribution, the required amount will be the higher of the amount currently required under the CDS Procedures (as discussed below) and the minimum amount determined under paragraph 15.1 as discussed above. (Accordingly, the amendments will not reduce the current level of the Clearing House Initial CDS Contribution.) The provisions of Paragraph 15.2 addressing the Clearing House CDS GF Contribution substantially codify the existing requirements under the CDS Procedures. Paragraph 15.3 further specifies the minimum requirements for the Clearing House FX Initial Contribution and Clearing House FX GF Contribution, which substantially codify existing requirements under the FX Procedures, but in the case of the Clearing House FX Initial Contribution are now also subject to the minimum required under paragraph 15.1. Paragraph 15.4 addresses substitution of assets constituting Clearing House contributions, and clarifies that the clearing house is not obligated to make additional Clearing House contributions in certain situations in which clearing is being terminated in accordance with the Rules. Various drafting clarifications have also been made throughout the Finance Procedures.

The Membership Procedures, which set out various aspects of the clearing membership application process, have been modified to also cover Sponsors and Sponsored Principals, in substantially the same manner as for Clearing Members. Other revisions include various updates to defined terms and drafting clarifications.

The CDS Procedures contain changes to implement the Sponsored Principal model as well as various updates to defined terms (and conforming references to terms) and drafting improvements for clarity, as discussed herein. Paragraph 1 contains various conforming updates to defined terms, including the removal of unnecessary cross-references to certain provisions of the ISDA Credit Derivatives Definitions, the addition of references to Sponsored Principals and uses of the defined terms Matched CDS Buyers and Matched CDS Sellers in connection with procedures relating to restructuring credit events (as well as the updates to governing law and similar provisions discussed above). As noted in the Rule Submission, various membership requirements in Paragraph 2 have been moved to Part 2 of the Rules. Cross-references in Paragraph 3 to other Procedures sections have been updated. Paragraph 4 has been updated to include references to Sponsored Principals as well as Clearing Members, and to reflect the use of CDS Trade Execution/Processing Platforms for execution and the additional categories of customer accounts. In paragraph 5, various cross-references have been updated, along with changes reflecting the Sponsored Principal model. Paragraph 6, which addresses the Clearing House's contributions to the CDS guaranty fund, has been removed and moved to the Finance Procedures, as discussed above. Former paragraph 7 (now renumbered as paragraph 6) has been revised to incorporate the Sponsored Principal model as well as update the use of certain defined terms (such as CDS Buyer, CDS Seller, Matched CDS Buyer, Matched CDS Seller and Manual Notifier). Paragraph 8 (formerly paragraph 9) of the CDS Procedures has similarly been revised to reflect the Sponsored Principal model, as well as other conforming changes. In addition, new paragraph 8.1(e) amends the definition of Repudiation/Moratorium Credit Event in Section 4.6 of the ISDA Credit Derivatives Definitions for sovereign CDS to eliminate manual notification of that credit event (consistent with the approach used for other credit events). Paragraph 8.2(e) has been modified to provide for transfer of CDS contracts in the case of a ''Merger Without Assumption'' (a merger of a Clearing Member or Sponsored Principal where the successor entity fails to assume the obligations thereof), in the same manner as is currently provided for Tax Events and Tax Events Upon Merger. Paragraph 9 (formerly paragraph 10) is similarly revised to reflect the Sponsored Principal model, update cross-references and make other conforming changes.

In paragraph 10 (formerly paragraph 11) of the CDS Procedures, which addresses single-name European corporate CDS contracts, the definitions of ''Eligible SNEC Reference Obligation'' and ''SNEC Contract Reference Obligation'' have been revised to clarify the treatment of CDS contracts for which market practice is to trade without a specified reference obligation.[6] The existing limitations in paragraph 10.4 on self-referencing CDS involving Clearing Members or their affiliates have been updated to apply also to Sponsors and Sponsored Principals. Various other conforming changes are made in paragraph 10. Substantially similar changes to those made in paragraph 10 have been made in paragraph 11 of the CDS Procedures (formerly paragraph 12), which addresses sovereign CDS contracts. Paragraph 13, which addresses certain aspects of customer transactions, including transfer of customer positions, has been moved to paragraph 6 of the Clearing Procedures (and generalized to apply all product categories, not just CDS).

The FX Procedures have been revised to update various definitions, conform to new defined terms (including use of the defined term FX Trade Particulars in place of FX Transaction) and other provisions of the updated Rules, and incorporate the Sponsored Principal model. In Paragraph 2 of the FX Procedures, which addresses membership requirements, certain changes have been made to conform to the membership standards for CDS Clearing Members, including minimum requirements for US-based Clearing Members consistent with CFTC requirements. Paragraph 4, which addresses submission and acceptance of FX contracts, has been revised to incorporate the Sponsored Principal model. References to Sponsored Principals have also been added to paragraphs 5–7. Certain conforming changes have been made in paragraph 9. Paragraph 10, which addressed the Clearing House contribution to the FX guaranty fund, has been moved to the Finance Procedures, as discussed above. Conforming changes have also been made in paragraph 11, which has been renumbered paragraph 10.

The section of the Procedures titled ''General Contract Terms and ICE OTC Contract Standard Contract Terms and Eligibility Criteria'' has been renamed ''General Contract Terms.'' Consistent with changes made to the Rules, references to ICE OTC Contracts have been removed as such contracts are no longer cleared by the Clearing House.

[6] This change is not specifically required by EMIR, but reflects a clarification to trading terms that reflects existing market practice for CDS involving certain reference entities.

Accordingly, paragraph 3.2 of the General Contract Terms has been deleted.

The Auction Terms for F&O Default Auctions have been revised to incorporate participation by Sponsored Principals. Paragraph 2 has also been revised to clarify the minimum bid requirement for Clearing Members as well as the ability of a Clearing Member to outsource its minimum bid obligations to an affiliate. In paragraph 3, the order of application of F&O guaranty fund contributions has been revised, such that guaranty fund contributions of Clearing Members that are not winning bidders are used first, starting with the contributions of those with the least competitive bids. After application of guaranty fund contributions of losing bidders, guaranty fund contributions of winning bidders may be applied on a pro rata basis. ICE Clear Europe believes that this approach strengthens the incentive for Clearing Members to participate in the auction. The same order of priority applies to the use of F&O assessment contributions. Paragraph 3.7 has also been revised to address the correction of erroneous bids. Paragraph 4.4 has been amended to clarify that invalid bids do not count toward the minimum bid requirement. Paragraph 5.4 has been revised to limit the Clearing House's ability to change the normal pro rata procedure for allocating contracts to multiple winning bidders. Paragraph 6 has been revised to clarify the treatment of certain customer positions arising from an F&O auction. Paragraph 7 has been revised to update references to certain legal requirements in connection with auctions. Substantially similar changes have been made in the Auction Terms for FX Default Auctions as well.

Various amendments have also been made to the Delivery Procedures. In many cases these do not strictly relate to EMIR implementation but reflect other general updates and conforming changes. In paragraph 5, provisions allowing buyers and sellers to nominate transferors and transferees to make or take delivery on their behalf have been extended to additional power and gas contracts. In addition, under revised paragraph 9, these same additional contracts are not eligible for alternative delivery procedures.

Part C of the Delivery Procedures has been expanded to apply to ICE Futures UK Base Electricity Futures (Gregorian) and ICE Futures UK Peak Electricity Futures (Gregorian) as well as the existing EFA contracts. Various drafting clarifications have been made to the procedures for ICE UK Electricity Futures Contracts. Part D of the Delivery Procedures has been expanded to apply also to ICE Futures UK Natural Gas (EUR/MWh) Futures Contracts and ICE Futures UK Natural Gas Daily Futures Contracts, and various related conforming changes have been made, including relevant contract and delivery specifications for such contracts. A new delivery timetable has been added for the ICE Futures UK Natural Gas Daily Futures Contract, as well as new documentation requirements and procedures for invoicing for such contracts.

Various non-substantive conforming changes and drafting clarifications are also made to the Business Continuity Procedures and Complaint Resolution Procedures.

(2) Statutory Basis

ICE Clear Europe believes that the proposed amendments to the Procedures are consistent with the requirements of Section 17A of the Act [7] and the regulations thereunder applicable to it, including the standards under Rule 17Ad–22.[8] Section 17A(b)(3)(F) of the Act [9] requires, among other things, that the rules of a clearing agency be designed to promote the prompt and accurate clearance and settlement of securities transactions and, to the extent applicable, derivative agreements, contracts, and transactions. The proposed amendments are principally intended to further implement the rule amendments described in the Rule Submission, which in turn are intended principally to ensure compliance by the clearing house with the requirements of EMIR and implement new, strengthened options for the segregation and safeguarding of customer funds and property for customers of Non-FCM/BD Clearing Members.[10] As such, the proposed amendments to the Procedures are part of a set of amendments that will enhance, and not reduce, the level of customer protection available under the current ICE Clear Europe rules for those Clearing Members and their customers. As a result, ICE Clear Europe believes that the proposed changes to the Procedures, like the amendments to the Rules discussed in the Rule Submission, will contribute to the safeguarding of funds and securities associated with derivative transactions that are in the custody or control of the clearing house or for which it is responsible, as set forth herein, within the meaning of Section 17(A)(b)(3)(F).[11]

As discussed above, a key aspect of the amendments to the Procedures is the incorporation of the new ICE Clear Europe Sponsored Principal model. EMIR requires that the clearing house offer an individual segregation model that Clearing Members may in turn offer to their customers. Under such a model, the clearing house is required to separately account for, and track, the portfolio of positions of a customer of a Clearing Member and specific assets provided to margin such contracts. ICE Clear Europe has developed its Individually Segregated Sponsored Account model to satisfy this requirement of EMIR. The Individually Segregated Sponsored Account provides a separate account for the positions, and margin, of a particular customer, and accordingly should be protected in the event of a default of the sponsoring Clearing Member or other customers of the Clearing Member. It also facilitates the transition to a new Sponsor in the event of a default of the current Sponsor. For market participants that elect to use the Individually Segregated Sponsored Account model, the approach will thus provide a higher degree of protection for customer assets than is currently available.

As such, ICE Clear Europe believes that the proposed Procedure changes, together with the related Rule changes described in the Rule Submission will enhance the safeguarding of securities and funds associated with securities and derivative transactions that are in the custody or control of ICE Clear Europe or for which it is responsible. ICE Clear Europe also believes that the proposed rule changes will enhance the stability of the clearing system, by reducing the risk to market participants of a default by a Clearing Member or other customer. As a result, the proposed changes are, in the clearing house's view, consistent with the requirements of Section 17A(b)(3)(F) of the Act. For the reasons set forth in the Rule Submission, ICE Clear Europe also believes that the amendments are consistent with relevant requirements of Rule 17Ad–22.[12]

B. Self-Regulatory Organization's Statement on Burden on Competition

ICE Clear Europe does not believe the proposed changes to the Procedures

[7] 15 U.S.C. 78q–1.

[8] 17 CFR 240.17Ad–22.

[9] 15 U.S.C. 78q–1(b)(3)(F).

[10] As discussed herein, certain additional amendments are in the nature of clarifications and drafting improvements to various provisions of the Procedures, and as such ICE Clear Europe believes that they also promote the prompt and accurate clearance and settlement of securities and derivatives transactions cleared by the clearing house.

[11] 15 U.S.C. 78q–1(b)(3)(F).

[12] 17 CFR 240.17Ad–22.

would have any adverse impact, or impose any burden, on competition not necessary or appropriate in furtherance of the purposes of the Act. The proposed amendments are principally intended to implement the new segregation models and account classes adopted pursuant to the Rule Submission.

As discussed in more detail in the Rule Submission, ICE Clear Europe is not proposing to materially change its standards for Clearing Membership or financial requirements for Clearing Membership. ICE Clear Europe is permitting a new form of access to the clearing house, for Sponsored Principals, and ICE Clear Europe believes that this development should facilitate, rather than limit, access to the clearing house. Although cost models remain to be developed, use of these accounts may be more expensive than use of omnibus accounts, reflecting the additional operational complexity and segregation available. It is possible that these additional costs may deter some market participants for using the Individually Segregated Sponsored Account. The clearing house retains other, omnibus segregation models, however, that are based on existing models and will be available to market participants that do not elect individual segregation. The clearing house also recognizes that the new segregation models may impose certain additional costs on Clearing Members, including potentially additional guaranty fund contributions, which could raise the cost of customer clearing. However, ICE Clear Europe believes that this is the result of the requirement under EMIR to offer such models and in any event is justified by the benefits provided by such models for those who use them.

ICE Clear Europe also does not believe the proposed amendments to the Procedures are likely to adversely affect competition among Clearing Members. The new segregation models are (and are required to be) made available to all Non-FCM/BD Clearing Members. (As described in the Rule Submission, the new models are not being offered to FCM/BD Clearing Members, which will continue to use the account and segregation framework provided under applicable U.S. law. The ability for FCM/BD Clearing Members to continue using the existing framework should mitigate any competitive impact of the new models for such Clearing Members.) ICE Clear Europe believes that the new options will facilitate competition among Clearing Members as they seek to offer the segregation models to clients, consistent with the commercial requirements of the Clearing Member and their customers and the competitive environment as well as background regulatory requirements. To the extent that the new segregation models impose additional costs and operational complexity, those will fall on all Clearing Members that seek to use the models, and are not designed to favor one type of Clearing Member over another.

In terms of the impact on customers of Clearing Members, the proposed amendments are intended to provide those customers a greater range of choices and protections for margin assets provided by those customers, as required under EMIR. Certain models, such as the individually segregated model, may impose higher costs on customers. ICE Clear Europe believes that such costs are accompanied by the higher protection to customer assets afforded by those models and required under EMIR. In addition, other models, including omnibus segregation models, remain available for customers that prefer such models. As a result, ICE Clear Europe does not believe that the proposed amendments will impose a significant burden on customers seeking access to clearing.

For similar reasons, ICE Clear Europe does not believe that the rule amendments will adversely affect the ability of market participants to continue to clear transactions, or otherwise limit market participants' choices for clearing derivatives. The rule changes implement a range of different models, each with different costs and benefits to customers. ICE Clear Europe is also maintaining a segregation framework analogous to that available today for customers of Clearing Members. Furthermore, the amendments are intended to implement requirements that will apply to European clearing houses generally under EMIR, including the requirement to offer an individual segregation model. As a result, ICE Clear Europe expects that other clearing house will offer a similar range of clearing segregation options, and the changes are not expected to reduce access to clearing or clearing services.

For the foregoing reasons, ICE Clear Europe does not believe that the proposed amendments to the Procedures will impose any burden on competition not appropriate in furtherance of the purposes of the Act.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others [13]

Although written comments have not been specifically solicited with respect to the Procedure changes, comments relating to the related rule changes have been solicited from Clearing Members through extensive discussions with Clearing Members and a public consultation. ICE Clear Europe received various comments during this consultation and took such comments into account in making further modifications to the proposed rules and in developing the Procedures. The rule changes also reflect comments received from the Bank of England in connection with ICE Clear Europe's application for EMIR authorization. ICE Clear Europe will notify the Commission of any additional written comments received by ICE Clear Europe.

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 self-regulatory organization consents, the Commission will:

(A) By order approve or disapprove the 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–ICEEU–2014–11 on the subject line.

[13] ICE Clear Europe included the following statement regarding comments on the proposed rule change received from members, participants or others in its Form 19b–4 filing but omitted the statement from Exhibit 1 to the filing. On a July 9, 2014, telephone call, staff in the Division of Trading and Markets confirmed with ICE Clear Europe's counsel that ICE Clear Europe also intended to include this statement in Exhibit 1.

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–ICEEU–2014–11. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filings also will be available for inspection and copying at the principal office of ICE Clear Europe and on ICE Clear Europe's Web site at *https://www.theice.com/publicdocs/regulatory_filings/ICEU_070714_SEC.pdf*.

All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–ICEEU–2014–11 and should be submitted on or before July 25, 2014.[14]

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[15]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–16542 Filed 7–14–14; 8:45 am]

BILLING CODE 8011–01–P

[14] The Commission believes that a 10-day comment period is reasonable, given the urgency of the matter. It will provide adequate time for comment.

[15] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–72569; File No. SR–C2–2014–014]

Self-Regulatory Organizations; C2 Options Exchange, Incorporated; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to Extending AIM Pilot Program Until July 18, 2015

July 9, 2014.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on July 1, 2014, C2 Options Exchange, Incorporated (''Exchange'' or ''C2'') 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 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 proposed rule change proposes to amend the Exchange's rules related to its Automated Improvement Mechanism (''AIM''). The text of the proposed rule change is provided below.

(additions are underlined; deletions are [bracketed])

* * * * *

C2 Options Exchange, Incorporated

Rules

* * * * *

Rule 6.51. Automated Improvement Mechanism (''AIM'')

Notwithstanding the provisions of Rule 6.50, a Participant that represents agency orders may electronically execute an order it represents as agent (''Agency Order'') against principal interest or against a solicited order provided it submits the Agency Order for execution into the AIM auction (''Auction'') pursuant to this Rule.

(a)–(b) No change.

. . . Interpretations and Policies:

.01–.02 No change.

.03 Initially, and for at least a Pilot Period expiring on July 18, 201[4]*5,* there will be no minimum size requirement for orders to be eligible for the Auction. During this Pilot Period, the Exchange will submit certain data, periodically as required by the Commission, to provide supporting evidence that, among other things, there is meaningful competition for all size orders and that there is an active and liquid market functioning on the Exchange outside of the Auction mechanism. Any data which is submitted to the Commission will be provided on a confidential basis.

.04–.09 No change.

* * * * *

The text of the proposed rule change is also available on the Exchange's Web site (*http://www.cboe.com/AboutCBOE/CBOELegalRegulatoryHome.aspx*), at the Exchange's Office of the Secretary, and at the Commission's Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item 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

In December 2009, the Commission approved adoption of C2's rules, including the AIM auction process.[3] AIM exposes certain orders electronically to an auction process to provide these orders with the opportunity to receive an execution at an improved price. The AIM auction is available only for orders that a Trading Permit Holder represents as agent (''Agency Order'') and for which a second order of the same size as the Agency Order (and on the opposite side of the market) is also submitted (effectively stopping the Agency Order at a given price).[4]

The Commission approved on a pilot basis the component of AIM that there is no minimum size requirement for orders to be eligible for the auction. In

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Securities Exchange Act Release No. 61152 (December 10, 2009), 74 FR 66699 (December 16, 2009) (SR–C2–2011–015).

[4] The Exchange first activated AIM on October 17, 2011 for P.M.-settled options on the S&P 500 Index (SPXpm), which are no longer listed on the Exchange. Currently, AIM is not activated for any classes on C2.

connection with the pilot program, the Exchange has submitted to the Commission reports providing AIM auction and order execution data, and the Exchange will continue to submit to the Commission these reports. Four one-year extensions to the pilot program have previously become effective.[5] The proposed rule change merely extends the duration of the pilot program until July 18, 2015. Extending the pilot for an additional year will allow the Commission more time to consider the impact of the pilot program on AIM order executions.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.[6] Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)[7] 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)[8] requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

In particular, the proposed rule change protects investors and the public interest by allowing for an extension of the AIM pilot program, and thus allowing additional time for the Commission to evaluate the AIM pilot program. The AIM pilot program will continue to allow smaller orders to receive the opportunity for price improvement pursuant to the AIM auction.

B. Self-Regulatory Organization's Statement on Burden on Competition

C2 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 the proposed rule change imposes any burden on intramarket competition because it applies to all Trading Permit Holders. All Trading Permit Holders that submit orders into an AIM auction are still subject to the same requirements. In addition, the Exchange does not believe the proposed rule change will impose any burden on intermarket competition, as it merely extends the duration of an existing pilot program, which is available to all market participants through Trading Permit Holders. AIM will continue to function in the same manner as it currently functions for an extended period of time.

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

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)(ii) of the Act[9] and Rule 19b–4(f)(6)[10] thereunder.

A proposed rule change filed under Rule 19b–4(f)(6) normally does not become operative for 30 days after the date of the filing. However, pursuant to Rule 19b–4(f)(6)(iii), the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange requested that the Commission waive the 30-day operative delay. The Exchange noted that waiver will permit the AIM pilot program to continue without interruption.

The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest, as it will allow the pilot program to continue uninterrupted, thereby avoiding any potential investor confusion that could result from a temporary interruption in the pilot program. Further, the Commission notes that because the filing was submitted for immediate effectiveness on July 1, 2014, the fact that the current pilot programs do not expire until July 18, 2014 will afford interested parties the opportunity to comment on the proposal before the Exchange requires it to become operative. For this reason, the Commission designates the proposed rule change to be operative on July 18, 2014.[11]

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.[12]

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–C2–2014–014 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–C2–2014–014. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/*

[5] *See* Securities Exchange Act Release Nos. 63238 (November 3, 2010), 75 FR 68844 (November 9, 2010) (SR–C2–2010–008); 64929 (July 20, 2011), 76 FR 44635 (July 26, 2011) (SR–C2–2011–015); 67303 (June 28, 2012), 77 FR 39777 (July 5, 2012) (SR–C2–2012–021); and 69868 (June 27, 2013), 78 FR 40235 (July 3, 2013) (SR–C2–2013–023).

[6] 15 U.S.C. 78f(b).

[7] 15 U.S.C. 78f(b)(5).

[8] *Id.*

[9] 15 U.S.C. 78s(b)(3)(A)(ii).

[10] 17 CFR 240.19b–4(f)(6). In addition, Rule 19b–4(f)(6)(iii) requires the Exchange to give the Commission written notice of the Exchange's 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. The Exchange has satisfied this requirement.

[11] For purposes only of waiving the operative delay, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

[12] 15 U.S.C. 78s(b)(3)(C).

rules/sro.shtml). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–C2–2014–014 and should be submitted on or before August 5, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[13]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–16495 Filed 7–14–14; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–72572; File No. SR–Phlx–2014–43]

Self-Regulatory Organizations; NASDAQ OMX PHLX LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend the Exchange's Pricing Schedule Under Section VIII With Respect to Execution and Routing of Orders in Securities Priced at $1 or More Per Share

July 9, 2014.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on June 27, 2014, NASDAQ OMX PHLX LLC (''Phlx'' or ''Exchange'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission'') the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend the Exchange's Pricing Schedule under Section VIII, entitled ''NASDAQ OMX PSX FEES,'' with respect to execution and routing of orders in securities priced at $1 or more per share.

The text of the proposed rule change is available on the Exchange's Web site at *http://nasdaqomxphlx.cchwallstreet.com/,* at the principal office of the Exchange, and at the Commission's Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of the proposed rule change is to amend the certain fees and rebates for order execution and routing applicable to the use of the order execution and routing services of the NASDAQ OMX PSX System (''PSX'') by member organizations for all securities traded at $1 or more per share.

The Exchange is proposing to eliminate the distinction in the fees assessed for order execution and routing based on security type. Currently, the Exchange has three separate rule sections[3] that provide charges and credits for securities that execute on PSX, which are divided by whether the executed security is listed on The Nasdaq Stock Market (''Nasdaq''), New York Stock Exchange (''NYSE''), or an exchange other than Nasdaq or NYSE (collectively, ''Exchange-Listed Securities''). The three sections are largely identical in terms of the categories for which charges are assessed and credits given, with the differences noted in the discussion below. The Exchange is combining all three sections into one section, which will result in a single category of credits provided and charges assessed on executions in quotes/orders on PSX.

Amended Fees for Execution of Quotes/Orders

The Exchange proposes to eliminate the $0.0030 per share charge currently assessed for orders in Exchange-Listed Securities entered through a PSX market participant identifier (''MPID'') through which the member organization provides an average daily volume of 10,000 or more shares of liquidity during the month. The Exchange is also proposing to reduce the charge assessed for an order that is designated as eligible for routing in Exchange-Listed Securities from $0.0030 per share to $0.0026 per share. Similarly, the Exchange is proposing to reduce the charge assessed for all other orders in Exchange-Listed Securities from $0.0030 per share to $0.0026 per share.

Amended Credits for Execution of Quotes/Orders: Displayed Orders

The Exchange is proposing to provide a new credit for the execution of displayed quotes and orders in securities listed on Nasdaq, and to reduce the related credits currently provided for execution of displayed quotes and orders in securities listed on NYSE and other exchanges. Currently, for a security listed on NYSE or other exchanges, the Exchange provides a credit of $0.0030 per share executed for Quotes/Orders entered by a member organization that provides an average daily volume of 6 million or more shares of liquidity during the month; provided that (i) the Quote/Order is entered through a MPID through which the member organization displays, on average over the course of the month, 100 shares or more at the national best bid and/or national best offer at least 25% of the time during regular market hours in the security that is the subject of the Quote/Order, or (ii) the member organization displays, on average over the course of the month, 100 shares or more at the national best bid and/or national best offer at least 25% of the time during regular market hours in 500 or more securities. The Exchange is proposing to reduce this credit to $0.0025 per share executed. In addition, the Exchange is extending eligibility for this credit to execution of securities listed on Nasdaq. As a consequence, the $0.0025 per share credit will apply to all Exchange-Listed Securities.

[13] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] NASDAQ OMX PHLX LLC Pricing Schedule, Section VIII(a)(1)–(3).

The Exchange is also proposing to reduce the credits provided in Exchange-Listed Securities for Quotes/Orders entered by a member organization that provides an average daily volume of 2 million or more shares of liquidity during the month; provided that (i) the Quote/Order is entered through a MPID through which the member organization displays, on average over the course of the month, 100 shares or more at the national best bid and/or national best offer at least 25% of the time during regular market hours in the security that is the subject of the Quote/Order, or (ii) the member organization displays, on average over the course of the month, 100 shares or more at the national best bid and/or national best offer at least 25% of the time during regular market hours in 500 or more securities. Currently, the Exchange provides a credit of $0.0028 per share executed for Nasdaq-listed securities, and a credit of $0.0029 per share executed for NYSE listed and securities listed on other exchanges, under the applicable rules. The Exchange is proposing to reduce the credit provided for all Exchange-Listed Securities under the consolidated rule to $0.0024 per share executed.

The Exchange is also proposing to reduce the credits provided in Exchange-Listed Securities for Quotes/Orders entered through a MPID through which the member organization provides an average daily volume of 100,000 or more shares of liquidity during the month. Currently, the Exchange provides a credit of the $0.0026 per share executed for Exchange-Listed Securities. The Exchange is proposing to reduce the credit provided for Exchange-Listed Securities under the consolidated rule to $0.0021 per share executed.

Lastly, the Exchange is proposing to reduce the credit provided for all other displayed Quotes/Orders in Exchange-Listed Securities from $0.0020 per share executed to $0.0015 per share executed.

Amended Credits and New Charges for Execution of Quotes/Orders: Non-Displayed Orders

The Exchange is proposing to change the title of the rule section under Section VIII(a) of the Pricing Schedule concerning the credits provided for the execution of non-displayed quotes and orders to reflect that it no longer provides only credits, but also charges.

The Exchange is proposing to eliminate the credit provided to member organizations for the execution of a midpoint pegged order or a midpoint peg post-only order (a ''midpoint order'') and instead assess a charge for such an execution. Currently, the Exchange provides a credit of $0.0010 per share executed in Exchange-Listed Securities. The Exchange is proposing to replace the credit and instead assess a charge of $0.0003 per share executed.

In light of the amended title of the rule, the Exchange is also proposing to add clarifying rule text concerning the $0.0005 per share executed credit provided for other non-displayed orders in Exchange-Listed Securities. Specifically, the Exchange is adding the word ''credit'' to the rule. The Exchange is also adding language that makes it clear that the credit is intended for non-displayed orders that provide liquidity.

Lastly, the Exchange is proposing to add a new charge of $0.0003 per share executed for orders that execute against resting midpoint order liquidity in Exchange-Listed Securities.

2. Statutory Basis

The Exchange believes that its proposal to amend its Pricing Schedule is consistent with Section 6(b) of the Act [4] in general, and furthers the objectives of Sections 6(b)(4) and (b)(5) of the Act [5] in particular, in that it is an equitable allocation of reasonable fees and other charges among Exchange members and other persons using its facilities, and it does not unfairly discriminate between customers, issuers, brokers or dealers. The proposed changes are reasonable because they reflect a modest decrease in the credits provided in the execution of certain orders and a modest increase in the fees assessed for others, which will allow the Exchange to reduce costs and increase revenue.

The proposed change with respect to consolidating the three fee schedules under Section VIII(a) is reasonable because it will simplify the presentation of the fees, which are similar in many respects currently and will be identical under the proposed changes. The change is consistent with an equitable allocation of fees and not unfairly discriminatory because it presents the harmonized charges and credits in a single schedule of charges and credits.

The proposed change with respect to the elimination of the $0.0030 per share charge assessed for quotes and orders entered through a MPID through which the member organization provides an average daily volume of 10,000 or more shares of liquidity during the month is reasonable because it eliminates a fee assessed on providers of liquidity in order to encourage further participation on PSX by these market participants. The Exchange believes that the proposed change is consistent with an equitable allocation of fees and is not unfairly discriminatory because it applies to all market participants who formally met the requirements of the fee who will now be assessed the same fee assessed other market participants that enters orders that execute orders on PSX. The Exchange notes that the current rule assesses a fee that is identical to the other rates that are assessed for entering orders that execute in PSX.

The proposed change with respect to the reduction of fees assessed for execution of an order that is designated as eligible for routing and for other orders executed on PSX are reasonable because they create a single, lower charge assessed for orders that execute on PSX designed to further attract liquidity to the market. The Exchange believes that the proposed changes are consistent with an equitable allocation of fees and is not unfairly discriminatory because they will result in the same fee assessed on all member organizations that enter orders that execute on PSX.

The proposed change with respect to the new credit for Quotes/Orders entered by a member organization that provides an average daily volume of 6 million or more shares of liquidity during the month; provided that (i) the Quote/Order is entered through a MPID through which the member organization displays, on average over the course of the month, 100 shares or more at the national best bid and/or national best offer at least 25% of the time during regular market hours in the security that is the subject of the Quote/Order, or (ii) the member organization displays, on average over the course of the month, 100 shares or more at the national best bid and/or national best offer at least 25% of the time during regular market hours in 500 or more securities is reasonable because it provides a new credit designed to incentivize member organizations to provide displayed liquidity in Nasdaq-listed securities. The Exchange notes that it currently provides identical categories of incentive for liquidity provided in NYSE-listed securities and securities listed on other exchanges. The Exchange believes that the proposed changes are consistent with an equitable allocation of fees and are not unfairly discriminatory because they extend the credits currently provided to member organizations for the same liquidity in NYSE-listed securities and securities listed on other exchanges. Accordingly, all member organizations will receive

[4] 15 U.S.C. 78f(b).

[5] 15 U.S.C. 78f(b)(4) and (5).

the same credit for providing liquidity that meets the requirements of the rules.

The Exchange notes that it is reducing all of the credits under the rule for providing liquidity in displayed quotes and orders, regardless of the listing venue of the security. The Exchange believes that the proposed reduction in these credits is reasonable because it reflects a modest reduction in the credits provided. Phlx notes that the credits provided by the rule are given in lieu of assessing normal fees, and accordingly provide incentive to market participants to enter such orders. The proposed change balances the Exchange's desire to provide certain incentives to market participants with the costs the Exchange incurs in providing such incentives, which ultimately affect the ability to sustain them. The Exchange believes that the proposed changes are consistent with an equitable allocation of fees and is not unfairly discriminatory because they will provide the same credits to member organizations for the same levels of liquidity provided, regardless of the listing venue of the security.

The Exchange believes that the proposed changes to the credits concerning non-displayed orders are also consistent with the Act. Specifically, the believes that the proposed change from a credit provided for non-displayed midpoint orders to a charge is reasonable because it reflects the Exchange's need to adjust its credits and fees in response to the costs and benefits provided. As discussed above, credits provided by the Exchange are given in lieu of assessing normal fees, and accordingly provide incentive to market participants to enter such orders. The proposed change balances the Exchange's desire to provide certain incentives to market participants with the costs the Exchange incurs in providing such incentives, which, in the case of the proposed change, have outweighed the Exchange's desire to incentivize member organizations to provide such liquidity. The Exchange believes that the proposed changes are consistent with an equitable allocation of fees and is not unfairly discriminatory because they result in a uniform charge to member organizations that provide such non-displayed liquidity.

The change with respect to the new charge assessed for orders that remove liquidity in resting midpoint orders is reasonable because it imposes a modest charge for removing midpoint liquidity from PSX. As discussed above, the Exchange currently assesses charges for removing liquidity from PSX and the proposed new charge is less than the standard removal charge, which is reflective of the price improvement such orders provide to the market. The Exchange believes that the proposed change is consistent with an equitable allocation of fees and is not unfairly discriminatory because it applies the charge for removing liquidity from PSX in midpoint orders to all member organizations that remove such liquidity, regardless of the listing venue of the security of the order.

Lastly, the clarifying changes to the title of the rule section concerning credits for non-displayed orders and the text of the credit for other non-displayed orders are reasonable because they more accurately reflect the nature of the rule section and the credit provided, in light of the changes discussed above. The Exchange believes that the proposed changes are consistent with an equitable allocation of fees and are not unfairly discriminatory because the changes apply to all member organizations that use PSX.

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, as amended.[6] The Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive, or rebate opportunities available at other venues to be more favorable. In such an environment, the Exchange must continually adjust its fees to remain competitive with other exchanges and with alternative trading systems that have been exempted from compliance with the statutory standards applicable to exchanges. Because competitors are free to modify their own fees in response, and because market participants may readily adjust their order routing practices, the Exchange believes that the degree to which fee changes in this market may impose any burden on competition is extremely limited. In this instance, the changes to the credits provided and charges assessed are intended to reduce the Exchange's costs, while still continuing to provide an incentive for members to execute shares on PSX and make use of its optional routing functionality. Because there are numerous competitive alternatives to PSX, it is likely the Exchange will lose market share as a result of the changes if they are unattractive to market participants. Accordingly, the Exchange does not believe the proposed changes will impair the ability of members or competing order execution venues to maintain their competitive standing in the financial markets.

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) of the Act[7] and paragraph (f) of Rule 19b–4 thereunder.[8] 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 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–Phlx–2014–43 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–Phlx–2014–43. 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

[6] 15 U.S.C. 78f(b)(8).

[7] 15 U.S.C. 78s(b)(3)(A).

[8] 17 CFR 240.19b–4(f).

Internet Web site (*http://www.sec.gov/rules/sro.shtml*).

Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–Phlx–2014–43 and should be submitted on or before August 5, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[9]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–16498 Filed 7–14–14; 8:45 am]

BILLING CODE 8011–01–P

[9] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–72571; File No. SR–NYSEArca–2014–30]

Self-Regulatory Organizations; NYSE Arca, Inc.; Order Instituting Proceedings To Determine Whether To Approve or Disapprove a Proposed Rule Change Relating to the Listing and Trading of Shares of Hull Tactical US ETF Under NYSE Arca Equities Rule 8.600

July 9, 2014.

I. Introduction

On March 24, 2014, NYSE Arca, Inc. (''Exchange'') filed with the Securities and Exchange Commission (''Commission''), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'')[1] and Rule 19b–4 thereunder,[2] a proposed rule change to list and trade shares of Hull Tactical US ETF under NYSE Arca Equities Rule 8.600. The proposed rule change was published for comment in the **Federal Register** on April 11, 2014.[3] The Commission received no comments on the proposal. On May 21, 2014, pursuant to Section 19(b)(2) of the Act,[4] the Commission designated a longer period within which to either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.[5] This order institutes proceedings under Section 19(b)(2)(B) of the Act[6] to determine whether to approve or disapprove the proposed rule change. The institution of proceedings does not indicate that the Commission has reached any conclusions with respect to any of the issues involved, nor does it mean that the Commission will ultimately disapprove the proposed rule change. Rather, as described in Section III, below, the Commission seeks and encourages interested persons to provide additional comment on the proposed rule change to inform the Commission's analysis of whether to approve or disapprove the proposed rule change.

II. Description of the Proposal

The Exchange proposes to list and trade Shares of the Fund pursuant to NYSE Arca Equities Rule 8.600, which governs the listing and trading of Managed Fund Shares on the Exchange. The Shares will be offered by the Exchange Traded Concepts Trust (''Trust''), a Delaware statutory trust. The Trust is registered with the Commission as an investment company.[7] Exchange Traded Concepts, LLC will be the investment adviser (''Adviser'') to the Fund. HTAA, LLC will be the sub-adviser to the Fund (''Sub-Adviser'').[8] SEI Investments Co. will serve as the administrator of the Fund. JP Morgan Chase Bank N.A. will serve as the custodian, transfer agent and dividend disbursing agent of the Fund. SEI Investments Distribution Co. will serve as the distributor for the Trust.

The Exchange has made the following representations and statements in describing the Fund and its investment strategies, including other portfolio holdings and investment restrictions.[9]

General

The investment objective of the Fund will be to seek long-term capital appreciation. The Fund will be actively managed.

Under normal market conditions,[10] the Fund will seek to achieve its investment objective by taking long and short positions[11] in one or more exchange traded funds (''ETFs'')[12] that

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Securities Exchange Act Release No. 71894 (Apr. 7, 2014), 79 FR 20273 (''Notice'').

[4] 15 U.S.C. 78s(b)(2).

[5] Securities Exchange Act Release No. 72214 (May 21, 2014), 79 FR 30672 (May 28, 2014). The Commission determined that it was appropriate to designate a longer period within which to take action on the proposed rule change so that it would have sufficient time to consider the proposed rule change. Accordingly, the Commission designated July 10, 2014 as the date by which it should approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change.

[6] 15 U.S.C. 78s(b)(2)(B).

[7] The Trust is registered under the Investment Company Act of 1940 (''1940 Act''). The Exchange states that on July 26, 2013, the Trust filed with the Commission a post-effective amendment to its registration statement on Form N–1A relating to the Fund (File Nos. 333–156529 and 811–22263) (''Registration Statement''). In addition, the Exchange states that the Commission has issued an order granting certain exemptive relief to the Trust under the1940 Act. *See* Investment Company Act Release No.30445 (Apr. 2, 2013) (File No. 812–13969) (''Exemptive Order'').

[8] The Exchange states that neither the Adviser nor the Sub-Adviser is or is affiliated with a broker-dealer. The Exchange states that, in the event (a) the Adviser or Sub-Adviser becomes, or becomes newly affiliated with, a broker-dealer, or (b) any new manager, adviser or sub-adviser is, or becomes affiliated with, a broker-dealer, the adviser or sub-adviser will implement a fire wall with respect to its relevant personnel or broker-dealer affiliate, as applicable, regarding access to information concerning the composition of or changes to the portfolio, and that adviser or sub-adviser will be subject to procedures designed to prevent the use and dissemination of material non-public information regarding such portfolio.

[9] The Commission notes that additional information regarding the Trust, the Fund, and the Shares, including investment strategies, risks, net asset value (''NAV'') calculation, creation and redemption procedures, fees, Fund holdings disclosure policies, distributions, and taxes, among other information, is included in the Notice and the Registration Statement, as applicable. *See* Notice and Registration Statement, *supra* notes 3 and 7, respectively.

[10] The term ''under normal market conditions'' includes, but is not limited to, the absence of adverse market, economic, political or other conditions, including extreme volatility or trading halts in the equity markets or the financial markets generally; operational issues causing dissemination of inaccurate market information; and 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.

[11] Short sales are transactions in which the Fund sells a security it does not own. To complete the transaction, the Fund must borrow or otherwise obtain the security to make delivery to the buyer. The Fund is then obligated to replace the security borrowed by purchasing the security at the market price at the time of replacement. The Fund may use repurchase agreements to satisfy delivery obligations in short sales transactions. The Fund may use up to 100% of its net assets to engage in short sales transactions and collateralize its open short positions.

[12] ETFs are securities registered under the 1940 Act such as those listed and traded on the Exchange under NYSE Arca Equities Rules 5.2(j)(3) (Investment Company Units), 8.100 (Portfolio Depositary Receipts) and 8.600 (Managed Fund Shares).

seek to track the performance of the S&P 500 Index (each, an ''S&P 500-related ETF''). The ETFs the Fund invests in all will be listed and traded in the U.S. on registered exchanges. Under normal market conditions, substantially all of the Fund's assets will be invested in one or more S&P 500-related ETFs; ETFs that provide leveraged or inverse exposure to the S&P 500 Index; and, to seek the desired exposure to the S&P 500 Index, futures contracts, as well as, as described below, cash instruments.

The Sub-Adviser will utilize a proprietary, analytical investment model that examines current and historical market data to attempt to predict the performance of the S&P 500 Index. The model will deliver investment signals that the Sub-Adviser will use to make investment decisions for the Fund. Depending on the investment signal delivered by the model, the Sub-Adviser will take certain long or short positions in one or more S&P 500-related ETFs: (1) If the model indicates bull-market conditions, the Sub-Adviser will take long positions; or (2) if the model indicates bear-market conditions, the Sub-Adviser will take short positions. When the Fund takes long positions, it may maintain long exposure of up to 200% of net assets; exposure to short positions will be limited to no more than 100% of net assets. The Sub-Adviser will adjust the Fund's long and short positions when necessary to take into account new data from the model that reflects changing market conditions. Positions may be adjusted as the model predictions fluctuate.

The Fund will enter into futures contracts to seek the desired exposure to the S&P 500 Index.[13] The Fund will limit its investment in futures contracts such that either (1) the aggregate net notional value of its futures investments will not exceed the value of the Fund's net assets, after taking into account unrealized profits and unrealized losses on the futures positions it has entered into; or (2) the aggregate initial margin and premiums required to establish positions in its futures investments will not exceed 5% of the Fund's net assets, after taking into account unrealized profits and unrealized losses on any such positions. The Fund will only enter into futures contracts traded on a national futures exchange regulated by the CFTC. The Fund will trade futures when the Sub-Adviser determines that doing so may provide an efficient means of seeking exposure to the S&P 500 Index that is complimentary to its investment in shares of one or more S&P 500-related ETFs.

In addition to investments in the S&P 500-related ETFs and futures contracts, the Fund may invest up to 10% of its total assets in leveraged ETFs or inverse ETFs that seek to deliver multiples, or the inverse, of the performance of the S&P 500 Index, respectively (collectively with S&P 500-related ETFs, ''Underlying ETFs''). Such investments will be made in accordance with the 1940 Act and consistent with the Fund's investment objective and policies, and they will not be used to seek performance that is the multiple or inverse multiple (*e.g.,* 2X or 3X) of any securities market index. The inverse and leveraged ETFs held by the Fund may utilize leverage (*i.e.,* borrowing) to acquire their underlying portfolio investments.[14]

The Fund may invest in Underlying ETFs that are primarily index-based ETFs that hold substantially all of their assets in securities representing a specific index. The Fund also may invest in Underlying ETFs that are actively managed. The Underlying ETFs in which the Fund may invest may invest in equity securities. Equity securities consist of common stocks, preferred stocks, warrants to acquire common stock, securities convertible into common stock,[15] investments in master limited partnerships (''MLPs'') [16] and rights.[17]

The Underlying ETFs in which the Fund may invest may engage in futures and options transactions. The Fund will only invest in Underlying ETFs that engage in futures contracts if such futures contracts are traded on a national futures exchange regulated by the CFTC. Underlying ETFs in which the Fund may invest may use futures contracts and related options for bona fide hedging; attempting to offset changes in the value of securities held or expected to be acquired or be disposed of; attempting to gain exposure to a particular market, index, or instrument; or other risk management purposes. When an Underlying ETF purchases or sells a futures contract, or sells an option thereon, it is required to cover its position in order to limit leveraging and related risks.

The Underlying ETFs in which the Fund may invest may buy and sell index futures contracts with respect to any index that is traded on a recognized exchange or board of trade.

The Underlying ETFs in which the Fund may invest may purchase and write (sell) put and call options on indices and enter into related closing transactions.[18] All such options written on indices or securities must be covered by the Underlying ETF.

An Underlying ETF in which the Fund may invest may trade put and call options on securities, securities indices, and currencies, as the Underlying ETF's investment adviser determines is appropriate in seeking the ETF's investment objective, and except as restricted by the Underlying ETF's investment limitations. An Underlying ETF may purchase put and call options on securities to protect against a decline in the market value of the securities in its portfolio or to anticipate an increase in the market value of securities that the Fund may seek to purchase in the future. An Underlying ETF may write covered call options on securities as a means of increasing the yield on its assets and as a means of providing limited protection against decreases in its market value. An Underlying ETF may purchase and write options on an exchange or over-the-counter.

[13] To the extent the Fund enters into futures contracts or invests in underlying ETFs that invest in futures, options on futures or other instruments subject to regulation by the U.S. Commodity Futures Trading Commission (''CFTC''), it will do so in reliance upon and in accordance with CFTC Rule 4.5. The Exchange states that the Trust has filed a notice of eligibility for exclusion from the definition of the term ''commodity pool operator'' in accordance with CFTC Rule 4.5. Therefore, neither the Trust nor any of its series is deemed to be a ''commodity pool'' or ''commodity pool operator'' under the Commodity Exchange Act (''CEA''), and they are not subject to registration or regulation as such under the CEA. In addition, neither the Adviser nor the Sub-Adviser is deemed to be a ''commodity pool operator'' or ''commodity trading adviser'' with respect to the advisory services it provides to the Fund.

[14] The use of leverage may exaggerate changes in an ETF's share price and the return on its investments. Inverse and leveraged ETFs are designed to achieve their objectives for a single day only.

[15] Convertible securities are bonds, debentures, notes, preferred stocks, or other securities that may be converted or exchanged (by the holder or by the issuer) into shares of the underlying common stock (or cash or securities of equivalent value) at a stated exchange ratio.

[16] MLPs are limited partnerships in which the ownership units are publicly traded. MLP units are registered with the Commission and are freely traded on a securities exchange or in the over-the-counter market.

[17] A right is a privilege granted to existing shareholders of a corporation to subscribe to shares of a new issue of common stock before it is issued. Rights normally have a short life of usually two to four weeks.

[18] A put option on a security gives the purchaser of the option the right to sell, and the writer of the option the obligation to buy, the underlying security. A call option on a security gives the purchaser of the option the right to buy, and the writer of the option the obligation to sell, the underlying security. Put and call options on indices are similar to options on securities except that options on an index give the holder the right to receive, upon exercise of the option, an amount of cash if the closing level of the underlying index is greater than (or less than, in the case of puts) the exercise price of the option.

The Underlying ETFs in which the Fund may invest may enter into swaps, including, but not limited to, total return swaps, index swaps, and interest rate swaps. An Underlying ETF may utilize swaps in an attempt to gain exposure to the securities in a market without actually purchasing those securities, or to hedge a position.[19] The Underlying ETFs in which the Fund may invest may enter into swaps to invest in a market without owning or taking physical custody of the underlying securities in circumstances in which direct investment is restricted for legal reasons or is otherwise impracticable.

During periods when the Fund's assets (or portion thereof) are not fully invested in one or more S&P 500-related ETFs or otherwise exposed to the S&P 500 Index, all or a portion of the Fund may be invested in cash instruments (''Cash Instruments''), which include U.S. Treasury obligations; cash and cash equivalents including commercial paper, certificates of deposit and bankers' acceptances; repurchase agreements;[20] shares of money market mutual funds; and high-quality, short-term debt instruments including, in addition to U.S. Treasury obligations, other U.S. government securities.[21]

Other Investments

In addition to the investments described above, the Fund may invest in other investments, as described below.

In the absence of normal market conditions,[22] the Fund may invest 100% of its assets, without limitation, in Cash Instruments. The Fund may be invested in this manner for extended periods, depending on the Sub-Adviser's assessment of market conditions.

In addition to the Underlying ETFs discussed above, which are primary investments of the Fund, the Fund will invest in money market mutual funds, to the extent that such an investment would be consistent with the requirements of Section 12(d)(1) of the 1940 Act, or any rule, regulation, or order of the Commission or interpretation thereof.

Restrictions on Investment

The Fund may not purchase or sell commodities or commodity contracts unless acquired as a result of ownership of securities or other instruments issued by persons that purchase or sell commodities or commodities contracts, but this shall not prevent the Fund from entering into futures contracts.

The Fund will not directly enter into swaps or engage in options transactions.

The Fund may not, with respect to 75% of its total assets, purchase securities of any issuer (except securities issued or guaranteed by the U.S. government, its agencies, or its instrumentalities or shares of investment companies) if, as a result, more than 5% of its total assets would be invested in the securities of such issuer.

The Fund may not acquire more than 10% of the outstanding voting securities of any one issuer.

The Fund may not invest 25% or more of its total assets in the securities of one or more issuers conducting their principal business activities in the same industry or group of industries. This limitation does not apply to investments in securities issued or guaranteed by the U.S. government, its agencies or instrumentalities, or shares of investment companies.

The Fund may hold up to an aggregate amount of 15% of its net assets in illiquid securities (calculated at the time of investment), including securities deemed illiquid by the Adviser or Sub-Adviser consistent with Commission guidance[23] and repurchase agreements that do not mature within seven days. 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, or other circumstances, more than 15% of the Fund's net assets are held in illiquid securities. Illiquid securities 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 intends to qualify each year as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended.

III. Proceedings to Determine Whether To Approve or Disapprove File No. SR–NYSEArca–2014–30 and Grounds for Disapproval Under Consideration

The Commission is instituting proceedings pursuant to Section 19(b)(2)(B) of the Act[24] to determine whether the proposed rule change should be approved or disapproved. Institution of such proceedings is appropriate at this time in view of the legal and policy issues raised by the proposed rule change, as discussed below. As noted above, institution of proceedings does not indicate that the Commission has reached any conclusions with respect to any of the issues involved. Rather, as described below, the Commission seeks and encourages interested persons to provide comments on the proposed rule change to inform the Commission's analysis of whether to approve or disapprove the proposed rule change.

Pursuant to Section 19(b)(2)(B) of the Act,[25] the Commission is providing notice of the grounds for disapproval under consideration. As discussed above, under normal market conditions, the Fund would seek to achieve its

[19] Forms of swaps include interest rate caps, under which, in return for a premium, one party agrees to make payments to the other to the extent that interest rates exceed a specified rate, or ''cap''; interest rate floors, under which, in return for a premium, one party agrees to make payments to the other to the extent that interest rates fall below a specified level, or ''floor''; and interest rate collars, under which a party sells a cap and purchases a floor or vice versa in an attempt to protect itself against interest rate movements exceeding given minimum or maximum levels.

[20] The Fund may enter into repurchase agreements with financial institutions, which may be deemed to be loans. The Fund will effect repurchase transactions only with large, well-capitalized, and well established financial institutions whose condition will be continually monitored by the Sub-Advisor. In addition, the value of the collateral underlying the repurchase agreement will always be at least equal to the repurchase price, including any accrued interest earned on the repurchase agreement.

[21] Securities issued or guaranteed by the U.S. government or its agencies or instrumentalities include U.S. Treasury securities, which are backed by the full faith and credit of the U.S. Treasury and which differ only in their interest rates, maturities, and times of issuance. Certain U.S. government securities are issued or guaranteed by agencies or instrumentalities of the U.S. government including, but not limited to, obligations of U.S. government agencies or instrumentalities such as the Federal National Mortgage Association (''Fannie Mae''), the Federal Home Loan Mortgage Corporation (''Freddie Mac''), the Government National Mortgage Association (''Ginnie Mae''), the Federal Home Loan Banks, and other agencies or instrumentalities. Some obligations issued or guaranteed by U.S. government agencies and instrumentalities, including, for example, Ginnie Mae pass-through certificates, are supported by the full faith and credit of the U.S. Treasury. Other obligations issued by or guaranteed by federal agencies or instrumentalities, such as those securities issued by Fannie Mae, are supported by the discretionary authority of the U.S. government to purchase certain obligations of the federal agency or instrumentality, while other obligations issued by or guaranteed by federal agencies or instrumentalities, such as those of the Federal Home Loan Banks, are supported by the right of the issuer to borrow from the U.S. Treasury. The Fund may invest in U.S. Treasury zero-coupon bonds.

[22] *See* note 10, *supra.*

[23] In reaching liquidity decisions, the Adviser and Sub-Adviser may consider the following factors: 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; and the nature of the security and the nature of the marketplace in which it trades (*e.g.,* the time needed to dispose of the security, the method of soliciting offers, and the mechanics of transfer).

[24] 15 U.S.C. 78s(b)(2)(B).

[25] *Id.*

investment objective of long-term capital appreciation by taking long and short positions in one or more S&P 500-related ETFs. When the Fund takes long positions in one or more S&P 500-related ETFs, it could maintain long exposure of up to 200% of net assets.[26] The Commission believes that the ability of the Fund to maintain long exposure of up to 200% of net assets is a novel issue with respect to actively managed funds and warrants additional consideration. Accordingly, the Commission is instituting proceedings to allow for additional analysis of the proposed rule change's consistency with Section 6(b)(5) of the Act, which requires, among other things, that the rules of a national securities exchange be ''designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade,'' and ''to protect investors and the public interest.'' [27]

IV. Procedure: Request for Written Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with Section 6(b)(5) of the Act or any other provision of the Act, or the rules and regulations thereunder. Although there do not appear to be any issues relevant to approval or disapproval which would be facilitated by an oral presentation of views, data, and arguments, the Commission will consider, pursuant to Rule 19b-4, any request for an opportunity to make an oral presentation.[28]

Interested persons are invited to submit written data, views, and arguments regarding whether the proposal should be approved or disapproved by August 5, 2014. Any person who wishes to file a rebuttal to any other person's submission must file that rebuttal by August 19, 2014.

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–2014–30 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-2014–30. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–NYSEArca–2014–30 and should be submitted on or before August 5, 2014. Rebuttal comments should be submitted by August 19, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[29]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–16497 Filed 7–14–14; 8:45 am]

BILLING CODE 8011–01–P

[26] Short positions will be limited to no more than 100% of net assets.

[27] 15 U.S.C. 78f(b)(5).

[28] Section 19(b)(2) of the Act, as amended by the Securities Act Amendments of 1975, Public Law 94–29 (June 4, 1975), grants the Commission flexibility to determine what type of proceeding—either oral or notice and opportunity for written comments—is appropriate for consideration of a particular proposal by a self-regulatory organization. *See* Securities Act Amendments of 1975, Senate Comm. on Banking, Housing & Urban Affairs, S. Rep. No. 75, 94th Cong., 1st Sess. 30 (1975).

[29] 17 CFR 200.30–3(a)(12) and 17 CFR 200.30–3(a)(57).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–72574; File No. SR–NYSEMKT–2014–55]

Self-Regulatory Organizations; NYSE MKT LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Amending the NYSE Amex Options Fee Schedule in a Number of Different Ways

July 9, 2014.

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 July 1, 2014, NYSE MKT LLC (the ''Exchange'' or ''NYSE MKT'') 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 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 the Substance of the Proposed Rule Change

The Exchange proposes to amend the NYSE Amex Options Fee Schedule (''Fee Schedule'') in a number of different ways. The proposed changes will be operative on July 1, 2014. The text of the proposed rule change is available on the Exchange's Web site 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 amend the Fee Schedule in a number of different ways as described below. The proposed changes will be operative on July 1, 2014.

First, the Exchange proposes to adopt separate fees for electronic transactions in securities that are not included as part of the Penny Pilot Program (''Non Penny Pilot'') for Broker Dealers, Professional Customers, Non NYSE Amex Options Market Makers and Firms, similar to how NYSE Amex Options Markets Makers liable for Marketing Charges pay a different rate for electronic executions in Penny versus Non Penny Pilot names.[4] Specifically, the Exchange is proposing a fee of $0.58 per contract for Broker Dealers, Professional Customers, Non NYSE Amex Options Market Maker and Firms who electronically transact in Non Penny Pilot issues. The rate per contract for those same participants who electronically transact in Penny Pilot issues will be the same rate they are presently charged for electronic transactions generally. For example, Broker Dealers, Professional Customers and Firms presently pay $0.32 per contract for electronic transactions and Non NYSE Amex Options Market Makers pay $0.43 per contract for electronic transactions—these will continue to be the rates charged to those participants for electronic transactions in Penny Pilot issues.

The Exchange is also proposing a non-substantive, formatting change to the section of the fee schedule that applies to Transaction Fees. The Exchange is proposing to re-format that section of the fee schedule as a table with distinct rows and columns (to distinguish charges for manual versus electronic transactions) to make the fee schedule easier for participants to understand.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the provisions of Section 6(b)[5] of the Act, in general, and Section 6(b)(4) and (5)[6] of the Act, in particular, in that it is designed to provide for the equitable allocation of reasonable dues, fees, and other charges among its members and other persons using its facilities and does not unfairly discriminate between customers, issuers, brokers, or dealers.

The Exchange believes that the proposal to adopt separate fees for electronic transactions in Non Penny Pilot securities for Broker Dealers, Professional Customers, Non NYSE Amex Options Market Makers and Firms is reasonable, equitable and not unfairly discriminatory for the following reasons. First, the Exchange notes that the proposed per contract fee of $0.58 is within the range of fees charged by other exchanges for Broker Dealers, Professional Customers, Non NYSE Amex Options Market Makers and Firms who electronically transact in Non Penny Pilot issues.[7] Further, the Exchange notes that the proposed fee for these participants is still less than the fees for which a NYSE Amex Options Market Maker might be liable. For example, an NYSE Amex Options Market Maker that has reached the monthly fee cap applicable,[8] that electronically trades against a Customer in a Non Penny issue will be liable for a maximum charge of $0.66 (comprised of a $0.01 service fee and Marketing Charges of $0.65). For an NYSE Amex Options Market Maker that has not reached the monthly fee cap and has traded less than 50,000 contracts of ADV each day in the month, the same transaction would result in a maximum fee of $0.85 per contract (comprised of a transaction fee of $0.20 and Marketing Charges of $0.65).

NYSE Amex Options Market Makers are subject to other fees that are either higher or not charged at all to Broker Dealers, Professional Customers, Non NYSE Amex Options Market Makers and Firms, such as ATP Permit fees and Rights Fees.[9] For example, in order to transact electronically on the Exchange, a NYSE Amex Options Market Maker is required to have at least one options trading permit (''ATP'') that allows it to quote sixty issues, plus the bottom 45% of issues traded on the Exchange by volume. The cost of one ATP is $8,000 per month. A NYSE Amex Options Market Maker that wishes to transact electronically in all issues on the Exchange is required to have five ATPs, at a monthly cost of $26,000. By comparison, in order to transact electronically on the Exchange, Broker Dealers, Professional Customers, Non NYSE Amex Options Market Makers and Firms are only required to have a single ATP, at a monthly cost of $1,000.[10] The Exchange notes the monthly cost differential of $7,000 to $25,000 in ATP fees paid by NYSE Amex Options Market Makers, while Broker Dealers, Professional Customers, Non NYSE Amex Options Market Makers and Firms incur no such cost. Therefore, while the NYSE Amex Options Markets Makers may be charged a lower per contract rate than the rate proposed for Broker Dealers, Professional Customers, Non NYSE Amex Options Market Makers and Firms transacting electronically in Non Penny issues, when all costs to these participants are considered, the cost differential is much less or even transposed, with NYSE Amex Options Market Makers paying higher fees.[11] As such, the Exchange believes that charging Broker Dealers, Professional Customers, Non NYSE Amex Options Market Makers and Firms a higher rate to transact electronically in Non Penny issues is equitable and reasonable as the higher rate is designed to reflect the costs to the Exchange in supporting trading in Non Penny issues.[12] While Non Penny issues account for the vast majority of issues by count, Non Penny issues represent a relatively small percentage of overall total industry volume. For example, there are currently 358 issues in the Penny Pilot as compared with 2,054 Non Penny issues listed on the Exchange. However, with respect to volume during the past

[4] The Exchange charges $0.25 per contract for manual transactions in both Penny and Non Penny issues and this rate will remain unchanged.

[5] 15 U.S.C. 78f(b).

[6] 15 U.S.C. 78f(b)(4) and (5).

[7] *See* NASDAQ OMX PHLX (''PHLX'') fee schedule, as of 6/19/2014 located here: *http://www.nasdaqtrader.com/Micro.aspx?id=phlxpricing.* PHLX charges Professionals, Broker Dealers, and Firms $0.70 per contract to transact electronically in Non Penny Pilot issues and $0.48 per contract in Penny issues. *See also* the Nasdaq Options Market (''NOM'') fee schedule located here: *http://www.nasdaqtrader.com/Micro.aspx?id=OptionsPricing,* which charges $0.89 per contract in Non Penny issues and $0.49 per contract in Penny issues for Professionals, Broker Dealers, Firms and Non NOM Market Makers who take liquidity.

[8] *See* NYSE Amex Options fee schedule dated June 12, 2014 located here: *https://www.theice.com/publicdocs/nyse/markets/amex-options/NYSE_Amex_Options_Fee_Schedule.pdf.*

[9] *Id.*

[10] Of the participants in question, only Firms are members of the Exchange that are billed directly for any ATPs they own. All of the other participants conduct business through an Exchange member that is only required to have a single ATP for all business that flows through them. For example, an Order Flow Provider with a single ATP may route electronic orders to the Exchange on behalf of Broker Dealers, Professional Customers and Non NYSE Amex Options Market Makers.

[11] For example, an NYSE Amex Market Makers [sic] that electronically trades contra to a Customer is potentially liable for Marketing Charges. Further, the Exchange notes that a subset of NYSE Amex Options Market Makers (Specialists, e-Specialists and Directed Order Market Makers) also incur monthly Rights Fees, which fees are not charged to Broker Dealers, Professional Customers, Non NYSE Amex Options Market Makers and Firms. *See supra* n. 8.

[12] The Exchange notes that this higher rate is still below the rate charged to an NYSE Amex Options Market Maker that electronically trades with a Customer. *See supra* n. 8.

two months ending in May 2014, Penny Pilot options accounted for 81% of Total Industry Equity Option volume, while Non Penny issues accounted for only 19% of Total Industry Equity Option Volume.

For the forgoing reasons, the Exchange believes that the proposal to charge $0.58 per contract to Broker Dealers, Professional Customers, Non NYSE Amex Options Market Makers and Firms that transact electronically in Non Penny Pilot issues is reasonable, equitable and not unfairly discriminatory. The proposed fee is also reasonable, equitable and not unfairly discriminatory because the charge will apply equally to all Broker Dealers, Professional Customers, Non NYSE Amex Options Market Makers and Firms electronically executed volumes in Non Penny Pilot issues on the Exchange.

The Exchange believes that the proposal to re-format the section of the fee schedule describing Transaction Fees into a table and delineating cost by transaction type (manual versus electronic) is reasonable, equitable and not unfairly discriminatory as the proposed change will reduce confusion and will make the fee schedule more transparent and easier for all participants to understand.

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 believes the proposed fee change is reasonably designed to be fair and equitable, and therefore, will not unduly burden any particular group of market participants trading on the Exchange vis-à-vis another group (*i.e.,* Market Markers versus non-Market Makers). Specifically, the Exchange believes that Broker Dealers, Professional Customers, Non NYSE Amex Options Market Makers and Firms who are not subject to the additional dues and fees of NYSE Amex Market Makers, will not be unduly burdened by the increased transaction fee. In addition, the Exchange believes that the proposed changes will enhance the competiveness of the Exchange relative to other exchanges. The Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive. In such an environment, the Exchange must continually review, and consider adjusting, its fees and credits to remain competitive with other exchanges. For the reasons described above, the Exchange believes that the proposed rule change reflects this competitive environment.

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

The foregoing rule change is effective upon filing pursuant to Section 19(b)(3)(A) [13] of the Act and subparagraph (f)(2) of Rule 19b–4 [14] thereunder, because it establishes a due, fee, or other charge imposed by the Exchange.

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) [15] 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–NYSEMKT–2014–55 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–NYSEMKT–2014–55. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–NYSEMKT–2014–55, and should be submitted on or before August 5, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[16]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–16500 Filed 7–14–14; 8:45 am]

BILLING CODE 8011–01–P

[13] 15 U.S.C. 78s(b)(3)(A).

[14] 17 CFR 240.19b–4(f)(2).

[15] 15 U.S.C. 78s(b)(2)(B).

[16] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–72576; File No. SR–DTC–2014–06]

Self-Regulatory Organizations; The Depository Trust Company; Order Approving Proposed Rule Change To Modify the Receiver Authorized Deliver and Reclaim Processing Value Limits by Transaction

July 9, 2014.

I. Introduction

On May 30, 2014, The Depository Trust Company (''DTC'') filed with the Securities and Exchange Commission (''Commission'') proposed rule change SR–DTC–2014–06 (''Proposed Rule Change'') pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934

(''Act'')[1] and Rule 19b–4 thereunder.[2] The Proposed Rule Change was published for comment in the **Federal Register** on June 5, 2014.[3] The Commission did not receive any comments on the Proposed Rule Change. This order approves the Proposed Rule Change.

II. Description

DTC filed the Proposed Rule Change to modify its Rules, By-Laws, and Organization Certificate (''Rules'') to lower limits against which valued Deliver Orders (''DOs'') and Payment Orders (''POs'')[4] will be required to be accepted for receipt (i.e., ''matched'' for settlement) via DTC's Receiver Authorized Delivery (''RAD'') process. With the Proposed Rule Change, DTC seeks to reduce the intraday uncertainty that may arise from reclaim transactions linked to DOs and POs and any potential credit and liquidity risk from such transactions.

Currently, as set forth in the DTC Settlement Service Guide (''Guide''), valued DOs and POs, excluding DOs of MMIs and ID transactions, in amounts above $7.5 million and $500,000, respectively, are subject to the RAD process, which allows a receiver of DOs and/or POs (''Receiver'') to review and reject transactions that it does not recognize prior to DTC's processing of the transaction.[5] In contrast, lower valued DOs and POs do not require the Receiver's acceptance prior to processing. Instead, if the Receiver does not recognize a DO or PO it has received, the DO or PO may be returned by the Receiver to the original deliverer of the DO or PO (''Deliverer'') in a reclaim transaction (''Reclaim''). While both the Reclaim and RAD functionalities allow a Receiver to exercise control over which transactions to accept, Reclaims tend to create uncertainty because transactions may be returned late in the day, when the Deliverer may have limited options to respond. Because Reclaims are permitted without regard to DTC's risk management controls, a Deliverer that is subject to a Reclaim may incur a greater settlement obligation than otherwise anticipated, increasing credit and liquidity risk to the Deliverer and to DTC.[6]

Pursuant to the Proposed Rule Change, DTC will revise the Guide to reflect that: (i) With respect to valued DOs, DTC will lower the RAD threshold to $.01 via a three-phase reduction as described below, and (ii) with respect to POs, DTC will reduce the RAD threshold to zero immediately upon implementation of the Proposed Rule Change. As such, in the first phase of implementation of the Proposed Rule Change, DTC will reduce the RAD threshold for DOs to $100,000. In the second phase, the RAD threshold for valued DOs will be reduced to $20,000. In the third phase, the RAD threshold for DOs will be reduced to $.01. In addition, to further promote finality of settlement, new issues will no longer be exempt from RAD.

Also, the Guide will be updated to reflect that certain DO and PO functions will no longer be accessible through DTC's Participant Terminal System. Instead, such functions will be accessible through a DTC web application known as ''Settlement Web.'' Further, the Guide will be updated via a technical change to clarify that the RAD threshold for institutional transactions remains at $15 million, rather than at the $7.5 million amount currently in effect for non-institutional transactions. Finally, the Guide will be revised to remove a provision that overvalued deliveries are automatically routed to RAD, as this section will become redundant upon implementation of the Proposed Rule Change since all DOs will be subject to RAD.

The effective date of the Proposed Rule Change, including the dates of the implementation phases described above, will be announced via a DTC Important Notice.[7]

III. Discussion

Section 19(b)(2)(C) of the Act[8] directs the Commission to approve a proposed rule change of a self-regulatory organization if it finds that such proposed rule change is consistent with the requirements of the Act and rules and regulations thereunder applicable to such organization. Section 17A(b)(3)(F) of the Act requires, among other things, that the rules of a clearing agency be designed to promote the prompt and accurate clearance and settlement of securities transactions.[9] In addition, Rule 17Ad–22(d)(12) of the Act requires that a clearing agency establish, implement, maintain and enforce written policies and procedures reasonably designed to ensure that final settlement occurs no later than the end of the settlement day and require that intraday or real-time finality be provided where necessary to reduce risks.[10]

The Commission finds the Proposed Rule Change is consistent with the Act. More specifically, as the Proposed Rule Change pertains to the lower RAD threshold for non-institutional transactions, the resulting limit on Reclaim transactions, and the removal of the new issue exemption, the Commission finds that the Proposed Rule Change is consistent with Section 17A(b)(3)(F) of the Act[11] because it will increase the number of deliveries that will require Receiver approval prior to DTC processing, which reduces the intraday uncertainty and associated risks that may arise from Reclaims, thus facilitating the prompt and accurate clearance and settlement of securities transactions. The Commission also finds these aspects of the Proposed Rule Change consistent with Rule 17Ad–22(d)(12) of the Act[12] because more

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] Securities Exchange Act Release No. 72283 (May 30, 2014), 79 FR 32599 (June 5, 2014).

[4] A DO is a book-entry movement of a particular security between two DTC participants (''Participants''). A PO is a method for settling funds related to transactions and payments not associated with a DO. For purposes of this Proposed Rule Change, the defined term ''DOs'' includes all valued DOs except for DOs of: (i) Money Market Instruments (''MMI'') and (ii) institutional delivery (''ID'') transactions affirmed through Omgeo, both of which are not impacted by the Proposed Rule Change.

[5] In 2013, DTC took an initial step to address this uncertainty by lowering the RAD threshold over which transactions must be matched for DOs and POs from $15 million and $1 million, respectively, to the current limits mentioned above. Securities Exchange Act Release No. 69985 (July 12, 2013); 78 FR 42991 (July 18, 2013) (SR–DTC–2013–04).

[6] DTC's risk management controls, including Collateral Monitor and Net Debit Cap, are designed so that DTC can effect system-wide settlement notwithstanding the failure to settle of the largest DTC Participant or affiliated family of Participants. The Collateral Monitor tests that a Participant has adequate collateral to secure the amount of its net debit balance so that DTC may borrow funds to cover that amount for system-wide settlement if the Participant defaults. *See* DTC Rules, *http://dtcc.com/~/media/Files/Downloads/legal/rules/dtc_rules.ashx*. The Net Debit Cap limits the net debit balance a Participant can incur so that the unpaid settlement obligation of the Participant, if any, cannot exceed available DTC liquidity resources. *Id.*

[7] For purposes of taking into account the incremental implementation of the Proposed Rule Change as described above, beginning on an implementation date that shall be announced via DTC Important Notice (''Initial Implementation Date'') DTC will lower the RAD limit for non-institutional DOs to $100,000 and POs to zero. From a date that is approximately two weeks following the Initial Implementation Date and that shall be announced by Important Notice, until a date that is approximately six weeks following the Initial Implementation Date and that shall be announced by Important Notice, DTC will lower the RAD limit for non-institutional DOs to $20,000. From a date that is approximately six weeks following the Initial Implementation Date and that shall be announced by Important Notice, DTC will lower the RAD limit for non-institutional DOs to $.01.

[8] 15 U.S.C. 78s(b)(2)(C).

[9] 15 U.S.C. 78q–1(b)(3)(F).

[10] 17 CFR 240.17Ad–22(d)(12).

[11] 15 U.S.C. 78q–1(b)(3)(F).

[12] 17 CFR 240.17Ad–22(d)(12).

transactions will be subject to DTC's risk management controls, which helps ensure that final settlement occurs no later than the end of the settlement day.

Additionally, the Commission finds the Proposed Rule Change, as it pertains to changes to DTC's Participant Terminal System and Settlement Web services, the RAD threshold for institutional transactions, and overvalued deliveries, consistent with both Section 17A(b)(3)(F) of the Act [13] and Rule 17Ad–22(d)(12) of the Act [14] because specifying the application through which Participants may access certain settlement functions, clarifying the RAD threshold of institutional transactions, and eliminating redundant provisions promotes the prompt and accurate clearance and settlement of securities transactions and improves DTC's written policies and procedures that are designed to ensure final settlement no later than the end of the settlement day.

IV. Conclusion

On the basis of the foregoing, the Commission finds that the Proposed Rule Change is consistent with the requirements of the Act and in particular with the requirements of Section 17A of the Act [15] and the rules and regulations thereunder.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act, that proposed rule change SR–DTC–2014–06 be, and hereby is, *approved.*[16]

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[17]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–16502 Filed 7–14–14; 8:45 am]

BILLING CODE 8011–01–P

[13] 15 U.S.C. 78q–1(b)(3)(F).

[14] 17 CFR 240.17Ad–22(d)(12).

[15] 15 U.S.C. 78q–1.

[16] In approving the proposed rule change, the Commission considered the proposal's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

[17] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–72570; File No. SR–CBOE–2014–054]

Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Related To Extending AIM and FLEX AIM Pilot Programs Until July 18, 2015

July 9, 2014.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on July 1, 2014, Chicago Board Options Exchange, Incorporated (''Exchange'' or ''CBOE'') 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 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 proposed rule changes propose to amend the Exchange's rules related to its Automated Improvement Mechanism (''AIM'') and its Automated Improvement Mechanism (''AIM'') for Flexible Exchange Options (''FLEX Options'').[3] The text of the proposed rule change is provided below.

(additions are underlined; deletions are [bracketed])

* * * * *

Chicago Board Options Exchange, Incorporated Rules

* * * * *

Rule 6.74A. Automated Improvement Mechanism (''AIM'')

Notwithstanding the provisions of Rule 6.74, a Trading Permit Holder that represents agency orders may electronically execute an order it represents as agent (''Agency Order'') against principal interest or against a solicited order provided it submits the Agency Order for electronic execution into the AIM auction (''Auction'') pursuant to this Rule.

(a)–(b) No change.

. . . *Interpretations and Policies:*

.01–.02 No change.

.03 Initially, and for at least a Pilot Period expiring on July 18, 201[4]5, there will be no minimum size requirement for orders to be eligible for the Auction. During this Pilot Period, the Exchange will submit certain data, periodically as required by the Commission, to provide supporting evidence that, among other things, there is meaningful competition for all size orders and that there is an active and liquid market functioning on the Exchange outside of the Auction mechanism. Any data which is submitted to the Commission will be provided on a confidential basis.

.04–.05 No change.

.06 Subparagraph (b)(2)(E) of this rule will be effective for a Pilot Period until July 18, 201[4]*5.* During the Pilot Period, the Exchange will submit certain data, periodically as required by the Commission, relating to the frequency with which early termination of the Auction occurs pursuant to this provision as well as any other provision, and also the frequency with which early termination pursuant to this provision results in favorable pricing for the Agency Order. Any data which is submitted to the Commission will be provided on a confidential basis.

.07–.08 No change.

* * * * *

Rule 24B.5A. FLEX Automated Improvement Mechanism

Notwithstanding the provisions of Rule 24B.5, a FLEX Trader that represents agency orders may electronically execute an order it represents as agent (''Agency Order'') against principal interest and/or against solicited orders provided it submits the Agency Order for execution into the automated improvement mechanism auction (''AIM Action'') pursuant to this Rule.

(a)–(b) No change.

This rule supersedes Exchange Rule 6.74A.

. . . *Interpretations and Policies:*

.01–.02 No change.

.03 Initially, and for at least a Pilot Period expiring on July 18, 201[4]*5,* there will be no minimum size requirement for orders to be eligible for the AIM Auction. During this Pilot Period, the Exchange will submit certain data, periodically as required by the Commission, to provide supporting evidence that, among other things, there is meaningful competition for all size orders and that there is an active and

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] FLEX Options provide investors with the ability to customize basic option features including size, expiration date, exercise style, and certain exercise prices. The rules governing the trading of FLEX Options on the FLEX Request for Quote (RFQ) System platform are contained in Chapter XXIVA. The rules governing the trading of FLEX Options on the FLEX Hybrid Trading System platform are contained in Chapter XXIVB.

liquid market functioning on the Exchange outside of the AIM Auction. Any data which is submitted to the Commission will be provided on a confidential basis.

.04–.07 No change.

* * * * *

The text of the proposed rule change is also available on the Exchange's Web site (*http://www.cboe.com/AboutCBOE/CBOELegalRegulatoryHome.aspx*), at the Exchange's Office of the Secretary, and at the Commission's Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item 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

In February 2006, CBOE obtained approval from the Commission to adopt the AIM auction process.[4] AIM exposes certain orders electronically to an auction process to provide these orders with the opportunity to receive an execution at an improved price. The AIM auction is available only for orders that a Trading Permit Holder represents as agent (''Agency Order'') and for which a second order of the same size as the Agency Order (and on the opposite side of the market) is also submitted (effectively stopping the Agency Order at a given price).

The Commission approved two components of AIM on a pilot basis: (1) That there is no minimum size requirement for orders to be eligible for the auction; and (2) that the auction will conclude prematurely anytime there is a quote lock on the Exchange pursuant to Rule 6.45A(d).[5] In connection with the pilot programs, the Exchange has submitted to the Commission reports providing detailed AIM auction and order execution data, and the Exchange will continue to submit to the Commission these reports. Eight one-year extensions to the pilot programs have previously become effective.[6] The proposed rule change merely extends the duration of the pilot programs until July 18, 2015. Extending the pilots for an additional year will allow the Commission more time to consider the impact of the pilot programs on AIM order executions.

Additionally, in March 2012, CBOE obtained approval from the Commission to adopt the AIM auction process for FLEX Options.[7] AIM for FLEX Options exposes certain FLEX Options orders electronically to an auction process to provide these orders with the opportunity to receive an execution at an improved price. The FLEX AIM auction is available only for Agency Orders and for which a second order of the same size as the Agency Order (and on the opposite side of the market) is also submitted (effectively stopping the Agency Order at a given price).

The Commission approved on a pilot basis the component of AIM for FLEX Options that there is no minimum size requirement for orders to be eligible for the auction.[8] In connection with the pilot program, the Exchange has submitted to the Commission reports providing detailed FLEX AIM auction and order execution data, and the Exchange will continue to submit to the Commission these reports. Two one-year extensions to the pilot program have previously become effective.[9] The proposed rule change merely extends the duration of the pilot program until July 18, 2015. Extending the pilot for an additional year will allow the Commission more time to consider the impact of the pilot program on AIM order executions for FLEX Options.

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.[10] Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)[11] 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)[12] requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

In particular, the proposed rule change protects investors and the public interest by allowing for an extension of the AIM and FLEX AIM pilot programs, and thus allowing additional time for the Commission to evaluate the pilot programs. The pilot programs will continue to allow (1) smaller non-FLEX option and FLEX Option orders to receive the opportunity for price improvement pursuant to the AIM auction, and (2) with respect to non-FLEX options, Agency Orders in AIM auctions that are concluded early because of quote lock on the Exchange to receive the benefit of the lock price.

B. Self-Regulatory Organization's Statement on Burden on Competition

CBOE does not believe that the proposed rule changes 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 the proposed rule changes impose any burden on intramarket competition because it applies to all Trading Permit Holders.

[4] *See* Securities Exchange Release No. 53222 (February 3, 2006), 71 FR 7089 (February 10, 2006) (SR–CBOE–2005–60).

[5] A quote lock occurs when a CBOE Market-Maker's quote interacts with the quote of another CBOE Market-Maker (i.e. when internal quotes lock).

[6] *See* Securities Exchange Act Release Nos. 54147 (July 14, 2006), 71 FR 41487 (July 21, 2006) (SR–CBOE–2006–64); 56094 (July 18, 2007), 72 FR 40910 (July 25, 2007) (SR–CBOE–2007–80); 58196 (July 18, 2008), 73 FR 43803 (July 28, 2008) (SR–CBOE–2008–76) (in this filing, the Exchange agreed to provide to the Commission additional information relating to the AIM auctions each month in order to aid the Commission in its evaluation of the pilot program, which the Exchange will continue to do); 60338 (July 17, 2009), 74 FR 36803 (July 24, 2009) (SR–CBOE–2009–051); 62522 (July 16, 2010), 75 FR 43596 (July 26, 2010) (SR–CBOE–2010–067); 64930 (July 20, 2011), 76 FR 44636 (July 26, 2011) (SR–CBOE–2011–066); 67302 (June 28, 2012), 77 FR 39779 (July 5, 2012) (SR–CBOE–2012–061); and 69867 (June 27, 2013), 78 FR 40230 (July 3, 2013) (SR–CBOE–2013–066).

[7] *See* Securities Exchange Release No. 66702 (March 30, 2012), 77 FR 20675 (April 5, 2012) (SR–CBOE–2011–123).

[8] The pilot for the FLEX AIM auction process was modeled after the pilot for non-FLEX Options described above, and included an initial expiration date of July 18, 2012 so that the FLEX pilot would coincide with the existing non-FLEX pilot.

[9] *See* Securities Exchange Act Release No. 67302 (June 28, 2012), 77 FR 39779 (July 5, 2012) (SR–CBOE–2012–061); and 69938 (July 5, 2013), 78 FR 41481 (July 10, 2013) (SR–CBOE–2013–069).

[10] 15 U.S.C. 78f(b).

[11] 15 U.S.C. 78f(b)(5).

[12] Id.

All Trading Permit Holders that submit orders into an AIM or FLEX AIM auction are still subject to the same requirements. In addition, the Exchange does not believe the proposed rule changes will impose any burden on intermarket competition, as they merely extend the duration of an existing pilot programs, which are available to all market participants through Trading Permit Holders. AIM and FLEX AIM will continue to function in the same manner as they currently function for an extended period of time.

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

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)(ii) of the Act [13] and Rule 19b–4(f)(6) [14] thereunder.

A proposed rule change filed under Rule 19b–4(f)(6) normally does not become operative for 30 days after the date of the filing. However, pursuant to Rule 19b–4(f)(6)(iii), the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange requested that the Commission waive the 30-day operative delay. The Exchange noted that waiver will permit the AIM and FLEX AIM pilot programs to continue without interruption.

The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest, as it will allow the pilot programs to continue uninterrupted, thereby avoiding any potential investor confusion that could result from a temporary interruption in the pilot programs. Further, the Commission notes that because the filing was submitted for immediate effectiveness on July 1, 2014, the fact that the current pilot programs do not expire until July 18, 2014 will afford interested parties the opportunity to comment on the proposal before the Exchange requires it to become operative. For this reason, the Commission designates the proposed rule change to be operative on July 18, 2014.[15]

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.[16]

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–2014–054 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–2014–054. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–CBOE–2014–054 and should be submitted on or before August 5, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[17]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–16496 Filed 7–14–14; 8:45 am]

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[13] 15 U.S.C. 78s(b)(3)(A)(ii).

[14] 17 CFR 240.19b–4(f)(6). In addition, Rule 19b–4(f)(6)(iii) requires the Exchange to give the Commission written notice of the Exchange's 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. The Exchange has satisfied this requirement.

[15] For purposes only of waiving the operative delay, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

[16] 15 U.S.C. 78s(b)(3)(C).

[17] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–72575; File No. SR–FINRA–2014–030]

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing of a Proposed Rule Change Relating to Quotation Requirements for Unlisted Equity Securities and Deletion of the Rules Related to the OTC Bulletin Board Service

July 9, 2014.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'') [1] and Rule 19b–4 thereunder,[2] notice is hereby given that on June 27, 2014, Financial Industry Regulatory Authority, Inc. (''FINRA'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared by FINRA. 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 the Substance of the Proposed Rule Change

FINRA is proposing amendments regarding quotation requirements for unlisted equity securities and deleting the rules related to the OTC Bulletin

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

Board Service (''OTCBB'' or ''Service'') and ceasing its operation.

The text of the proposed rule change is available on FINRA's Web site at *http://www.finra.org,* at the principal office of FINRA, on the Commission's Web site at *http://www.sec.gov,* 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, FINRA 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. FINRA 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

FINRA is proposing a rule change to: (1) Adopt rules governing the treatment of quotations in OTC equity securities [3] by member inter-dealer quotation systems,[4] and addressing fair and non-discriminatory access to such systems; (2) require member inter-dealer quotation systems to provide FINRA with a written description of quotation-related data products offered and related pricing information, including fees, rebates, discounts and cross-product pricing incentives; (3) expand the reporting requirements related to quotation information in OTC equity securities; and (4) delete the Rule 6500 Series and related rules and cease operation of the OTCBB.

Background

FINRA's statutory mandate under Section 15A of the Act includes, among other things, that FINRA's rules must govern the form and content of quotations relating to securities sold over the counter.[5] In furtherance of this mandate, FINRA has adopted rules that are designed to: (1) Produce fair and informative quotations; (2) prevent fictitious or misleading quotations; and (3) promote orderly procedures for collecting, distributing, and publishing quotations.[6] In particular, FINRA's Rule 6400 Series (Quoting and Trading in OTC Equity Securities), among other things, provides a regulatory framework governing the form and content of quotations in OTC equity securities and, together with other FINRA rules, including rules in the Rule 5200 Series (Quotation and Trading Obligations and Practices), specifies provisions directed toward the mandate set forth in Section 15A(b)(11) of the Act (collectively referred to as the ''Quotation Governance Rules''). FINRA also operates the OTCBB and has established the Rule 6500 Series, which governs the operation and use of the OTCBB.

Current Regulatory Framework for Governing Quotations

FINRA's Quotation Governance Rules generally prescribe limitations around the conduct of members that publish quotations in OTC equity securities, including quotations displayed on inter-dealer quotation systems. While these rules apply to member quotation activities, they generally do not include rules specifically directed to the member inter-dealer quotation systems on or through which such quotation activity may take place. For example, FINRA Rule 6432 (Compliance with the Information Requirements of SEA Rule 15c2–11) generally provides that members may not initiate or resume quotations in any quotation medium unless the member files a Form 211 with FINRA and complies with SEA Rule 15c2–11 (Initiation or resumption of quotations without specific information). Thus, the filing of a Form 211 with FINRA by a member, and FINRA's review thereof, helps ensure that, prior to publishing a quotation in an OTC equity security (or submitting a quotation for publication), members must have in their records the documents and information specified in SEA Rule 15c2–11 and have a reasonable basis for believing that the relevant information is accurate and that the sources of the information are reliable.[7]

In 2010, the SEC approved four new FINRA rules governing quotation activity generally by prescribing additional requirements for members entering quotations on inter-dealer quotation systems in OTC equity securities: (1) Rule 6434 (Minimum Pricing Increment for OTC Equity Securities); (2) Rule 6437 (Prohibition from Locking or Crossing Quotations in OTC Equity Securities); (3) Rule 6450 (Restrictions on Access Fees); and (4) Rule 6460 (Display of Customer Limit Orders).[8] These rules, known as the ''NMS-Principled Rules,'' extended to the over-the-counter market certain protections previously applicable only to exchange-listed securities, and were adopted to enhance market quality and investor protection in the over-the-counter marketplace.

The NMS-Principled Rules, respectively, generally: (1) Provide that members may not display, rank, or accept a bid or offer, an order, or an indication of interest in an OTC equity security priced greater than or equal to $1.00 in an increment less than a penny and, for OTC equity securities priced under $1.00, an increment less than $0.0001; (2) require members to implement policies and procedures to reasonably avoid displaying, or engaging in a pattern or practice of displaying, locking or crossing quotations in any OTC equity security within an inter-dealer quotation system; (3) prohibit members from imposing non-subscriber access or post-transaction fees against published quotations in any OTC equity security that exceed or accumulate to more than the limits set forth in the rule; [9] and (4)

[3] FINRA Rule 6420(f) defines ''OTC equity security'' as any equity security that is not an ''NMS stock'' as that term is defined in Rule 600(b)(47) of SEC Regulation NMS; provided, however, that the term ''OTC equity security'' shall not include any Restricted Equity Security.

[4] FINRA Rule 6420(c) defines ''inter-dealer quotation system'' as any system of general circulation to brokers or dealers which regularly disseminates quotations of identified brokers or dealers.

[5] *See* 15 U.S.C. 78*o*–3.

[6] Section 15A(b)(11) of the Act provides: ''The rules of the association include provisions governing the form and content of quotations relating to securities sold otherwise than on a national securities exchange which may be distributed or published by any member or person associated with a member, and the persons to whom such quotations may be supplied. Such rules relating to quotations shall be designed to produce fair and informative quotations, to prevent fictitious or misleading quotations, and to promote orderly procedures for collecting, distributing, and publishing quotations.'' *See* 15 U.S.C. 78*o*–3(b)(11).

[7] SEA Rule 15c2–11(a) generally provides that, ''[a]s a means reasonably designed to prevent fraudulent, deceptive, or manipulative acts or practices, it shall be unlawful for a broker or dealer to publish any quotation for a security or, directly or indirectly, to submit any such quotation for publication, in any quotation medium . . . unless such broker or dealer has in its records the documents and information required [under this rule], and, based upon a review of the [required] information . . . has a reasonable basis under the circumstances for believing that the [required] information is accurate in all material respects, and that the sources of the [required] information are reliable.''

[8] *See* Securities Exchange Act Release No. 62359 (June 22, 2010), 75 FR 37488 (June 29, 2010) (Order Approving File No. SR–FINRA–2009–054) (the ''NMS-Principled Rules'').

[9] Rule 6450 (a) and (b) provide that access fees are limited to (a) $0.003 per share, if the published quotation is priced equal to or greater than $1.00; or (b) the lesser of 0.3% of the published quotation price on a per share basis or 30% of the minimum pricing increment under Rule 6434 (Minimum Pricing Increment for OTC Equity Securities) relevant to the display of the quotation on a per

require member OTC market makers displaying priced quotations in an OTC equity security on an inter-dealer quotation system to publish immediately a customer limit order that improves the OTC market maker's priced quotation (or that is equal to the OTC market maker's priced quotation at the BBO but increases the OTC market maker's posted size by more than a *de minimis* amount), subject to enumerated exceptions.

FINRA's current Quotation Governance Rules also prescribe the minimum share size applicable to members' quotations in OTC equity securities displayed on an inter-dealer quotation system. Specifically, Rule 6433 (Minimum Pricing Increment for OTC Equity Securities) generally provides that every member entering quotations in any inter-dealer quotation system must enter and honor those quotations for at least the minimum sizes defined in the rule.[10] The currently applicable quotation minimums are as follows:

Price (bid or offer)	Minimum quote size
0.0001–0.0999	10,000
0.10–0.1999	5,000
0.20–0.5099	2,500
0.51–0.9999	1,000
1.00–174.99	100
175.00+	1

The current rule, which was revised as a pilot in November 2012, amended the tier sizes to, among other things, simplify the tier structure and facilitate the display of customer limit orders pursuant to Rule 6460.

The FINRA Rule 5200 Series also includes rules that govern members' quotation activity in OTC equity securities. For example, Rule 5210 (Publication of Transactions and Quotations) provides, among other things, that members are prohibited from publishing or circulating (or causing to be published or circulated) any notice or communication of any kind which purports to quote the bid price or asked price for any security, unless such member believes that such quotation represents a bona fide bid for, or offer of, such security (*i.e.,* the ''fictitious quotation'' prohibition). In addition, Rule 5220 (Offers at Stated Prices) generally prohibits members from making an offer to buy from or sell to any person any security at a stated price unless such member is prepared to purchase or sell, as the case may be, at such price and under such conditions as are stated at the time of such offer to buy or sell (*i.e.,* the ''firm quote'' requirement).

Proposed Requirements for Member Inter-Dealer Quotation Systems

As described above, FINRA's existing Quotation Governance Rules explicitly regulate the activities of OTC market makers[11] and other members that display quotations on inter-dealer quotation systems, but generally do not directly provide quotation governance standards for the member inter-dealer quotation systems itself on or through which such quotations are displayed. Given the significant role of inter-dealer quotation systems in the over-the-counter markets in terms of both quotation transparency and resultant trading activity, FINRA believes it is appropriate to adopt new rules directly tailored to such systems to ensure they have in place minimum standards regarding the treatment of quotations received and governing fair access. Consistent with the goals and objectives of Section 17B of the Act[12] regarding the facilitation of widespread dissemination of reliable and accurate quotation information in penny stocks, FINRA is proposing to complement the existing framework governing the form and content of quotations. FINRA is proposing to require that a member inter-dealer quotation system: (1) Adopt and provide to FINRA written policies and procedures relating to the collection and dissemination of quotation information in OTC equity securities, (2) establish and provide to FINRA fair and non-discriminatory written standards for granting access to quoting and trading on its system, and (3) provide to FINRA for regulatory purposes a written description of each quotation-related data product offered by such member inter-dealer quotation system and related pricing information, including fees, rebates, discounts and cross-product pricing incentives.[13]

Proposed Quotation Collection and Dissemination Policies and Procedures Requirement

FINRA is proposing a new rule to require that a member inter-dealer quotation system (whether or not also an alternative trading system or ''ATS'' as defined by Rule 300(a) of SEC Regulation ATS) that permits quotation updates on a real-time basis establish, maintain and enforce fair and reasonable written policies and procedures relating to the collection and dissemination of quotation information in OTC equity securities on or through its system. Such policies and procedures must ensure that quotations received are treated fairly and consistently, including by establishing fair and non-discretionary methods under which quotations are prioritized and displayed and such standards must be fully disclosed to subscribers. For example, a member inter-dealer quotation system would be required to address its methodology for ranking quotations, including at a minimum, addressing factors such as price (including any applicable quote access fee), size, time, capacity and type of quotation (such as unpriced quotes and bid/offer wanted quotations). The member inter-dealer quotation system also would be required to include any other factors relevant to the ranking and display of quotations (*e.g.,* reserve sizes, quotation updates, treatment of closed quotations, and quotation information imported from other systems).

FINRA believes that requiring member inter-dealer quotation systems to establish fair and reasonable written policies and procedures and provide such procedures to FINRA will, among other things, further promote orderly procedures for collecting, distributing, and publishing quotations submitted to inter-dealer quotation systems in securities traded over the counter. FINRA also is proposing that a member inter-dealer quotation system provide FINRA with a copy of its written policies and procedures relating to the collection and dissemination of quotation information, and any material updates, modifications and revisions thereto, within five business days following the member's establishment of the written policy or procedure or

share basis if the published quotation is less than $1.00.

[10] Depending upon the price level of the quotation, a different minimum size can apply to each side of the market being quoted by the member in a given security. Recently, on November 5, 2013, FINRA extended the pilot for an additional year until November 14, 2014. *See* Securities Exchange Act Release No. 70839 (November 8, 2013), 78 FR 68893 (November 15, 2013) (Notice of Filing and Immediate Effectiveness of File No. SR–FINRA–2013–049).

[11] FINRA Rule 6420(g) defines ''OTC Market Maker'' as a member of FINRA that holds itself out as a market maker by entering proprietary quotations or indications of interest for a particular OTC equity security in any inter-dealer quotation system, including any system that the SEC has qualified pursuant to Section 17B of the Act. A member is an OTC market maker only in those OTC equity securities in which it displays market making interest via an inter-dealer quotation system.

[12] *See* 15 U.S.C. 78q–2. Section 17B was enacted by Congress as part of the Securities Enforcement Remedies and Penny Stock Reform Act of 1990 (''Penny Stock Act''). Pub. L. No. 101–429, 104 Stat. 931 (1990).

[13] As further discussed below, a member also would be required to provide FINRA with any changes to these required submissions within five business days.

implementation of the material change.[14]

Proposed Written Standards Governing System Access Requirement

FINRA is proposing that a member inter-dealer quotation system establish fair and non-discriminatory written standards for granting access to quoting and trading on the system that do not unreasonably prohibit or limit any person in respect to access to services offered by such inter-dealer quotation system.[15] This proposed requirement is consistent with the ''fair access'' requirements of Regulation ATS but would apply to quoting and trading in all OTC equity securities on the member inter-dealer quotation system, irrespective of the percentage of average daily volume that such inter-dealer quotation system had in the security.[16] FINRA believes that these proposed amendments are necessary and appropriate to further the mandates of Section 15A of the Act.

Further, the proposed rule would require that a member inter-dealer quotation system provide FINRA with a copy of its written standards for granting access to quoting and trading on its system and any material updates, modifications and revisions thereto within five business days following: (a) The date of the member's establishment of the written standard, and (b) the date of the material update, modification or revision to the written standard.

Proposed Quotation-Related Data Product and Pricing Provision Requirement

FINRA is proposing to require a member inter-dealer quotation system to provide FINRA with a written description of each quotation-related data product offered by such member inter-dealer quotation system and related pricing information, including fees, rebates, discounts and cross-product pricing incentives, and any changes thereto, within five business days following: (a) The date of the establishment of the quotation-related data product or date of any change thereto (including discontinuance of the offering of the quotation-related data product), and (b) the date of the establishment of the quotation-related data product price, including a fee, rebate, discount and cross-product pricing incentive, or change thereto.

FINRA believes that the proposed changes described above will facilitate the objectives of the Act, including Section 17B of the Act, by helping ensure that disseminated quotations are reliable and accurate and will provide FINRA with useful information to ensure compliance with FINRA rules and to monitor the widespread availability of quotation information to investors and market participants through non-SRO sources.

Proposed Amendments to the Quotation Recording and Reporting Requirements

FINRA Rule 6431 (Recording of Quotation Information) was implemented in 2003 to provide FINRA with access to quotation data displayed on non-SRO sponsored and non-member systems so that FINRA could assess member compliance with applicable rules and regulations and, when necessary, to reconstruct market activity.[17] FINRA is proposing to update and expand the rule to better reflect the current quoting structure of the OTC equity market. First, FINRA is proposing to expand the scope of the rule beyond quotations displayed on an inter-dealer quotation system by OTC market makers to include quotations displayed by any FINRA member, including ATSs. Since the initial adoption of this rule, quoting in OTC equity securities by ATSs and other members that are not OTC market makers has increased and FINRA believes Rule 6431's recording and reporting requirements should apply equally to all such quotes displayed on inter-dealer quotation systems.

Second, FINRA is proposing minor amendments to the items of information required to be recorded and reported under the rule. Specifically, the new rule would require the following items of quotation information:

(1) MPID of quoting member (the current rule asks for ''submitting firm'');

(2) Inter-dealer quotation system (the current rule asks members to specify the inter-dealer quotation system or ''medium'');

(3) Date of quotation (the current rule asks for ''trade date'');

(4) Time quotation displayed (expressed in hours, minutes, seconds and milliseconds if the reporting member's system captures time in milliseconds) (the current rule asks for time expressed in hours, minutes and seconds, but not milliseconds);

(5) Security name and symbol (FINRA is not proposing amendments to this item of information);

(6) Bid and bid quotation size (if applicable) (FINRA is not proposing amendments to this item of information);

(7) Offer and offer quotation size (if applicable) (FINRA is not proposing amendments to this item of information);

(8) Prevailing Inside Bid (FINRA is not proposing amendments to this item of information); and

(9) Prevailing Inside Offer (FINRA is not proposing amendments to this item of information).

Finally, at the time of the adoption of this rule, FINRA had determined not to apply the requirements to inter-dealer quotation systems that were FINRA members and, rather, to obtain quotation information directly from the FINRA member as needed pursuant to Rule 8210. However, since the adoption of the rule, the primary inter-dealer quotation system from which FINRA receives quotation information (as reporting agent on behalf of member firms) has become a FINRA member firm and, therefore, FINRA believes the exception for quotations displayed on systems operated by a FINRA member no longer should apply.[18] Instead, the proposed rule would directly require member inter-dealer quotation systems to report each attributed quotation displayed on the system by a broker-dealer. In the event that a FINRA member displays a quotation on a non-member inter-dealer quotation system, the member must record and report to FINRA the required information regarding the quotations displayed by such member.

FINRA believes that these amendments to the quotation recording and reporting requirements simplify and streamline the process of obtaining quotation information for regulatory purposes by directly requiring that member inter-dealer quotation systems report subscribing members' quotation

[14] A member that is an inter-dealer quotation system at the time of the effective date of this proposed rule change would provide the required information upon the effective date and, thereafter, any material update, modification or revision thereto must be provided to FINRA within five business days of its implementation.

[15] FINRA proposes that a member inter-dealer quotation system also must make and keep records of all grants of access including (for all subscribers) the reasons for granting such access and all denials or limitations of access and reasons (for each applicant) for denying or limiting access. A policy prohibiting or limiting access to services offered by the member inter-dealer quotation system due to non-payment by a subscriber would not be prohibited under the proposed rule.

[16] Regulation ATS's ''fair access'' requirements apply with respect to securities where the ATS's trading accounted for 5% or more of the reported average daily trading volume (ADTV) in the security. The proposal would apply the fair access standards with respect to all securities quoted on the inter-dealer quotation system (not just those meeting the minimum 5% (or other) threshold).

[17] *See* Securities Exchange Act Release No. 47587 (March 27, 2003), 68 FR 16328 (April 3, 2003) (Order Approving File No. SR–NASD–2000–042). *See also Notice to Members* 03–28 (June 2003).

[18] FINRA has continued to receive quotation information on a weekly basis following the inter-dealer quotation system becoming a FINRA member.

information to FINRA.[19] Thus, individual quoting members no longer are required to report or arrange to have reported to FINRA the items of quotation information specified in the rule, unless such member is displaying a quotation on a non-member inter-dealer quotation system. The rule would continue to permit the use of a reporting agent by either a member inter-dealer quotation system or a member displaying a quotation on a non-member inter-dealer quotation system.[20]

Proposed Deletion of OTCBB-Related Rules

Finally, FINRA is proposing to delete the FINRA Rule 6500 Series, which governs the operation of the OTC Bulletin Board Service and cease operation of the OTCBB. FINRA previously proposed to delete the OTCBB rules and discontinue operation of the Service as part of a separate rule filing, the ''QCF Proposal.'' [21] As discussed in the QCF Proposal, the level of transparency in OTC equity securities facilitated by the operation of the OTCBB has been declining significantly for years as other quotation venues have emerged. In fact, since the filing of the QCF Proposal on November 6, 2009, the amount of quotation information widely available to investors relying on OTCBB BBO data has further declined and has become negligible. Thus, FINRA believes that the remaining OTCBB information being disseminated to investors is so incomplete as to be potentially misleading with respect to the current pricing in these securities.

For example, of the approximately 10,000 OTC equity securities quoted over the counter on the largest inter-dealer quotation system, less than 10% of those issues also are eligible to be quoted on OTCBB.[22] In addition, less than twelve securities out of the 10,000 OTC equity securities are quoted solely on OTCBB. Furthermore, based upon a sample of 20 days in 2013, the OTCBB only disseminated an average of 27 computed BBOs, which means that OTCBB BBO quotation information was available through Level 1 on less than 0.3% of the 10,000 OTC equity security symbols.[23]

Therefore, FINRA does not believe that the discontinuance of the OTCBB as an inter-dealer quotation system will have an appreciable impact on issuers, investors or member firms.[24] For the same reasons, FINRA does not believe that the OTCBB, in its current form and with current levels of participation, furthers the goals and objectives of Section 17B of the Act [25] and, therefore, does not meet the characteristics of a system described in Section 17B of the Act regarding the widespread dissemination of reliable and accurate quotation information with respect to ''penny stocks.'' [26] However, FINRA notes that, since the inception of the OTCBB, non-self-regulatory organization (''SRO'') entities have increased their participation in the collection and dissemination of quotation information in OTC equity securities, including for those OTC equity securities meeting the definition of ''penny stock,'' and have made such quotation information available to investors and market participants. Thus, FINRA believes that discontinuance of the OTCBB as an inter-dealer quotation system will not have an appreciable impact on the current level of quotation transparency for OTC equity securities. In addition, the proposed rule change is intended to facilitate the widespread availability of reliable and accurate quotation information through non-SRO sources.

Importantly, FINRA will continue to centralize last sale transaction reporting through the FINRA OTC Reporting Facility (''ORF'') and, therefore, will continue to operate a system that collects and disseminates transaction information on, and provides widespread dissemination of reliable and accurate last sale information with respect to, OTC equity securities, including penny stocks.[27] Thus, the objectives of Section 17B of the Act relating to the provision of price and volume information to investors and market participants will continue to be satisfied through FINRA's operation of the ORF.

As was the case with the QCF Proposal, in advance of the discontinuance of the OTCBB, FINRA will take steps to ensure a smooth transition for issuers and members. Specifically, FINRA will publicize announcements through the FINRA.org and OTCBB.com Web sites; directly contact active OTCBB market makers; notify and educate the few remaining OTCBB-only issuers; and email dually quoted issuers about the cessation of quoting on the OTCBB. Thereafter, FINRA will continue to assess the widespread availability of quotation transparency to investors and market participants through non-SRO sources on a regular basis. If the availability of quotation information to investors significantly declines, FINRA will revisit and, if necessary, file a proposed rule change to establish an SRO-operated inter-dealer quotation system (or other measure) to facilitate the type of widespread quotation transparency described in Section 17B of the Act.[28]

FINRA discussed the concepts described in this proposed rule change with several of FINRA's industry advisory committees in developing its approach. The committees supported the proposed amendments and did not believe that compliance with the proposal would be burdensome for firms.

FINRA will announce the effective date of the proposed rule change in a *Regulatory Notice* to be published no later than 60 days following Commission approval. The effective date will be no later than 180 days following Commission approval.

[19] Currently the reporting obligation is imposed on the quoting member itself, though, in practice, quoting members have used the inter-dealer quotation system to which their quotation is submitted and displayed as reporting agent for purposes of meeting the Rule 6431 reporting obligation.

[20] A ''reporting agent'' is a third party that enters into any agreement with a member pursuant to which such third party agrees to fulfill such member's obligations under Rule 6431.

[21] *See* Securities Exchange Act Release No. 60999 (November 13, 2009), 74 FR 61183 (November 23, 2009) (Notice of Filing of File No. SR–FINRA–2009–077). FINRA intends to withdraw the currently pending QCF Proposal if the instant proposed rule change is approved by the Commission.

[22] Of the over 10,000 symbols quoted over the counter, as of December 17, 2013, 836 symbols were eligible to be quoted on the OTCBB, and we estimate that less than a dozen of those issues were being quoted solely on the OTCBB.

[23] During the week of December 2nd, there were a total of 14 symbols for which an OTCBB BBO was calculated and disseminated.

[24] As part of the QCF Proposal, FINRA notes that no concerns were raised by commenters with respect to the portion of the QCF Proposal that would have deleted the OTCBB rules and discontinued operation of the Service.

[25] Section 17B of the Act provides, among other things, that the Commission shall facilitate the widespread dissemination of reliable and accurate last sale and quotation information with respect to penny stocks.

[26] Under SEC Rule 3a51–1, ''penny stock'' is defined to, among other things, exclude securities that have a price of five dollars or more as determined either on a per transaction basis or, in the absence of a transaction, on the basis of the inside bid quotation for the security displayed on an automated quotation system that has the characteristics set forth in Section 17B(b)(2) of the Act or any other system that is designated by the Commission. *See* 17 CFR 240.3a51–1.

[27] FINRA members are required to report substantially all trades in OTC equity securities to ORF within 10 seconds of execution and FINRA widely disseminates this transaction information in real-time.

[28] Should FINRA determine it is necessary to recommence the operation of a system to facilitate quotation transparency, FINRA also would revisit at that time the necessity of the proposals described herein requiring inter-dealer quotation systems to provide FINRA specified policies and procedures, written standards, quotation-related data product descriptions and related pricing information.

2. Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,[29] which requires, among other things, that FINRA rules must be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest. FINRA believes that the proposed amendments will promote just and equitable principles of trade by helping ensure that subscribers (and potential subscribers) are afforded fair and non-discriminatory access to the quotation system of a member-inter-dealer quotation system, and that the standards required for access be fully disclosed. In addition, the proposed provision requiring a member inter-dealer quotation system to provide FINRA with a copy of such written standards (and material updates, modifications and revisions thereto) within five business days is consistent with Section 15A(b)(6) of the Act in that it furthers FINRA's ability to review for compliance with the underlying provisions requiring fair access to the member's system.

FINRA also believes that the proposed rule change is consistent with the provisions of Section 15A(b)(11) of the Act.[30] Section 15A(b)(11) requires that the rules of the association include provisions governing the form and content of quotations relating to securities sold otherwise than on a national securities exchange which may be distributed or published by any member or person associated with a member, and the persons to whom such quotations may be supplied.[31] Specifically, FINRA believes that the proposed amendment requiring member-inter-dealer quotation systems to adopt policies and procedures addressing the collection and dissemination of quotations in OTC equity securities is consistent with Section 15A(b)(11) of the Act in that the amendments further govern the form and content of quotations relating to securities sold otherwise than on a national securities exchange which may be distributed or published by any member or person associated with a member, and the persons to whom such quotations may be supplied.[32]

FINRA also believes that the proposed new rules for member inter-dealer quotation systems requiring them to establish, maintain and enforce fair and reasonable written policies and procedures relating to the collection and dissemination of quotations in OTC equity securities on or through their systems, and to ensure that such quotations are treated fairly and consistently, are consistent with the Act by promoting orderly procedures for collecting, distributing, and publishing quotations. Similarly, the proposed provision requiring a member inter-dealer quotation system to provide FINRA with a copy of such written policies and procedures (and any material updates, modifications and revisions thereto) within five business days is consistent with Section 15A(b)(11) of the Act in that it provides FINRA with timely notification of material changes to the member's quotation collection and dissemination policies and procedures, which facilitates FINRA's ability to perform its oversight functions in this area.

FINRA believes that the proposed amendments to the quotation recording and reporting requirements of Rule 6431 streamline, clarify and simplify the items of information and process for reporting quotation data to FINRA for regulatory purposes, such as for use in conducting reviews of over-the-counter market activity and surveillance of member conduct, consistent with FINRA's statutory mandate under the Act.[33]

FINRA also believes that the proposed rule change will protect investors and the public interest by discontinuing the dissemination of potentially incomplete, inaccurate and misleading best bid and offer quotation data in OTC equity securities, as discussed above, by deleting the OTCBB rules and discontinuing operation of the Service. Further, FINRA believes that the proposed rule change is consistent with Section 17B of the Act.[34] Section 17B was enacted by Congress as part of the Penny Stock Act, which was designed to remedy inefficiencies and address regulatory concerns caused by the lack of reliable market information on penny stocks traded over the counter and, in connection with this initiative, the Commission designated the OTCBB as a Qualifying Electronic Quotation System (''QEQS'') for purposes of the penny stock rules.[35]

Due to the decline of OTCBB, as discussed previously, FINRA is concerned that OTCBB is no longer a reliable source of complete quotation information for OTC equity securities and, therefore, operation of the Service no longer furthers the purposes of Section 17B of the Act. However, FINRA believes that discontinuing dissemination of potentially incomplete and misleading quotation information from the marketplace by ceasing operation of the OTCBB, coupled with the proposed changes to improve the governance of inter-dealer quotation systems on or through which quotations in OTC equity securities are displayed, best serves and promotes the goals of Section 17B of the Act with respect to the widespread availability of quotation information in penny stocks. In addition, to the extent necessary, FINRA requests that the Commission consider granting an exemption from Section 17B of the Exchange Act in connection with its consideration of this proposed rule change.

Finally, the proposed requirement that a member inter-dealer quotation system provide FINRA with a written description of each quotation-related data product it offers and related pricing information, including fees, rebates, discounts and cross-product pricing incentives (and any changes thereto) within five business days, provides FINRA with useful information to ensure compliance with FINRA rules and to monitor the widespread availability of quotation information to investors and market participants through non-SRO sources, and to determine whether proposing the reestablishment of an SRO-operated inter-dealer quotation system (or other measure) to facilitate the type of quotation transparency described in Section 17B of the Act, is necessary. The FINRA ORF continues to provide for the reporting of the volume of penny stock transactions, including comprehensive last sale reporting and dissemination, consistent with Section 17B of the Act.

B. Self-Regulatory Organization's Statement on Burden on Competition

FINRA does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed amendments to require a member inter-dealer quotation system to establish fair and non-discriminatory written standards for granting access to quoting and trading would apply to all members meeting the Rule 6420 definition of ''inter-dealer quotation system,'' and therefore do not

[29] 15 U.S.C. 78*o*–3(b)(6).

[30] 15 U.S.C. 78*o*–3(b)(11).

[31] *See* 15 U.S.C. 78*o*–3(b)(11).

[32] *See* 15 U.S.C. 78*o*–3(b)(11).

[33] *See* 15 U.S.C. 78*o*–3.

[34] *See* 15 U.S.C. 78q–2.

[35] *See* Securities Exchange Act Release No. 30608 (April 20, 1992), 57 FR 18004 (April 28, 1992) (''Penny Stock Release'') (adopting seven rules (the ''penny stock rules'') under the Act requiring broker-dealers engaging in certain transactions in low-priced, over the counter securities to provide customers with specified information).

disparately impose requirements on similarly situated members.

In addition, the proposed amendments to require a member inter-dealer quotation system to establish, maintain and enforce fair and reasonable written policies and procedures relating to the collection and dissemination of quotations in OTC equity securities are important to facilitate an orderly environment around quotation activity in OTC equity securities. Furthermore, the proposal provides for a ''policies and procedures'' approach and, therefore, affords all members within its scope a degree of flexibility in implementing measures to comply with the proposed rule.

FINRA also does not believe that the proposed requirement that members provide copies of the aforementioned written policies, procedures and standards (and material updates, modifications and revisions thereto) results in an unwarranted burden on competition because the member inter-dealer quotation system would be permitted to proceed with the implementation of desired changes to its written policies, procedures and standards, as long as it notifies FINRA within five business days following the implementation of the changes.

The proposal requiring a member inter-dealer quotation system to provide FINRA with a written description of each quotation-related data product offered by such member and related pricing information, including fees, rebates, discounts and cross-product pricing incentives (and any changes thereto) within five business days is essential to FINRA's ongoing monitoring of the widespread availability of quotation information on OTC equity securities. FINRA also does not believe that this requirement imposes an unwarranted burden on competition because the proposed rule would permit the member inter-dealer quotation system to launch a new quotation-related data product or related price (or change an existing data product or related price) without delay, followed by timely notification to FINRA. This proposed amendment would apply to all members meeting the Rule 6420 definition of ''inter-dealer quotation system,'' and therefore would not disparately impose requirements on similarly situated members.

The proposed clarification and streamlining of the quotation recording and reporting requirements are minor and generally consistent with current practice; therefore, FINRA anticipates that members would need to make very few changes to comply with the revised regime. Thus, any burden associated with the rule change is negligible and its impact on competition nonexistent. Finally, FINRA does not believe that the proposed deletion of the OTCBB-related rules and the discontinuance of the operation of the Service would impose any burden on competition because the Service currently operates as a transparency utility and, therefore, its closure would not burden competition and in no way would hinder the ability of new competitors to enter the market.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

Not applicable.

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 self-regulatory organization 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–FINRA–2014–030 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–FINRA–2014–030. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml).* Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. Copies of such filing also will be available for inspection and copying at the principal office of FINRA. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–FINRA–2014–030 and should be submitted on or before August 5, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[36]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–16501 Filed 7–14–14; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[File No. 500–1]

In The Matter of Cynk Technology Corp.; Order of Suspension of Trading

July 11, 2014.

It appears to the Securities and Exchange Commission that the public interest and the protection of investors require a suspension of trading in the securities of Cynk Technology Corp. (''Cynk'') because of concerns regarding the accuracy and adequacy of information in the marketplace and potentially manipulative transactions in Cynk's common stock. Cynk is a Nevada corporation with a business address in Belize City, Belize and its common stock is quoted on the OTC Link (previously ''Pink Sheets'') operated by OTC Markets Group, Inc. (''OTC Link) under the ticker symbol CYNK.

[36] 17 CFR 200.30–3(a)(12).

The Commission is of the opinion that the public interest and the protection of investors require a suspension of trading in the securities of the above-listed company.

Therefore, it is ordered, pursuant to Section 12(k) of the Securities Exchange Act of 1934, that trading in the securities of the above-listed company is suspended for the period from 9:30 a.m. EDT on July 11, 2014 through 11:59 p.m. EDT on July 24, 2014.

By the Commission.

Lynn M. Powalski,

Deputy Secretary.

[FR Doc. 2014–16693 Filed 7–11–14; 4:15 pm]

BILLING CODE 8011–01–P

SMALL BUSINESS ADMINISTRATION

[Monroe Capital Corporation SBIC, LP License No. 05/05–0314]

Notice Seeking Exemption Under Section 312 of the Small Business Investment Act, Conflicts of Interest

Notice is hereby given that Monroe Capital Corporation SBIC, LP, 311 S. Wacker Drive, Suite 6400, Chicago, IL 60606, a Federal Licensee under the Small Business Investment Act of 1958, as amended (the ''Act''), in connection with the financing of a small concern, has sought an exemption under Section 312 of the Act and Section 107.730, Financings which Constitute Conflicts of Interest of the Small Business Administration (''SBA'') Rules and Regulations (13 CFR 107.730). Monroe Capital Corporation SBIC, LP proposes to provide debt and equity financing to Summit Container Corporation, 901 Synthes Avenue, Monument, CO 80132. This financing is brought within the purview of § 107.730(a)(1) of the Regulations because Associates Monroe Capital Corporation and Monroe Capital Partners Fund, L.P. each own greater than 10 percent ownership interest in Summit Container Corporation, so Summit Container Corporation is considered an Associate. In addition, this financing is brought within the purview of § 107.730(a)(4) of the Regulations because the proceeds will be used to discharge an obligation to an Associate of Monroe Capital Corporation SBIC, LP. Therefore this transaction requires prior SBA exemption.

Notice is hereby given that any interested person may submit written comments on the transaction, within fifteen days of the date of this publication, to the Associate Administrator for Investment, U.S. Small Business Administration, 409 Third Street SW., Washington, DC 20416.

Dated: July 2, 2014.

Javier E. Saade,

Administrator for Office of Investment and Innovation.

[FR Doc. 2014–16612 Filed 7–14–14; 8:45 am]

BILLING CODE 8025–01–P

SMALL BUSINESS ADMINISTRATION

Monroe Capital Corporation SBIC, LP License No. 05/05–0314; Notice Seeking Exemption Under Section 312 of the Small Business Investment Act, Conflicts of Interest

Notice is hereby given that Monroe Capital Corporation SBIC, LP, 311 S. Wacker Drive, Suite 6400, Chicago, IL 60606, a Federal Licensee under the Small Business Investment Act of 1958, as amended (the ''Act''), in connection with the financing of a small concern, has sought an exemption under Section 312 of the Act and Section 107.730, Financings which Constitute Conflicts of Interest of the Small Business Administration (''SBA'') Rules and Regulations (13 CFR 107.730). Monroe Capital Corporation SBIC, LP proposes to provide debt financing to Alliance Time Holdings, LLC, 545 Broadway, Suite 100, Brooklyn, NY 11206, and debt and equity financing to Bookit Operating LLC, 14251 Panama City Beach Parkway, Panama City Beach, FL 32413.

These financings are brought within the purview of § 107.730(a)(4) of the Regulations because the proceeds will be used to discharge obligations to an Associate of Monroe Capital Corporation SBIC, LP. Therefore this transaction requires prior SBA exemption.

Notice is hereby given that any interested person may submit written comments on these transactions, within fifteen days of the date of this publication, to the Associate Administrator for Investment, U.S. Small Business Administration, 409 Third Street SW., Washington, DC 20416.

Dated: July 2, 2014.

Javier E. Saade,

Associate Administrator for Office of Investment and Innovation.

[FR Doc. 2014–16611 Filed 7–14–14; 8:45 am]

BILLING CODE 8025–01–P

SOCIAL SECURITY ADMINISTRATION

[Docket No. SSA–2014–0018.]

Privacy Act of 1974, as Amended; Computer Matching Program (SSA/the States)—Match 6000 and 6003

AGENCY: Social Security Administration (SSA).

ACTION: Notice of a renewal of an existing computer matching program that will expire on December 31, 2014.

SUMMARY: In accordance with the provisions of the Privacy Act, as amended, this notice announces a renewal of an existing computer matching program that we are currently conducting with the States.

DATES: We will file a report of the subject matching program with the Committee on Homeland Security and Governmental Affairs of the Senate; the Committee on Oversight and Government Reform of the House of Representatives; and the Office of Information and Regulatory Affairs, Office of Management and Budget (OMB). The matching program will be effective as indicated below.

ADDRESSES: Interested parties may comment on this notice by either telefaxing to (410) 966–0869 or writing to the Executive Director, Office of Privacy and Disclosure, Office of the General Counsel, Social Security Administration, 617 Altmeyer Building, 6401 Security Boulevard, Baltimore, MD 21235–6401. All comments received will be available for public inspection at this address.

FOR FURTHER INFORMATION CONTACT: The Executive Director, Office of Privacy and Disclosure, Office of the General Counsel, as shown above.

SUPPLEMENTARY INFORMATION:

A. General

The Computer Matching and Privacy Protection Act of 1988 (Public Law (Pub. L.) 100–503), amended the Privacy Act (5 U.S.C. 552a) by describing the conditions under which computer matching involving the Federal government could be performed and adding certain protections for persons applying for, and receiving, Federal benefits. Section 7201 of the Omnibus Budget Reconciliation Act of 1990 (Pub. L. 101–508) further amended the Privacy Act regarding protections for such persons.

The Privacy Act, as amended, regulates the use of computer matching by Federal agencies when records in a system of records are matched with other Federal, State, or local government records. It requires Federal agencies

involved in computer matching programs to:

(1) Negotiate written agreements with the other agency or agencies participating in the matching programs;

(2) Obtain approval of the matching agreement by the Data Integrity Boards of the participating Federal agencies;

(3) Publish notice of the computer matching program in the **Federal Register**;

(4) Furnish detailed reports about matching programs to Congress and OMB;

(5) Notify applicants and beneficiaries that their records are subject to matching; and

(6) Verify match findings before reducing, suspending, terminating, or denying a person's benefits or payments.

B. SSA Computer Matches Subject to the Privacy Act

We have taken action to ensure that all of our computer matching programs comply with the requirements of the Privacy Act, as amended.

Kirsten J. Moncada,

Executive Director, Office of Privacy and Disclosure, Office of the General Counsel.

Notice of Computer Matching Program, SSA With the State of [STATE NAME] (State)

A. Participating Agencies

SSA and the States

B. Purpose of the Matching Program

The purpose of this matching program is to set forth the terms and conditions governing disclosures of records, information, or data (collectively referred to herein as ''data'') made by us to various State agencies and departments (State Agencies) that administer federally funded benefit programs, including those under various provisions of the Social Security Act (Act), such as section 1137 (42 U.S.C. 1320b-7), as well as the state-funded state supplementary payment programs under Title XVI of the Act. The terms and conditions of this Agreement ensure that we make such disclosures of data, and the States use such disclosed data, in accordance with the requirements of the Privacy Act of 1974, as amended by the Computer Matching and Privacy Protection Act of 1988 (CMPPA), 5 U.S.C. 552a.

Under section 1137 of the Act, States are required to use an income and eligibility verification system to administer specified federally funded benefit programs, including the state-funded state supplementary payment programs under Title XVI of the Act. To assist the States in determining entitlement to and eligibility for benefits under those programs, as well as other federally funded benefit programs, we disclose certain data about applicants (and in limited circumstances, members of an applicant's household), for state benefits from our Privacy Act Systems of Records (SOR) and verify the Social Security numbers (SSN) of the applicants.

Individual agreements with the States describe the information we will disclose and the conditions under which we agree to disclose the information.

C. Authority for Conducting the Matching Program

The legal authority to disclose data and the States' authority to collect, maintain, and use data protected under our SORs for specified purposes is:

- Sections 1137, 453, and 1106(b) of the Act (42 U.S.C. 1320b-7, 653, and 1306(b)) (income and eligibility verification data);
- 26 U.S.C. 6103(l)(7) and (8) (tax return data);
- Section 202(x)(3)(B)(iv) of the Act (42 U.S.C. 402(x)(3)(B)(iv)) (prisoner data);
- Section 1611(e)(1)(I)(iii) of the Act (42 U.S.C. 1382(e)(1)(I)(iii) (Supplemental Security Income (SSI));
- Section 205(r)(3) of the Act (42 U.S.C. 405(r)(3)) and the Intelligence Reform and Terrorism Prevention Act of 2004, Pub. L. 108–458, 7213(a)(2) (death data);
- Sections 402, 412, 421, and 435 of Pub. L. 104–193 (8 U.S.C. 1612, 1622, 1631, and 1645) (quarters of coverage data);
- Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA), Public Law 111–3 (citizenship data); and
- Routine use exception to the Privacy Act, 5 U.S.C. 552a(b)(3) (data necessary to administer other programs compatible with SSA programs).

This Agreement further carries out section 1106(a) of the Act (42 U.S.C. 1306), the regulations promulgated pursuant to that section (20 CFR part 401), the Privacy Act of 1974 (5 U.S.C. 552a), as amended by the CMPPA, related Office of Management and Budget (OMB) guidelines, the Federal Information Security Management Act of 2002 (44 U.S.C. 3541, et seq.), and related National Institute of Standards and Technology guidelines, which provide the requirements that States must follow with regard to use, treatment, and safeguarding of data.

D. Categories of Records and Persons Covered by the Matching Program

SSA SORs used for purposes of the subject data exchanges include:

- 60—0058—Master Files of SSN Holders and SSN Applications;
- 60—0059—Earnings Recording and Self-Employment Income System;
- 60—0090—Master Beneficiary Record;
- 60—0103—Supplemental Security Income Record (SSR) and Special Veterans Benefits (SVB);
- 60—0269—Prisoner Update Processing System (PUPS); and
- 60—0321—Medicare Part D and Part D Subsidy File.

States will ensure that the tax return data contained in SOR 60–0059 (Earnings Recording and Self-Employment Income System) will only be used in accordance with 26 U.S.C. 6103.

E. Inclusive Dates of the Matching Program

The effective date of this matching program is January 1, 2015; provided that the following notice periods have lapsed: 30 days after publication of this notice in the **Federal Register** and 40 days after notice of the matching program is sent to Congress and OMB. The matching program will continue for 18 months from the effective date and, if both agencies meet certain conditions, it may extend for an additional 12 months thereafter.

[FR Doc. 2014–16504 Filed 7–14–14; 8:45 am]

BILLING CODE 4191–02–P

SOCIAL SECURITY ADMINISTRATION

[Docket No. SSA 2014–0010]

Privacy Act of 1974, as Amended; Computer Matching Program (SSA/Centers for Medicare and Medicaid Services (CMS))—Match Number 1094

AGENCY: Social Security Administration (SSA).

ACTION: Notice of a renewal of an existing computer matching program that will expire on January 31, 2015.

SUMMARY: In accordance with the provisions of the Privacy Act, as amended, this notice announces a renewal of an existing computer matching program that we are currently conducting with CMS.

DATES: We will file a report of the subject matching program with the Committee on Homeland Security and Governmental Affairs of the Senate; the Committee on Oversight and Government Reform of the House of

Representatives; and the Office of Information and Regulatory Affairs, Office of Management and Budget (OMB). The matching program will be effective as indicated below.

ADDRESSES: Interested parties may comment on this notice by either telefaxing to (410) 966–0869 or writing to the Executive Director, Office of Privacy and Disclosure, Office of the General Counsel, Social Security Administration, 617 Altmeyer Building, 6401 Security Boulevard, Baltimore, MD 21235–6401. All comments received will be available for public inspection at this address.

FOR FURTHER INFORMATION CONTACT: The Executive Director, Office of Privacy and Disclosure, Office of the General Counsel, as shown above.

SUPPLEMENTARY INFORMATION:

A. General

The Computer Matching and Privacy Protection Act of 1988 (Public Law (Pub. L.) 100–503), amended the Privacy Act (5 U.S.C. 552a) by describing the conditions under which computer matching involving the Federal government could be performed and adding certain protections for persons applying for, and receiving, Federal benefits. Section 7201 of the Omnibus Budget Reconciliation Act of 1990 (Pub. L. 101–508) further amended the Privacy Act regarding protections for such persons.

The Privacy Act, as amended, regulates the use of computer matching by Federal agencies when records in a system of records are matched with other Federal, State, or local government records. It requires Federal agencies involved in computer matching programs to:

(1) Negotiate written agreements with the other agency or agencies participating in the matching programs;

(2) Obtain approval of the matching agreement by the Data Integrity Boards of the participating Federal agencies;

(3) Publish notice of the computer matching program in the **Federal Register**;

(4) Furnish detailed reports about matching programs to Congress and OMB;

(5) Notify applicants and beneficiaries that their records are subject to matching; and

(6) Verify match findings before reducing, suspending, terminating, or denying a person's benefits or payments.

B. SSA Computer Matches Subject to the Privacy Act

We have taken action to ensure that all of our computer matching programs comply with the requirements of the Privacy Act, as amended.

Kirsten J. Moncada,

Executive Director, Office of Privacy and Disclosure, Office of the General Counsel.

Notice of Computer Matching Program, SSA With the Centers for Medicare and Medicaid Services (CMS)

A. Participating Agencies

SSA and CMS

B. Purpose of the Matching Program

The purpose of this matching program is to establish the terms, conditions, and safeguards under which CMS will disclose to us Medicare identifying and non-utilization information for Social Security title II beneficiaries aged 90 and above.

CMS will identify Medicare enrollees whose records have been inactive for three or more years. We will use this data as an indicator to select and prioritize cases for review to determine continued eligibility to title II benefits. We will contact these individuals to verify ongoing eligibility. We refer individual cases of suspected fraud, waste, or abuse to the Office of the Inspector General for investigation.

C. Authority for Conducting the Matching Program

This agreement is executed pursuant to the Privacy Act of 1974 (5 U.S.C. 552a), as amended by the Computer Matching and Privacy Protection Act of 1988 (Pub. L. 100–503), OMB Circular A–130 entitled, Management of Federal Information Resources, at 61 FR 6428–6435 (February 20, 1996), and OMB guidelines pertaining to computer matching at 54 FR 25818 (June 19, 1989).

Section 202 of the Social Security Act (Act) (42 U.S.C. 402) outlines the requirements for eligibility to receive Old-Age Survivors and Disability Insurance Benefits under title II. Section 205(c) of the Act (42 U.S.C. 405), directs the Commissioner of Social Security to verify the eligibility of a beneficiary.

This matching program employs systems containing Protected Health Information (PHI) as defined by Health and Human Services regulation ''Standards for Privacy of Individually Identifiable Health Information'' (45 CFR parts 160 and 164 (65 FR 82462, Parts A and E, published Dec. 28, 2000)). PHI authorized by the routine uses may only be disclosed if, and as permitted or required by the ''Standard for Privacy of Individually Identifiable Health Information.'' (45 CFR 164.512(d)).

D. Categories of Records and Persons Covered by the Matching Program

We will disclose to CMS information from Master Beneficiary Record (60–0090), published January 11, 2006 at 71 FR 1826. Routine use 23 permits us to disclose to Federal, state, or local agencies for administering income maintenance or health maintenance programs, including programs under the Act.

CMS will disclose to us information from National Claims History (09–70–0558), published November 20, 2006 at 71 FR 67137. Routine use 2 permits CMS to disclose to other Federal, state, or local agencies to administer income maintenance or health maintenance programs.

CMS will disclose to us information from Enrollment Data Base (09–70–0502), published February 26, 2008 at 73 FR 10249. Routine use 2 permits CMS to disclose to other Federal, state, or local agencies to administer income maintenance or health maintenance programs.

CMS will disclose to us information from Long Term Care—Minimum Data Set (90–70–0528), published March 19, 2007 at 72 FR 12801. Routine use 2 permits CMS to disclose to other Federal, state, or local agencies to administer income maintenance or health maintenance programs.

We will provide CMS with the following information for each individual in the finder file: Title II Claim Account Number (CAN), Title II Beneficiary Identification Code (BIC), Name, and Date of birth.

CMS will provide us with the following information for each individual in the reply file: Name, Date of birth, Social Security number, Date of death, CMS file number (equivalent to our title II CAN & BIC), Beneficiary Group Health Organization start date, Beneficiary Group Health Organization disenrollment date, and Health Maintenance Organization provider name and code.

E. Inclusive Dates of the Matching Program

The effective date of this matching program is August 1, 2014, provided that the following notice periods have lapsed: 30 days after publication of this notice in the **Federal Register** and 40 days after notice of the matching program is sent to Congress and OMB. The matching program will continue for 18 months from the effective date and, if both agencies meet certain conditions,

it may extend for an additional 12 months thereafter.

[FR Doc. 2014–16503 Filed 7–14–14; 8:45 am]

BILLING CODE 4191–02–P

DEPARTMENT OF STATE

[Public Notice 8795]

In the Matter of the Designation of the United Self-Defense Forces of Colombia aka AUC; aka Autodefensas Unidas de Colombia; as a Foreign Terrorist Organization Pursuant to Section 219 of the Immigration and Nationality Act, as Amended

Based upon a review of the Administrative Record assembled in this matter, and in consultation with the Attorney General and the Secretary of the Treasury, I conclude that the circumstances that were the basis for the designation of the United Self-Defense Forces of Colombia as foreign terrorist organization have changed in such a manner as to warrant revocation of the designation.

Therefore, I hereby determine that the designation of the United Self-Defense Forces of Colombia as a foreign terrorist organization, pursuant to Section 219 of the Immigration and Nationality Act, as amended (8 U.S.C. 1189), shall be revoked.

This determination shall be published in the **Federal Register**.

Dated: July 1, 2014.

John F. Kerry,

Secretary of State.

[FR Doc. 2014–16627 Filed 7–14–14; 8:45 am]

BILLING CODE 4710–10–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

Office of Commercial Space Transportation; Notice of Approval on a Record of Decision (ROD) for the SpaceX Texas Launch Site, Cameron County, Texas

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

ACTION: Notice of approval of Record of Decision.

SUMMARY: In accordance with National Environmental Policy Act of 1969, as amended (NEPA; 42 United States Code 4321 et seq.), Council on Environmental Quality NEPA implementing regulations (40 Code of Federal Regulations parts 1500 to 1508), and FAA Order 1050.1E, Change 1, *Environmental Impacts: Policies and Procedures,* the FAA is announcing the availability of the ROD for the SpaceX Texas Launch Site, Cameron County, Texas. The ROD provides the FAA's final environmental determination and approval to support the issuance of launch licenses and/or experimental permits that would allow Space Exploration Technologies Corp. (SpaceX) to launch the Falcon 9 and Falcon Heavy orbital vertical launch vehicles and a variety of reusable suborbital launch vehicles from a launch site on privately owned property in Cameron County, Texas, as proposed in the Final Environmental Impact Statement (EIS) published in May 2014.

The ROD provides a description of the applicant's Proposed Action and reasonable alternatives, and identifies the FAA's preferred and the environmentally preferred alternative. It includes a discussion of environmental impacts associated with the Proposed Action in each resource area, as analyzed in the Final EIS. The ROD summarizes the mitigation and enforcement actions that would be made the subject of the terms and conditions of the launch licenses and/or experimental permits issued to SpaceX, as well as other conservation and enhancement measures described in the Final EIS and presented for consideration.

The Final EIS, prepared by the FAA for the SpaceX Texas Launch Site, serves as the primary reference and basis for preparation of the ROD. The Final EIS documents the analysis of environmental consequences associated with the construction and operation of the SpaceX Texas Launch Site and the No Action Alternative. The FAA is the lead Federal agency responsible for preparation of the EIS and ROD. Cooperating agencies include the National Aeronautics and Space Administration, National Park Service (NPS), U.S. Army White Sands Missile Range, and U.S. Army Corps of Engineers (USACE). The EIS and ROD were prepared pursuant to the requirements of NEPA, the CEQ Regulations for Implementing the Procedural Provisions of NEPA, and FAA Order 1050.1E, Change 1, *Environmental Impacts: Policies and Procedures.*

The FAA has posted the ROD on the FAA Web site at *http://www.faa.gov/about/office_org/headquarters_offices/ast/environmental/nepa_docs/review/documents_progress/spacex_texas_launch_site_environmental_impact_statement/.*

FOR FURTHER INFORMATION CONTACT: Stacey M. Zee, Environmental Specialist, Federal Aviation Administration, 800 Independence Ave. SW., Suite 325, Washington, DC 20591; email *Stacey.Zee@faa.gov;* or phone (202) 267–9305.

SUPPLEMENTARY INFORMATION: Under the Proposed Action, which is the FAA's preferred alternative, the FAA would issue launch licenses and/or experimental permits to SpaceX that would allow SpaceX to conduct launches of the Falcon 9 and Falcon Heavy orbital vertical launch vehicles, and a variety of reusable suborbital launch vehicles, from an exclusive-use launch site on privately owned property in Cameron County, Texas. The site (including the control center area and vertical launch area) consists of up to four parcels totaling 68.9 acres of land near the terminus of State Highway 4 (Boca Chica Boulevard), adjacent to the village of Boca Chica. The site is in a sparsely populated coastal area on the Gulf of Mexico, approximately 3 miles north of the U.S./Mexico border, 17 miles east-northeast of the Brownsville/South Padre Island International Airport, and 5 miles south of South Padre Island.

Proposed launch operations would consist of up to 12 commercial launch operations per year, including launches of the Falcon 9, a maximum of two Falcon Heavy launches, and/or associated mission rehearsals and static fire engine tests, through 2025.

Falcon 9 and Falcon Heavy launches would have commercial payloads, including satellites or experimental payloads, and may carry a capsule, such as the SpaceX Dragon capsule. The Falcon 9 and Falcon Heavy use liquid fuels including liquid oxygen and rocket propellant-1. Within the 12 launch operations per year, SpaceX may elect to have permitted launches of smaller reusable suborbital launch vehicles from this proposed site. A reusable suborbital launch vehicle could consist of a Falcon 9 Stage 1 tank. All launch trajectories would be to the east over the Gulf of Mexico. The majority of launches would be conducted between the hours of 7:00 a.m. and 7:00 p.m. However, there could be one nighttime launch per year.

In addition, the Proposed Action includes construction of facilities needed to support launch activities at the proposed launch site. SpaceX would construct a vertical launch area and a control center area. The control center area would be approximately 2 miles west of the vertical launch area and could consist of up to three parcels. All facilities would be constructed through private funding, on currently undeveloped, privately-owned property

that would be purchased or leased by SpaceX. In addition, a new underground utility line would be installed in the right-of-way of State Highway 4 from the control center area to the vertical launch area.

The FAA identified a range of reasonable alternatives; however, the alternatives identified that did not meet the purpose and need as well as those that were not technically, operationally, or economically prudent or feasible were excluded from detailed consideration in the Final EIS. The Final EIS provides a detailed evaluation of the Proposed Action (Preferred Alternative) and the No Action Alternative. Under the No Action Alternative, the FAA would not issue launch licenses and/or experimental permits to SpaceX for launch operations from the private site in Cameron County, Texas. Thus, SpaceX would not construct the proposed control center and vertical launch areas.

Resource areas were considered to provide a context for understanding and assessing the potential environmental effects of the Proposed Action, with attention focused on key issues. The resource areas considered included Compatible Land Use (including Farmlands and Coastal Resources); Section 4(f) Properties; Noise; Light Emissions and Visual Impacts; Historical, Architectural, Archaeological, and Cultural resources; Air Quality; Water Resources (including Surface Waters, Groundwater, Wetlands, Floodplains, and Wild and Scenic Rivers); Biological Resources (Fish, Wildlife, and Plants); Hazardous Materials, Pollution Prevention, and Solid Waste; Socioeconomics, Environmental Justice, and Children's Environmental Health and Safety Risks; and Natural Resources and Energy Supply.

As stated in the ROD and supported by the Final EIS, the No Action Alternative is not consistent with the purpose and need for action, including the FAA's statutory direction from Congress under the Commercial Space Launch Act to encourage, facilitate, and promote commercial space launch and reentry activities by the private sector in order to strengthen and expand U.S. space transportation infrastructure. The Preferred Alternative, the applicant's Proposed Action, would allow the greatest development and growth of the U.S. commercial space launch industry. Adoption of this alternative will result in the construction and operation of a private launch site that is consistent with the purpose and need for the Proposed Action, while at the same time avoiding, minimizing, and mitigating the harm to the environment. Therefore, the FAA has selected the Preferred Alternative.

Issued in Washington, DC, on July 9, 2014.

Daniel Murray,

Manager, Space Transportation Development Division.

[FR Doc. 2014–16615 Filed 7–14–14; 8:45 am]

BILLING CODE P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[Summary Notice No. PE–2014–43]

Petition for Exemption; Summary of Petition Received

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of petition for exemption received.

SUMMARY: This notice contains a summary of a petition seeking relief from specified requirements of 14 CFR. The purpose of this notice is to improve the public's awareness of, and participation in, this aspect of FAA's regulatory activities. Neither publication of this notice nor the inclusion or omission of information in the summary is intended to affect the legal status of the petition or its final disposition.

DATES: Comments on this petition must identify the petition docket number and must be received on or before August 4, 2014.

ADDRESSES: You may send comments identified by Docket Number FAA–2014–0397 using any of the following methods:

- *Government-wide rulemaking Web site:* Go to *http://www.regulations.gov* and follow the instructions for sending your comments electronically.
- *Mail:* Send comments to the Docket Management Facility; U.S. Department of Transportation, 1200 New Jersey Avenue SE., West Building Ground Floor, Room W12–140, Washington, DC 20590.
- *Fax:* Fax comments to the Docket Management Facility at 202–493–2251.
- *Hand Delivery:* Bring comments to the Docket Management Facility in Room W12–140 of the West Building Ground Floor at 1200 New Jersey Avenue SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Privacy: We will post all comments we receive, without change, to *http://www.regulations.gov*, including any personal information you provide. Using the search function of our docket Web site, anyone can find and read the comments received into any of our dockets, including the name of the individual sending the comment (or signing the comment for an association, business, labor union, etc.). You may review DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (65 FR 19477–78).

Docket: To read background documents or comments received, go to *http://www.regulations.gov* at any time or to the Docket Management Facility in Room W12–140 of the West Building Ground Floor at 1200 New Jersey Avenue SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Jake Troutman, (202) 267–9521, 800 Independence Avenue SW., Washington, DC, 20951.

This notice is published pursuant to 14 CFR 11.85.

Issued in Washington, DC, on July 9, 2014.

Brenda D. Courtney,

Acting Director, Office of Rulemaking.

Petition for Exemption

Docket No.: FAA–2014–0397

Petitioner: Yamaha Motor Corporation, U.S.A.

Section of 14 CFR: parts 21, 27, 137, 45.23(b), 61.113(a) and (b), 91.7(a), 91.9(b)(2), 91.103, 91.109, 91.119, 91.121, 91.151(b), 91.203(a) and (b), 91.405(a), 91.407(a)(1), 91.409(a)(2), 91.417(a) and (b), and 91.1501.

Description of Relief Sought: Yamaha Motor Corporation, U.S.A. requests an exemption for the purpose of operating its remotely-piloted helicopter, the RMAX, to provide commercial agricultural-related services in the United States.

[FR Doc. 2014–16538 Filed 7–14–14; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[Summary Notice No. PE–2014–45]

Petition for Exemption; Summary of Petition Received

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of petition for exemption received.

SUMMARY: This notice contains a summary of a petition seeking relief from specified requirements of 14 CFR. The purpose of this notice is to improve the public's awareness of, and participation in, this aspect of FAA's

regulatory activities. Neither publication of this notice nor the inclusion or omission of information in the summary is intended to affect the legal status of the petition or its final disposition.

DATES: Comments on this petition must identify the petition docket number and must be received on or before August 4, 2014.

ADDRESSES: You may send comments identified by Docket Number FAA–2014–0398 using any of the following methods:

• *Government-wide rulemaking Web site:* Go to *http://www.regulations.gov* and follow the instructions for sending your comments electronically.

• *Mail:* Send comments to the Docket Management Facility; U.S. Department of Transportation, 1200 New Jersey Avenue SE., West Building Ground Floor, Room W12–140, Washington, DC 20590.

• *Fax:* Fax comments to the Docket Management Facility at 202–493–2251.

• *Hand Delivery:* Bring comments to the Docket Management Facility in Room W12–140 of the West Building Ground Floor at 1200 New Jersey Avenue SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Privacy: We will post all comments we receive, without change, to *http://www.regulations.gov,* including any personal information you provide. Using the search function of our docket Web site, anyone can find and read the comments received into any of our dockets, including the name of the individual sending the comment (or signing the comment for an association, business, labor union, etc.). You may review DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (65 FR 19477–78).

Docket: To read background documents or comments received, go to *http://www.regulations.gov* at any time or to the Docket Management Facility in Room W12–140 of the West Building Ground Floor at 1200 New Jersey Avenue SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Jake Troutman, (202) 267–9521, 800 Independence Avenue SW., Washington, DC, 20951.

This notice is published pursuant to 14 CFR 11.85.

Issued in Washington, DC, on July 8, 2014.

Brenda D. Courtney,

Acting Director, Office of Rulemaking.

Petition for Exemption

Docket No.: FAA–2014–0398

Petitioner: Woolpert, Inc.

Section of 14 CFR: §§ 21.185, 45.23(b), 91.9(b), 91.203(a) and (b).

Description of Relief Sought: Woolpert, Inc. is requesting relief to operate its Nova Block III UAS for the purpose of aerial surveying.

[FR Doc. 2014–16549 Filed 7–14–14; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[Summary Notice No. PE–2014–42]

Petition for Exemption; Summary of Petition Received

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of petition for exemption received.

SUMMARY: This notice contains a summary of a petition seeking relief from specified requirements of 14 CFR. The purpose of this notice is to improve the public's awareness of, and participation in, this aspect of FAA's regulatory activities. Neither publication of this notice nor the inclusion or omission of information in the summary is intended to affect the legal status of the petition or its final disposition.

DATES: Comments on this petition must identify the petition docket number and must be received on or before August 4, 2014.

ADDRESSES: You may send comments identified by Docket Number FAA–2014–0382 using any of the following methods:

• *Government-wide rulemaking Web site:* Go to *http://www.regulations.gov* and follow the instructions for sending your comments electronically.

• *Mail:* Send comments to the Docket Management Facility; U.S. Department of Transportation, 1200 New Jersey Avenue SE., West Building Ground Floor, Room W12–140, Washington, DC 20590.

• *Fax:* Fax comments to the Docket Management Facility at 202–493–2251.

• *Hand Delivery:* Bring comments to the Docket Management Facility in Room W12–140 of the West Building Ground Floor at 1200 New Jersey Avenue SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Privacy: We will post all comments we receive, without change, to *http://www.regulations.gov*, including any personal information you provide. Using the search function of our docket Web site, anyone can find and read the comments received into any of our dockets, including the name of the individual sending the comment (or signing the comment for an association, business, labor union, etc.). You may review DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (65 FR 19477–78).

Docket: To read background documents or comments received, go to *http://www.regulations.gov* at any time or to the Docket Management Facility in Room W12–140 of the West Building Ground Floor at 1200 New Jersey Avenue SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Jake Troutman, (202) 267–9521, 800 Independence Avenue SW., Washington, DC, 20951.

This notice is published pursuant to 14 CFR 11.85.

Issued in Washington, DC, on July 9, 2014.

Brenda D. Courtney,

Acting Director, Office of Rulemaking.

Petition for Exemption

Docket No.: No. FAA–2014–0382.

Petitioner: VDOS Global LLC.

Section of 14 CFR: 91.9(b)(2) and (c), 91.13, 91.103(b)(1) and (b)(2), 91.105(a)(2), 91.107, 91.109(a), 91.111, 91.113, 91.115, 91.117, 91.119, 91.121, 91.123, 91.125, 91.126, 91.127, 91.129, 91.131, 91.133, 91.135, 91.137, 91.141, 91.143, 91.151(a)(1) and (a)(2), 91.151(b), 91.153, 91.155, 91.157, 91.159, 91.169, 91.173, 91.175, 91.177, 91.179, 91.181, 91.183, 91.185, 91.187, 91.203(a)(1) and (a)(2), 91.203(b), 91.207(a)(2), 91.209, 91.211(a), 91.303, 91.305, 91.311, 91.313(e), 91.405(a) and (b), 91.407(a)(1), 91.409(a)(1) and (b), 91.417(a), 91.515, 91.705, 91.707.

Description of Relief Sought: VDOS Global LLC requests exemption to use its Aeryon SkyRanger small unmanned vertical lift system to perform flare stack inspections for Shell Oil Company in the Gulf of Mexico for a period of 24 months.

[FR Doc. 2014–16524 Filed 7–14–14; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION [4910–RY]

Federal Highway Administration

Notice of Final Federal Agency Action on Proposed Highway in North Carolina

AGENCY: Federal Highway Administration (FHWA), DOT.

ACTION: Notice of Limitations on Claims for Judicial Review of Actions by the United States Army Corps of Engineers.

SUMMARY: This notice announces an action taken by the United States Army Corps of Engineers (USACE) that is final within the meaning of 23 U.S.C. 139(l)(1). This final agency action relates to a proposed highway project, Bonner Bridge Replacement Project along NC 12, from Rodanthe to Bodie Island in Dare County, North Carolina. The FHWA's Record of Decision (ROD) identifies the Parallel Bridge Corridor Alternative as the selected alternative for Phase I of the Bonner Bridge Replacement Project with a Transportation Management Plan which outlines a decision-making process for future phases.

DATES: By this notice, the FHWA is advising the public of a final agency action subject to 23 U.S.C. 139(*l*)(1). A claim seeking judicial review of the Federal agency actions on the highway project will be barred unless the claim is filed on or before December 12, 2014. If the Federal law that authorizes judicial review of a claim provides a time period of less than 150 days for filing such claim, then that shorter time period still applies.

FOR FURTHER INFORMATION CONTACT: For FHWA: Clarence W. Coleman, P. E., Director of Preconstruction and Environment, Federal Highway Administration, 310 New Bern Avenue, Ste 410, Raleigh, North Carolina 27601–1418; Telephone: (919) 747–7014; email: *clarence.coleman@dot.gov.* FHWA North Carolina Division Office's normal business hours are 8 a.m. to 5 p.m. (Eastern Time). For the North Carolina Department of Transportation (NCDOT): Richard Hancock, P.E., Environmental Director, Project Development and Environmental Analysis, North Carolina Department of Transportation (NCDOT), 1 South Wilmington Street (Delivery), 1548 Mail Service Center, Raleigh, North Carolina 27699–1548; Telephone (919) 707–6000; *RWHancock@ncdot.gov* NCDOT—Project Development and Environmental Analysis Branch Office's normal business hours are 8 a.m. to 5 p.m. (Eastern Time).

SUPPLEMENTARY INFORMATION: Notice is hereby given that the USACE has taken a final agency action by issuing a permit for the following highway project in the State of North Carolina: Phase I of The Bonner Bridge Replacement Project along Highway NC 12, from Rodanthe to Bodie Island, in Dare County, North Carolina. The project is also known as State Transportation Improvement Program (STIP) Project B–2500, which involves replacing the deteriorating Bonner Bridge over Oregon Inlet as Phase I of the project and includes an NC 12 Transportation Management Plan that establishes a process for future decision-making for the section of NC 12 from Oregon Inlet to the Village of Rodanthe. The permit has authorized the discharging of fill material directly into 0.49 acre of wetlands and temporarily impacting 0.38 acre of wetlands adjacent to NC Highway 12, on the north and south sides of Oregon Inlet, in the Pea Island National Wildlife Refuge on Hatteras Island, in order to make improvements to NC 12 associated with the construction of a new bridge to replace the existing Herbert C Bonner Bridge and to retain 1,050 feet of the existing bridge to serve as a training structure. USACE Permit No.: SAW–1993–03077, issued June 4, 2014, describes the general and special conditions of the work authorized by the USACE. This permit only authorizes work on Phase I of TIP B–2500. Construction on subsequent phases of TIP B–2500 shall not commence until approval has been obtained by the USACE in accordance with this permit authorization through an approved modification or a separate permit authorization.

This notice applies to the following USACE decision as of the issuance date of this notice:

1. Wetlands and Water Resources: Clean Water Act (33 U.S.C. 1344).
2. Section 10 of the Rivers and Harbors Act (33 U.S.C. 403).
3. Executive Orders: E.O. 11990 Protection of Wetlands; E.O. 11988 Floodplain Management.

The regulations implementing Executive Order 12372 regarding intergovernmental consultation on Federal programs and activities apply to this program.

Authority: 23 U.S.C. 139 (*l*)(1).

Issued On: July 2, 2014.

Clarence W. Coleman,

Director of Preconstruction and Environment, Raleigh, North Carolina.

[FR Doc. 2014–16386 Filed 7–14–14; 8:45 am]

BILLING CODE P

DEPARTMENT OF TRANSPORTATION

Federal Transit Administration

FTA Fiscal Year 2014 Apportionments, Allocations, and Program Information

AGENCY: Federal Transit Administration (FTA), DOT.

ACTION: Correction.

SUMMARY: On March 10, 2014, the Federal Transit Administration (FTA) published a notice in the **Federal Register** apportioning funds appropriated by law. The notice provided information on the FY 2014 funding available for the FTA assistance programs, and provides program guidance and requirements, and information on several program issues important in the current year. This notice provides a needed correction to that notice regarding pre-award authority.

FOR FURTHER INFORMATION CONTACT: For general information about this notice contact Jamie Pfister, Director, Office of Transit Programs, at (202) 366–2053. Please contact the appropriate FTA regional office for any specific requests for information or technical assistance. A list of FTA regional offices and contact information is available on the FTA Web site under the heading ''Regional Offices'' at *http://www.fta.dot.gov.* An FTA headquarters contact for each major program area is included in the discussion of that program in the text of the notice.

SUPPLEMENTARY INFORMATION:

In the **Federal Register** of March 10, 2014 in FR Doc. 14–4759, on page 13482, in the second column, correct the sixth and seventh paragraphs to read as follows:

''FTA has modified its approach to pre-award authority, and the date that costs may be incurred is as follows. For design and environmental review, costs may be incurred as of the date of the authorization of formula funds or the date of the announcement of the discretionary allocation of funds for the project. For property acquisition, demolition, construction, and acquisition of vehicles, equipment, or construction materials for projects that qualify for a categorical exclusion pursuant to 23 CFR 771.118(c), costs may be incurred as of the date of the authorization of formula funds or the date of the announcement of the discretionary allocation of funds for the project. For property acquisition, demolition, construction, and acquisition of vehicles, equipment, or construction materials for projects that require a categorical exclusion pursuant to 23 CFR 771.118(d), an environmental assessment, or an environmental impact statement, costs may be incurred as of the date that FTA completes the environmental review process required by NEPA and its implementing regulations (i.e., through issuance of a Section 771.118(d) categorical exclusion determination, a Finding of No Significant Impact (FONSI), or a Record of Decision (ROD)). For pre-award authority triggered by the completion of the NEPA process, the completion of planning and air quality requirements is a prerequisite, as those activities are completed prior to conclusion of the environmental review process.

The requirement that a project be included in a locally-adopted Metropolitan Transportation Plan, the metropolitan transportation improvement program and federally approved statewide transportation improvement program (23 CFR Part 450) must be satisfied before the grantee may advance the project beyond planning and preliminary design with non-Federal funds under pre-award authority triggered by the completion of the NEPA process. If the project is located within an EPA-designated non-attainment or maintenance area for air quality, the conformity requirements of the Clean Air Act, 40 CFR Part 93, must also be met before the project may be advanced into implementation-related activities under pre-award authority triggered by the completion of the NEPA process. For projects that qualify for a categorical exclusion pursuant to 23 CFR 771.118(c), if a project is subsequently found not to qualify for this CE, it will be ineligible for FTA assistance. For all other projects, compliance with NEPA and other environmental laws and executive orders (e.g., protection of parklands, wetlands, and historic properties) must be completed before State or local funds are spent on implementation activities, such as site preparation, construction, and acquisition, for a project that is expected to be subsequently funded with FTA funds.''

Issued in Washington, DC, this 9th day of July, 2014.

Therese McMillan,

Deputy Administrator.

[FR Doc. 2014–16533 Filed 7–14–14; 8:45 am]

BILLING CODE P

DEPARTMENT OF TRANSPORTATION

Maritime Administration (MARAD)

[Docket No. DOT–MARAD–2014–0103]

Request for Comments of a Previously Approved Information Collection: Automated Mutual-Assistance Vessel Rescue System (AMVER)

ACTION: Notice and request for comments.

SUMMARY: In compliance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), this notice announces that the Information Collection Request (ICR) abstracted below is being forwarded to the Office of Management and Budget (OMB) for review and comments. A **Federal Register** Notice with a 60-day comment period soliciting comments on the following information collection was published on April 23, 2014 (**Federal Register** 22756, Vol. 79, No. 78).

DATES: Comments must be submitted on or before August 14, 2014.

FOR FURTHER INFORMATION CONTACT: Russell Alan Krause, 202–366–1031, Division of Sealift Operations, W23–102–306, Maritime Administration, U.S. Department of Transportation, 1200 New Jersey Avenue SE., Washington, DC 20590.

SUPPLEMENTARY INFORMATION: *Title:* Automated Mutual-Assistance Vessel Rescue System (AMVER)

OMB Control Number: 2133–0025

Type of Request: Renewal of a Previously Approved Information Collection

Abstract: This collection of information is used to gather information regarding the location of U.S.-flag vessels and certain other U.S. citizen-owned vessels for the purpose of search and rescue in the saving of lives at sea and for the marshalling of ships for national defense and safety purposes. This collection consists of vessels that transmit their positions through various electronic means.

Affected Public: U.S.-flag and U.S. citizen-owned vessels that are required to respond under current statute and regulation.

Estimated Number of Respondents: 3,998

Estimated Number of Responses: 731,634

Annual Estimated Total Annual Burden Hours: 51,214

ADDRESSES: Send comments regarding the burden estimate, including suggestions for reducing the burden, to the Office of Management and Budget, Attention: Desk Officer for the Office of the Secretary of Transportation, 725 17th Street NW., Washington, DC 20503. Comments are invited on: whether the proposed collection of information is necessary for the proper performance of the functions of the Department, including whether the information will have practical utility; the accuracy of the Department's estimate of the burden of the proposed information collection; ways to enhance the quality, utility and clarity of the information to be collected; and ways to minimize the burden of the collection of information on respondents, including the use of automated collection techniques or other forms of information technology.

Authority: The Paperwork Reduction Act of 1995; 44 U.S.C. Chapter 35, as amended; and 49 CFR 1:93.

Date: July 8, 2014.

Julie P. Agarwal,

Secretary, Maritime Administration.

[FR Doc. 2014–16596 Filed 7–14–14; 8:45 am]

BILLING CODE 4910–81–P

DEPARTMENT OF TRANSPORTATION

Maritime Administration

[Docket No. MARAD–2014–0105]

Requested Administrative Waiver of the Coastwise Trade Laws: Vessel FLYING FISH; Invitation for Public Comments

AGENCY: Maritime Administration, Department of Transportation.

ACTION: Notice.

SUMMARY: As authorized by 46 U.S.C. 12121, the Secretary of Transportation, as represented by the Maritime Administration (MARAD), is authorized to grant waivers of the U.S.-build requirement of the coastwise laws under certain circumstances. A request for such a waiver has been received by MARAD. The vessel, and a brief description of the proposed service, is listed below.

DATES: Submit comments on or before August 14, 2014.

ADDRESSES: Comments should refer to docket number MARAD–2014–0105. Written comments may be submitted by hand or by mail to the Docket Clerk, U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC 20590. You may also send comments electronically via the Internet at *http://www.regulations.gov.* All comments will become part of this docket and will be available for inspection and copying at the above address between 10 a.m. and 5 p.m., E.T., Monday through Friday, except federal holidays. An electronic version of this document and all documents entered into this docket is available on the World Wide Web at *http://www.regulations.gov.*

FOR FURTHER INFORMATION CONTACT: Linda Williams, U.S. Department of Transportation, Maritime Administration, 1200 New Jersey Avenue SE., Room W23–453, Washington, DC 20590. Telephone 202–366–0903, Email *Linda.Williams@dot.gov.*

SUPPLEMENTARY INFORMATION: As described by the applicant the intended service of the vessel Flying Fish is:

Intended Commercial Use Of Vessel: ''Sightseeing''.

Geographic Region: ''Florida''.

The complete application is given in DOT docket MARAD–2014–0105 at *http://www.regulations.gov.* Interested parties may comment on the effect this action may have on U.S. vessel builders or businesses in the U.S. that use U.S.-

flag vessels. If MARAD determines, in accordance with 46 U.S.C. 12121 and MARAD's regulations at 46 CFR Part 388, that the issuance of the waiver will have an unduly adverse effect on a U.S.-vessel builder or a business that uses U.S.-flag vessels in that business, a waiver will not be granted. Comments should refer to the docket number of this notice and the vessel name in order for MARAD to properly consider the comments. Comments should also state the commenter's interest in the waiver application, and address the waiver criteria given in § 388.4 of MARAD's regulations at 46 CFR Part 388.

Privacy Act

Anyone is able to search the electronic form of all comments received into any of our dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.). You may review DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (Volume 65, Number 70; Pages 19477–78).

By Order of the Maritime Administrator.

Dated: July 8, 2014.

Julie P. Agarwal,

Secretary, Maritime Administration.

[FR Doc. 2014–16595 Filed 7–14–14; 8:45 am]

BILLING CODE 4910–81–P

DEPARTMENT OF TRANSPORTATION

Maritime Administration

[Docket No. MARAD–2014–0104]

Requested Administrative Waiver of the Coastwise Trade Laws: Vessel TROUTMAN 2; Invitation for Public Comments

AGENCY: Maritime Administration, Department of Transportation.

ACTION: Notice.

SUMMARY: As authorized by 46 U.S.C. 12121, the Secretary of Transportation, as represented by the Maritime Administration (MARAD), is authorized to grant waivers of the U.S.-build requirement of the coastwise laws under certain circumstances. A request for such a waiver has been received by MARAD. The vessel, and a brief description of the proposed service, is listed below.

DATES: Submit comments on or before August 14, 2014.

ADDRESSES: Comments should refer to docket number MARAD–2014–0104. Written comments may be submitted by hand or by mail to the Docket Clerk, U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC 20590. You may also send comments electronically via the Internet at *http://www.regulations.gov.* All comments will become part of this docket and will be available for inspection and copying at the above address between 10 a.m. and 5 p.m., E.T., Monday through Friday, except federal holidays. An electronic version of this document and all documents entered into this docket is available on the World Wide Web at *http://www.regulations.gov.*

FOR FURTHER INFORMATION CONTACT: Linda Williams, U.S. Department of Transportation, Maritime Administration, 1200 New Jersey Avenue SE., Room W23–453, Washington, DC 20590. Telephone 202–366–0903, Email *Linda.Williams@dot.gov.*

SUPPLEMENTARY INFORMATION: As described by the applicant the intended service of the vessel Troutman 2 is:

Intended Commercial Use of Vessel: ''OUPV six passenger max charter sport fishing trips on Lake Ontario''.

Geographic Region: ''New York''.

The complete application is given in DOT docket MARAD–2014–0104 at *http://www.regulations.gov.* Interested parties may comment on the effect this action may have on U.S. vessel builders or businesses in the U.S. that use U.S.-flag vessels. If MARAD determines, in accordance with 46 U.S.C. 12121 and MARAD's regulations at 46 CFR part 388, that the issuance of the waiver will have an unduly adverse effect on a U.S.-vessel builder or a business that uses U.S.-flag vessels in that business, a waiver will not be granted. Comments should refer to the docket number of this notice and the vessel name in order for MARAD to properly consider the comments. Comments should also state the commenter's interest in the waiver application, and address the waiver criteria given in § 388.4 of MARAD's regulations at 46 CFR Part 388.

Privacy Act

Anyone is able to search the electronic form of all comments received into any of our dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.). You may review DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (Volume 65, Number 70; Pages 19477–78).

By Order of the Maritime Administrator.

Dated: July 8, 2014.

Julie P. Agarwal,

Secretary, Maritime Administration.

[FR Doc. 2014–16594 Filed 7–14–14; 8:45 am]

BILLING CODE 4910–81–P

DEPARTMENT OF TRANSPORTATION

Maritime Administration

[Docket No. MARAD 2014 0106]

Requested Administrative Waiver of the Coastwise Trade Laws: Vessel MARAUDER; Invitation for Public Comments

AGENCY: Maritime Administration, Department of Transportation.

ACTION: Notice.

SUMMARY: As authorized by 46 U.S.C. 12121, the Secretary of Transportation, as represented by the Maritime Administration (MARAD), is authorized to grant waivers of the U.S.-build requirement of the coastwise laws under certain circumstances. A request for such a waiver has been received by MARAD. The vessel, and a brief description of the proposed service, is listed below.

DATES: Submit comments on or before August 14, 2014.

ADDRESSES: Comments should refer to docket number MARAD–2014–0106. Written comments may be submitted by hand or by mail to the Docket Clerk, U.S. Department of Transportation, Docket Operations, M–30, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC 20590. You may also send comments electronically via the Internet at *http://www.regulations.gov.* All comments will become part of this docket and will be available for inspection and copying at the above address between 10 a.m. and 5 p.m., E.T., Monday through Friday, except federal holidays. An electronic version of this document and all documents entered into this docket is available on the World Wide Web at *http://www.regulations.gov.*

FOR FURTHER INFORMATION CONTACT: Linda Williams, U.S. Department of Transportation, Maritime Administration, 1200 New Jersey Avenue SE., Room W23–453, Washington, DC 20590. Telephone 202–366–0903, Email *Linda.Williams@dot.gov.*

SUPPLEMENTARY INFORMATION: As described by the applicant the intended service of the vessel MARAUDER is:

Intended Commercial Use of Vessel: ''The intended use of the vessel is for

commercial sailing trips for tourists, i.e., day sailing, snorkeling tours.''

Geographic Region: ''Puerto Rico.''

The complete application is given in DOT docket MARAD–2014–0106 at *http://www.regulations.gov.* Interested parties may comment on the effect this action may have on U.S. vessel builders or businesses in the U.S. that use U.S.-flag vessels. If MARAD determines, in accordance with 46 U.S.C. 12121 and MARAD's regulations at 46 CFR Part 388, that the issuance of the waiver will have an unduly adverse effect on a U.S.-vessel builder or a business that uses U.S.-flag vessels in that business, a waiver will not be granted. Comments should refer to the docket number of this notice and the vessel name in order for MARAD to properly consider the comments. Comments should also state the commenter's interest in the waiver application, and address the waiver criteria given in § 388.4 of MARAD's regulations at 46 CFR Part 388.

Privacy Act

Anyone is able to search the electronic form of all comments received into any of our dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.). You may review DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (Volume 65, Number 70; Pages 19477–78).

Dated: July 8, 2014.

By Order of the Maritime Administrator.

Julie P. Agarwal,

Secretary, Maritime Administration.

[FR Doc. 2014–16593 Filed 7–14–14; 8:45 am]

BILLING CODE 4910–81–P

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

[Docket No. NHTSA–2012–0165; Notice 2]

General Motors, LLC, Denial of Petition for Decision of Inconsequential Noncompliance

AGENCY: National Highway Traffic Safety Administration (NHTSA), Department of Transportation (DOT).

ACTION: Denial of petition.

SUMMARY: General Motors, LLC (GM) [1] has determined that certain model year (MY) 2011 through 2013 Buick Regal and MY 2013 Chevrolet Malibu passenger cars may not fully comply with the turn signal lamp failure indicator requirement found in paragraph S5.5.6 of Federal Motor Vehicle Safety Standard (FMVSS) No 108, *Lamps, Reflective Devices, and Associated Equipment.* GM has filed an appropriate report dated October 3, 2012, pursuant to 49 CFR Part 573, *Defect and Noncompliance Responsibility and Reports.*

ADDRESSES: For further information on this decision contact Mr. Mike Cole, Office of Vehicle Safety Compliance, the National Highway Traffic Safety Administration (NHTSA), telephone (202) 366–2334, facsimile (202) 366–5930.

SUPPLEMENTARY INFORMATION: I. GM's petition: Pursuant to 49 U.S.C. 30118(d) and 30120(h) (see implementing rule at 49 CFR Part 556), GM submitted a petition for an exemption from the notification and remedy requirements of 49 U.S.C. Chapter 301 on the basis that this noncompliance is inconsequential to motor vehicle safety.

Notice of receipt of the petition was published, with a 30-day public comment period, on September 19, 2013, in the **Federal Register** (78 FR 43965). No comments were received. To view the petition and all supporting documents log onto the Federal Docket Management System (FDMS) Web site at: *http://www.regulations.gov/.* Then follow the online search instructions to locate docket number ''NHTSA–2012–0165.''

I. Vehicles Involved: Affected are approximately 109,563 MY 2011 through 2013 Buick Regal and MY 2013 Chevrolet Malibu passenger cars manufactured from January 20, 2010 through September 18, 2012.

II. Noncompliance: GM explains that the subject vehicles are equipped with front turn signals, each of which incorporates two light sources. When both light sources of either front turn signal fail, turn signal lamp failure indication is provided as required by paragraph S5.5.6 of FMVSS No. 108. However, turn signal lamp failure indication is not provided if only one of the light sources fails in either front turn signal assembly. If a single bulb fails to illuminate, the turn signal is still illuminated by the other bulb.

III. Rule Text: Paragraph S5.5.6 of FMVSS No. 108 specifically states:

S5.5.6 Each vehicle equipped with a turn signal operating unit shall also have an illuminated pilot indicator. Failure of one or more turn signal lamps to operate shall be indicated in accordance with SAE Standard J588e, Turn Signal Lamps, September 1970 . . .

IV. Summary of GM's Analyses: GM stated its belief that the lack of turn signal lamp failure indication is inconsequential to motor vehicle safety for the following reasons:

1. As delivered to the customer the turn signal lamps function properly and meet all requirements of FMVSS No. 108. This is not a situation where the photometric output of the turn signals fails to meet the requirements as delivered to the customer. In fact, the light output of the normally operating turn signals greatly exceeds the photometric requirements as produced.

2. Most drivers will never be affected by the reduction of photometric output, without outage indication as a result of a single front bulb failure, because the failure rate of the turn signal bulb is extremely low. The bulb life of these turn signals is three to four times the life of the bulbs used in turn signals when the turn signal lamps failure indication requirement was incorporated into the standard. The bulbs used in the subject front turn signals have a tested life of 1,100 hours at 12.8 volts. Using this information in a Monte Carlo simulation analysis provides the following results:

Years	2.5	5.0	7.5	10.0
Miles	31,250	62,500	93,750	125,000
No. of Burnouts	0	0	1	4
SIM Vehicles	10,000	10,000	10,000	10,000
Failure IPTV	0.000	0.000	0.400	4.000

[1] General Motors, LLC is a manufacturer of motor vehicles and is registered under the laws of the state of Michigan.

Consequently, it is extremely unlikely a driver will experience a single turn signal bulb failure over the life of the vehicle, and thus the lack of outage indication, with a single bulb failure, is inconsequential to motor vehicle safety.

3. With a single bulb, the turn signal still functions and provides perceptible indication that the vehicle may be turning. In the extremely remote case that both light sources were to fail, in either front turn signal, bulb outage is indicated as required by the standard.

4. In the Malibu vehicle, if an outboard front turn bulb is not working, the inboard bulb continues to meet the photometric requirements. In this case, the centroid of the light shifts and is greater than 100 mm from the lit edge of the low beam head lamp. The light output of the inboard bulb easily meets the minimum photometric requirements specified in FMVSS No. 108.

5. If the inboard bulb burns out on the Malibu, or either bulb on the Regal, the remaining lamp continues to provide light which meets the photometric requirements in some zones, and comes close to the requirements in most of the remaining zones. This light exceeds the standard turn signal photometric requirements, but due to the location of the turn signal (i.e., the turn signal centroid within 100 mm of the lit edge of the low beam lamp) the 2.5 multiplier must be applied to photometric requirements.

a. For the Malibu turn signal lamps, the photometric requirements with the 2.5 multiplier, are met in three of the five zones; and are within 25% of the requirements in a 4th zone.

b. For the Regal turn signal lamps, the photometric requirements with the 2.5 multiplier, are met in two of the five zones; and are within 25% of the requirements in two other zones. The Malibu and Regal turn signal lamps provide the required light under normal driving conditions. In the unlikely circumstance that a single bulb stops functioning, the remaining bulb continues to provide the minimum turn signal light specified in the standard and is generally within 25% of the minimum required light after the 2.5 multiplier is applied. In the case of these vehicles, GM's analysis indicates the light provided by the single bulb is perceptible to the motoring public.

GM has additionally informed NHTSA that it has corrected the noncompliance so that all future production vehicles will comply with FMVSS No. 108.

In summation, GM believes that the described noncompliance of its vehicles is inconsequential to motor vehicle safety, and that its petition, to exempt from providing recall notification of noncompliance as required by 49 U.S.C. 30118 and remedying the recall noncompliance as required by 49 U.S.C. 30120 should be granted.

V. NHTSA's Analysis OF GM's Petition: *General Principles:* Federal motor vehicle safety standards are adopted only after the agency has determined, following notice and comment, that the performance requirements are objective and practicable and ''meet the need for motor vehicle safety.'' See 49 U.S.C. 30111(a). Thus, there is a general presumption that the failure of a motor vehicle or item of motor vehicle equipment to comply with a FMVSS increases the risk to motor vehicle safety beyond the level deemed appropriate by NHTSA through the rulemaking process. To protect the public from such risks, manufacturers whose products fail to comply with a FMVSS are normally required to conduct a safety recall under which they must notify owners, purchasers, and dealers of the noncompliance and provide a remedy without charge. 49 U.S.C. 30118–30120. However, Congress has recognized that, under some limited circumstances, a noncompliance could be ''inconsequential'' to motor vehicle safety. ''Inconsequential'' is not defined either in the statute or in NHTSA's regulations. Rather, the agency determines whether a particular noncompliance is inconsequential to motor vehicle safety based on the specific facts before it. The key issue in determining inconsequentiality is whether the noncompliance in question is likely to increase the safety risk to individuals of accidents or to individual occupants who experience the type of injurious event against which the standard was designed to protect. See General Motors Corp.; Ruling on Petition for Determination of Inconsequential Noncompliance, 69 FR 19897 (Apr. 14, 2004).

There have been instances in the past in which NHTSA has determined that a manufacturer has met its burden of persuasion by demonstrating that a noncompliance is inconsequential to safety. For example, there have been instances where NHTSA granted inconsequentiality petitions regarding noncompliance with labeling requirements. See, e.g., General Motors Corp., Grant of Application for Decision of Inconsequential Noncompliance, 61 FR 60746 (Nov. 29, 1996) (noncompliance with FMVSS No. 115).

More rarely, NHTSA has granted inconsequentiality petitions in cases of noncompliance with performance requirements where the noncompliance was determined to be so minor as to be inconsequential—for example, where the noncompliance is expected to be imperceptible, or nearly so, to vehicle occupants or approaching drivers. See, e.g., General Motors Corp., Grant of Application for Decision of Inconsequential Noncompliance, 63 FR 70179 (Dec. 18, 1998) (noncompliance with FMVSS No. 108); Subaru of America, Inc., Grant of Application for Decision of Inconsequential Noncompliance, 66 FR 18354 (Apr. 6, 2001) (noncompliance with FMVSS No. 108).

On the other hand, NHTSA has denied petitions for inconsequential noncompliance where required equipment is completely missing from the vehicle. For example, NHTSA denied a petition for travel trailers not equipped with rear identification lamps. Weekend Warrior Trailers, Inc., Denial of Petition for Decision of Inconsequential Noncompliance, 71 FR 5409 (Feb. 1, 2006).

In addition, NHTSA has denied inconsequentiality petitions for trailers that were equipped with clearance and identification lamps that did not meet the minimum photometry requirements. Utilimaster Corporation; Denial of Application for Decision of Inconsequential Noncompliance, 66 FR 33603 (June 22, 2001).

VI. NHTSA's Analysis of GM's Arguments: NHTSA has reviewed GM's petition and has determined that the noncompliance is not inconsequential to motor vehicle safety.

First, GM asserts that the turn signals as delivered, comply with the photometric requirements. However, the agency finds that this should be true of all newly manufactured motor vehicles and finds that fact to be unrelated to the requirements that apply in the event of a turn signal failure.

Second, GM states that the tested life of these turn signal bulbs is 1100 hours; three to four times the life of the bulbs used in turn signals when the bulb outage indication requirement was incorporated into the standard. As such, GM believes that it is extremely unlikely a driver will experience a single turn signal bulb failure over the life of the vehicle.

NHTSA notes that the requirements for driver indication of a turn signal failure became effective over 40 years ago and since that time improvements have been made to the life of turn signal bulbs and motor vehicles. For light sources, this includes the development of long life bulbs and the introduction of light emitting diodes (LEDs) into motor vehicle applications. For vehicles, the Federal Highway

Administration posted a chart of the ''Average Age of Automobiles and Trucks in Use, 1970–1999'' that indicates the average vehicle age in 1970 was 5.6 years. (this information was compiled from Polk Company data by Ward's Communications, Ward's Motor Vehicle Facts and Figures from 2001) By 2013, Polk posted that the average vehicle age that year was 11.4 years. (see *https://www.polk.com/company/news/polk_finds_average_age_of_light_vehicles_continues_to_rise*) At the time that the bulb outage indication requirement became part of the FMVSS 108, SAE J573d DEC68 listed the average turn signal bulb laboratory life as approximately 500 hours. Comparing that to the GM specified bulb life of 1100 hours yields a similar doubling of bulb life compared to the increase in the average vehicle age. Therefore, while the bulb life has indeed increased, it has increased at a rate similar to the average vehicle age which mathematically makes a bulb failure, when compared to vehicle life, the same likelihood now as it was in 1970.

Additionally, GM did not make any mention of the actual voltage that the electrical systems of the vehicles in question would be providing to the front turn signal bulbs. Factors such as voltage, heat, vibration and corrosion are all important things to consider that can have a significant effect on the life of a bulb and no consideration was given to these factors in GM's petition. For instance, GM technical bulletin 04–08–42–002 indicated that for certain vehicles, (2003–2004 Saturn ION) the ''amount of voltage supplied to the front headlamp assembly for the turn signal circuit may cause the bulb to prematurely wear out.''

Other turn signal lamp failure modes exist as well. For example, GM recall 06V–263 (2004–2005 Cadillac XLR) described premature bulb failure due to ''vibration within a loose fitting socket or air entering the bulb due to an inadequate seal.'' Also, GM recalls 04V–547 (2003–2004 Saturn ION) and 04V–524 (2003 Chevrolet Cavalier and Pontiac Sunfire), described turn signal lamp failure due to ''loss of'' and ''inadequate'' ''contact between the bulb and socket.''

As such, NHTSA believes that there are many light source related failure modes that can cause a turn signal lamp to fail, and GM's argument that a light source failure is extremely unlikely based on laboratory bulb life does not adequately consider these other failure modes.

Third, Fourth, and Fifth, GM offers several scenarios regarding the photometric performance of the turn signal lamp in the event that a single light source were to fail. Each one of GM's scenarios relies on downgrading the performance of the original equipment turn signal lamp from a large, two lighted section lamp, down to a smaller, one lighted section lamp. This results in a photometric performance requirement reduction of ~15% in the zones, as well as similar reductions at the individual test points. Even under the requirements assumed by GM for its scenarios, 75% of GM's scenarios still fail to meet even the reduced requirements.

GM argues that despite the failure of the lamps in these scenarios to meet the photometric requirements at some of the zones, it was within 25% of the minimum zonal requirements. When referring to these zonal failures, and within ''25%'' of the zonal requirements, it appears that GM is making a just noticeable difference (JND) argument relative to the zones. A NHTSA study titled ''Driver Perception of Just Noticeable Differences of Automotive Signal Lamp Intensities'' [DOT HS 808 209, September 1994] demonstrated that a change in luminous intensity of 25 percent or less is not noticeable by most drivers. However, NHTSA has stated that it is not valid to use the JND justification for judging the effect of zonal intensity failures. Drivers do not look at zones when they observe lamps; they look at the lamp from very narrow angles based on the distance between their eyes and the distance to the lamp. Using the JND justification on zones would imply that drivers would be looking at lamps from all the test points in the zone simultaneously and somehow integrating the numerous intensities into some false representation of how intense the lamp should be. This is simply not the case. For this reason, the JND argument is not applicable to zone failures. (see 62FR63417)

VII. Prior Inconsequentiality Petitions: NHTSA found one prior inconsequentiality determination regarding the turn signal bulb outage requirements of FMVSS No. 108. In 1999, General Motors determined that it had manufactured 209 Chevrolet S10 Electric Trucks that were non-compliant with the requirement. The agency granted GM's petition on the basis that these low volume trucks were mainly used in fleets and that they would receive regular periodic maintenance where detection of the failure of a turn signal lamp and replacement thereof would be more likely than in privately owned vehicles. As such, NHTSA felt that the likelihood of these low volume trucks having any sustained period of outage would be a relatively infrequent event. (see 64 FR 44575) In contrast, the current situation involves 109,563 Chevrolet Malibu and Buick Regal passenger cars which are likely to be privately owned vehicles. Considering that a partial failure may go unnoticed by the vehicle owner, NHTSA believes that the likelihood of a sustained period of reduced turn signal performance due to an outage would be high.

VIII. Decision: In consideration of the foregoing, NHTSA has decided that GM has not met its burden of persuasion that the FMVSS No. 108 noncompliance described is inconsequential to motor vehicle safety. Accordingly, GM's petition is hereby denied, and GM is obligated to provide notification of, and a remedy for, that noncompliance under 49 U.S.C. 30118 and 30120.

Authority: (49 U.S.C. 30118, 30120: Delegations of authority at 49 CFR 1.95 and 501.8)

Issued on: July 9, 2014.

Nancy Lummen Lewis,

Associate Administrator for Enforcement.

[FR Doc. 2014–16552 Filed 7–14–14; 8:45 am]

BILLING CODE 4910–59–P

DEPARTMENT OF THE TREASURY

Alcohol and Tobacco Tax and Trade Bureau

[Docket No. TTB–2014–0002]

Proposed Information Collections; Comment Request (No. 48)

AGENCY: Alcohol and Tobacco Tax and Trade Bureau; Treasury.

ACTION: Notice and request for comments.

SUMMARY: As part of our continuing effort to reduce paperwork and respondent burden, and as required by the Paperwork Reduction Act of 1995, we invite comments on the proposed or continuing information collections listed below in this notice.

DATES: We must receive your written comments on or before September 15, 2014.

ADDRESSES: Please note that TTB has adopted a new method for receiving public comments on its information collections. As described below, you may send comments on the information collections listed in this document using the ''*Regulations.gov*'' online comment form for this document, or you may send written comments via U.S. mail or hand delivery. TTB no longer accepts public comments via email or fax.

• *http://www.regulations.gov:* Use the comment form for this document posted within Docket No. TTB–2014–0002 on ''Regulations.gov,'' the Federal e-rulemaking portal, to submit comments via the Internet;

• *U.S. Mail:* Mary Wood, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW., Box 12, Washington, DC 20005.

• *Hand Delivery/Courier in Lieu of Mail:* Mary Wood, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW., Suite 200–E, Washington, DC 20005.

Please submit separate comments for each specific information collection listed in this document upon which you wish to comment. You must reference the information collection's title, form or recordkeeping requirement number, and OMB control number (if any) in your comment.

You may view copies of this document, the information collections listed in it, and all comments received in response to this document within Docket No. TTB–2014–0002 at *http://www.regulations.gov.* A link to that docket is posted on the TTB Web site at *http://www.ttb.gov/forms/comment-on-form.shtml.* If you are unable to obtain a copy of this or any of the other above-mentioned documents, contact Mary Wood at the addresses or telephone number shown below.

FOR FURTHER INFORMATION CONTACT: Mary Wood, Regulations and Rulings Division, Alcohol and Tobacco Tax and Trade Bureau, 1310 G Street NW., Box 12, Washington, DC 20005; telephone 202–453–1039, ext. 165; or email *informationcollections@ttb.gov* (please do *not* submit comments on this notice to this email address).

SUPPLEMENTARY INFORMATION:

Request for Comments

The Department of the Treasury and its Alcohol and Tobacco Tax and Trade Bureau (TTB), as part of their continuing effort to reduce paperwork and respondent burden, invite the general public and other Federal agencies to comment on the proposed or continuing information collections listed below in this notice, as required by the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

Comments submitted in response to this notice will be included or summarized in our request for Office of Management and Budget (OMB) approval of the relevant information collection. All comments are part of the public record and subject to disclosure. Please do not include any confidential or inappropriate material in your comments.

We invite comments on: (a) Whether this information collection is necessary for the proper performance of the agency's functions, including whether the information has practical utility; (b) the accuracy of the agency's estimate of the information collection's burden; (c) ways to enhance the quality, utility, and clarity of the information collected; (d) ways to minimize the information collection's burden 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 the requested information.

Information Collections Open for Comment

Currently, we are seeking comments on the following forms or recordkeeping requirements:

Title: Specific Export Bond—Distilled Spirits or Wine.

OMB Number: NEW.

TTB Form Number: 5100.25.

Abstract: A specific lot of distilled spirits may be withdrawn from the bonded premises of a distilled spirits plant without payment of tax for exportation, use on vessels and aircraft, transfer to and deposit in a foreign trade zone for exportation or storage pending exportation, or transfer to and deposit in a customs bonded warehouse, under 27 CFR 28.91(a)(1), (2), (3), and (5). Similarly, a specific lot of wine may be withdrawn from a bonded wine cellar without payment of tax for such purposes, under 27 CFR 28.121(a), (b), (c), and (d). If a person other than the proprietor of the bonded premises withdraws the distilled spirits or wine for such purposes, the exporter must file a specific bond on TTB Form 5100.25, as provided in 27 CFR 28.61. This form previously was approved by the Office of Management and Budget under TTB's predecessor agency, the Bureau of Alcohol, Tobacco, and Firearms, but was not automatically transferred over to TTB when TTB was established. We are now seeking OMB approval of Form 5100.25 for TTB use.

Current Actions: TTB is submitting this information collection as a new request.

Type of Review: New collection.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 6.

Estimated Total Annual Burden Hours: 90.

Title: Application for Basic Permit under the Federal Alcohol Administration Act.

OMB Number: 1513–0018.

TTB Form Number: 5100.24.

Abstract: TTB Form 5100.24 is an application for a basic permit under the Federal Alcohol Administration Act (27 U.S.C. 201 *et seq.*) (FAA Act). Section 103 of the FAA Act (27 U.S.C. 203) requires that a person obtain a basic permit in order to engage in certain businesses, such as importing into the United States distilled spirits, wine or malt beverages; distilling spirits or producing wine; or purchasing for resale at wholesale distilled spirits, wine or malt beverages.

Current Actions: TTB is submitting this information collection as a revision. The form remains unchanged; however, we are updating the number of respondents and total annual burden hours to reflect an increase in the number of respondents.

Type of Review: Revision of a currently approved collection.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 3,500.

Estimated Total Annual Burden Hours: 5,656.

Title: Application for Amended Basic Permit under the Federal Alcohol Administration Act.

OMB Number: 1513–0019.

TTB Form Number: 5100.18.

Abstract: TTB Form 5100.18 is completed by anyone who has a basic permit under the Federal Alcohol Administration Act and wants TTB to amend that permit. The submission of a TTB F 5100.18 to TTB is required, for example, when there is a change in a trade name or corporate name or a change in address, as set forth in 27 CFR 1.4 and 1.41.

Current Actions: TTB is submitting this information collection as a revision. The form remains unchanged; however, we are updating the number of respondents and total annual burden hours to reflect an increase in the number of respondents.

Type of Review: Revision of a currently approved collection.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 2,700.

Estimated Total Annual Burden Hours: 1,233.

Title: Formula and Process for Nonbeverage Product.

OMB Number: 1513–0021.

TTB Form Number: 5154.1.

Abstract: Businesses using taxpaid distilled spirits to manufacture

nonbeverage products may receive drawback (i.e., a refund or remittance) of tax, if they can show that the spirits were used in the manufacture of products unfit for beverage use. This showing is based on the formula for the product, which is submitted on TTB Form 5154.1.

Current Actions: TTB is submitting this information collection as a revision. We are revising TTB F 5154.1 to add a link to Formulas on Line (FONL), a system used to submit formulas electronically. We are also updating the number of respondents and total annual burden hours to reflect an increase in the number of respondents.

Type of Review: Revision of a currently approved collection.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 611.

Estimated Total Annual Burden Hours: 2,444.

Title: Environmental Information.

Supplemental Information on Water Quality Consideration—Under 33 U.S.C. 1341(a).

OMB Number: 1513–0023.

TTB Form Number: 5000.29 and 5000.30, respectively.

Abstract: TTB uses TTB Form 5000.29 to comply with its responsibilities under 42 U.S.C. 4332, which is a provision of the National Environmental Policy Act. In general, this form is used to determine whether operations proposed by a person in connection with an application for a permit will have a significant environmental impact and, as a result, whether a formal environmental impact statement or an environmental permit is necessary for a proposed operation. TTB uses TTB Form 5000.30 to comply with its responsibilities under 33 U.S.C. 1341, which is a provision of the Clean Water Act. TTB F 5000.30 is used to make a determination as to whether a certification or waiver by the applicable State Water Quality Agency is required under Section 21 of the Federal Water Pollution Control Act, as amended by the Clean Water Act (33 U.S.C. 1341(a)). Manufacturers that discharge a solid or liquid effluent into navigable waters submit this form.

Current Actions: TTB is submitting this information collection as a revision. The forms remain unchanged; however, we are updating the number of respondents and total annual burden hours to reflect an increase in the number of industrial alcohol users.

Type of Review: Revision of a currently approved collection.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 8,000.

Estimated Total Annual Burden Hours: 4,000.

Title: Distilled Spirits Records and Monthly Report of Production Operations.

OMB Number: 1513–0047.

TTB Form Number: 5110.40.

TTB REC Number: 5110/01.

Current Actions: TTB is submitting this information collection for extension purposes only. The information collection, estimated number of respondents, and estimated total annual burden hours remain unchanged.

Type of Review: Extension of a currently approved collection.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 150.

Estimated Total Annual Burden Hours: 3,600.

Title: Registration of Distilled Spirits Plants and Miscellaneous Requests and Notices for Distilled Spirits Plants.

OMB Control Number: 1513–0048.

TTB Form Number: 5110.41.

Abstract: The information provided by the applicant assists TTB in determining the eligibility of the applicant to engage in certain operations and is needed to register the distilled spirits plant. This form is used by persons who wish to establish distilled spirits plant operations.

Current Actions: TTB is submitting this information collection for extension purposes only. The information collection, estimated number of respondents, and estimated total annual burden hours remain unchanged.

Type of Review: Extension of a currently approved collection.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 534.

Estimated Total Annual Burden Hours: 4,471.

Title: Offer in compromise of liability incurred under the provisions of Title 26, U.S. Code, enforced and administered by the Alcohol and Tobacco Tax and Trade Bureau.

Collection Information Statement for Individuals.

Collection Information Statement for Businesses.

OMB Number: 1513–0054.

TTB Form Number: TTB F 5640.1, TTB F 5600.17, and TTB F 5600.18, respectively.

Abstract: TTB F 5640.1 is used by persons who wish to compromise criminal and/or civil penalties for violations of the Internal Revenue Code. If accepted, the offer in compromise is a settlement between the government and the party in violation in lieu of legal proceedings or prosecution. If the party is unable to pay the offer in full, TTB F 5600.17 and 5600.18 are used to gather financial information to develop an installment agreement to allow the party to pay without incurring a financial hardship.

Current Actions: TTB is submitting this information collection for extension purposes only. The information collection, estimated number of respondents, and estimated total annual burden hours remain unchanged.

Type of Review: Extension of a currently approved collection.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 60.

Estimated Total Annual Burden Hours: 140.

Title: Special Tax Renewal Registration and Return/Special Tax Location Registration Listing.

OMB Number: 1513–0073.

TTB REC Number: 5530/2.

Abstract: Manufacturers of nonbeverage products are required to keep records, which TTB uses to prevent diversion for beverage use of spirits that are claimed to be eligible for drawback of tax due to nonbeverage use. The records are necessary to maintain accountability over these spirits. The records make it possible to trace spirits using audit techniques, thus enabling TTB officers to verify the amount of spirits used in nonbeverage products and subsequently claimed as eligible for drawback of tax. The record retention requirement for this information collection is 3 years.

Current Actions: TTB is submitting this information collection for extension purposes only. The information collection, estimated number of respondents, and estimated total annual burden hours remain unchanged.

Type of Review: Extension of a currently approved collection.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 501.

Estimated Total Annual Burden Hours: 10,521.

Title: Proprietors or Claimants Exporting Liquors.

OMB Control Number: 1513–0075.

TTB REC Number: 5900/1.

Abstract: Distilled spirits, wine, and beer may be exported from bonded premises without payment of Federal excise taxes, or, if the taxes have been paid, the exporter may claim drawback

(refund) of the taxes paid. This export drawback allows the manufacturer to recover the amount of the tax paid to the government. This recordkeeping requirement assists TTB in preventing diversions to the domestic market of untaxed distilled spirits, beer, and wine. This recordkeeping requirement makes it possible to trace alcohol beverages using audit techniques, thus enabling TTB officers to verify the amount of spirits, beer, and wine eligible for exportation without payment of tax or exportation subject to drawback. The retention requirement for this information collection is 2 years.

Current Actions: TTB is submitting this information collection for extension purposes only. The information collection, estimated number of respondents, and estimated total annual burden hours remain unchanged.

Type of Review: Extension of a currently approved collection.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 120.

Estimated Total Annual Burden Hours: 7,200.

Title: Administrative Remedies—Closing Agreements.

OMB Number: 1513–0099.

TTB Form or REC Number: None.

Abstract: This is a written agreement between TTB and regulated taxpayers used to finalize and resolve certain tax-related issues. Once an agreement is approved, it will not be reopened except upon a showing of fraud or malfeasance, or misrepresentation of a material fact.

Current Actions: TTB is submitting this information collection for extension purposes only. The information collection, estimated number of respondents, and estimated total annual burden hours remain unchanged.

Type of Review: Extension of a currently approved collection.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: One (1).

Estimated Total Annual Burden Hours: One (1).

Dated: July 9, 2014.

Rochelle E. Stern,

Director, Regulations and Rulings Division.

[FR Doc. 2014–16522 Filed 7–14–14; 8:45 am]

BILLING CODE 4810–31–P

DEPARTMENT OF THE TREASURY

Financial Crimes Enforcement Network

Agency Information Collection Activities; Comment Requested; Renewal Without Change to the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (''CISADA'') Reporting Requirements Under Section 104(e)

AGENCY: Financial Crimes Enforcement Network (''FinCEN''), U.S. Department of the Treasury.

ACTION: Notice and request for comments.

SUMMARY: FinCEN, a bureau of the U.S. Department of the Treasury (''Treasury''), invites all interested parties to comment on the Bank Secrecy Act (''BSA'') regulations implemented pursuant to section 104(e) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (''CISADA'') and consistent with its statutory mission under 31 U.S.C. 310. FinCEN is proposing to renew this information collection without change. The rule requires a U.S. bank that maintains a correspondent account for a foreign bank to inquire of the foreign bank, and report to FinCEN, certain information with respect to transactions or other financial services provided by that foreign bank. Under the rule, U.S. banks are required to report this information to FinCEN upon receiving a specific written request from FinCEN.

DATES: Written comments should be received on or before September 15, 2014 to be assured of consideration.

ADDRESSES: Written comments should be submitted to: Policy Division, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183. *Attention:* PRA Comments—CISADA, OMB Control Number 1506–0066. Comments also may be submitted by electronic mail to the following Internet address: *regcomments@fincen.gov* with the caption in the body of the text, ''Attention: PRA Comments—CISADA, OMB Control Number 1506–0066.''

Instructions. It is preferable for comments to be submitted by electronic mail. Please submit comments by one method only. All submissions received must include the agency name and the specific OMB control number or CISADA Reporting Requirements for this notice.

Inspection of comments. Comments may be inspected, between 10 a.m. and 4 p.m., in the FinCEN reading room in Vienna, VA. Persons wishing to inspect the comments submitted must request an appointment with the Disclosure Officer by telephoning (703) 905–5034 (not a toll free call).

FOR FURTHER INFORMATION CONTACT: The FinCEN Resource Center at 800–767–2825.

SUPPLEMENTARY INFORMATION: The BSA, Titles I and II of Public Law 91–508, as amended, codified at 12 U.S.C. 1829(b), 12 U.S.C. 1951–1959, and 31 U.S.C. *et seq.,* authorizes the Secretary of the Treasury (''the Secretary''), *inter alia,* to issue regulations requiring records and reports that are determined to have a high degree of usefulness in criminal, tax, and regulatory matters. Title III of the USA PATRIOT Act of 2001, Pub. L. 107–56, included certain amendments to the anti-money laundering provisions of Title II of the BSA, 31 U.S.C. 5311 *et seq.,* which are intended to aid in the prevention, detection, and prosecution of international money laundering and terrorist financing. Regulations implementing Title II of the BSA appear at 31 CFR Chapter X. The authority of the Secretary of the Treasury to administer Title II of the BSA has been delegated to the Director of FinCEN. The information collected and retained under the regulation addressed in this notice assist Federal, state, and local law enforcement as well as regulatory authorities in the identification, investigation, and prosecution of money laundering and other matters.

Title: CISADA Reporting Requirements.

OMB Number: 1506–0066.

Current Action: Renewal without change to the existing regulations.

Type of Review: Extension of currently approved reporting requirements.

Affected Public: Banks as defined in 31 CFR 1010.100(d)

Frequency: As required.

Estimated Number of Respondents: There are approximately 350 respondents. It is estimated that 250 of these respondents will respond indicating they maintain no accounts subject to reporting pursuant to the CISADA requirements.

Estimated Time per Respondent: Response by the 250 banks is estimated to require 30 minutes per response for a total of 125 hours. It is estimated that the remaining 100 banks will provide approximately 900 responses, each response requiring 3 hours for a total of 2700 hours.

Estimated Total Annual Burden Hours: 2,825 hours.[1]

The following paragraph applies to the recordkeeping requirements

[1] Please note that U.S. banks are only required to report this information to FinCEN upon receiving a specific written request from FinCEN.

addressed in 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. Records required to be retained under the BSA must be retained for five years. Generally, information collected pursuant to the BSA is confidential, but may be shared as provided by law with regulatory and law enforcement authorities.

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.

Dated: July 8, 2014.

Jennifer Shasky Calvery,

Director, Financial Crimes Enforcement Network.

[FR Doc. 2014–16624 Filed 7–14–14; 8:45 am]

BILLING CODE 4810–02–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Proposed Collection; Comment Request for Regulation Project

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, 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, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the IRS is soliciting comments concerning suspension or reduction of safe harbor nonelective contributions.

DATES: Written comments should be received on or before September 15, 2014 to be assured of consideration.

ADDRESSES: Direct all written comments to R. Joseph Durbala, Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the regulation should be directed to Kerry Dennis at Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224, or through the internet at *Kerry.Dennis@irs.gov.*

SUPPLEMENTARY INFORMATION:

Title: Suspension or Reduction of Safe Harbor Nonelective Contributions.

OMB Number: 1545–2191

Form Number: TD 9641.

Abstract: The final regulation allows a 401(k) plan using the safe harbor provisions of section 401(k)(12) to suspend or reduce nonelective safeharbor contributions if the employer is operating at an economic loss described in section 412(2)(A). The final regulations permit an employer to reduce or suspend safe harbor nonelective contributions without regard to the financial condition of the employer if notice is provided to participants before the beginning of the plan year which discloses the possibility that the contributions might be reduced or suspended midyear. The final regulations also permit matching contributions to be reduced or suspended under a mid-year amendment if the notice provided to participants before the beginning of the plan year discloses that the contributions might be reduced or suspended mid-year. These notices must also provide that a supplemental notice will be provided to plan participants if a reduction or suspension does occur and that the reduction or suspension will not apply until at least 30 days after the supplemental notice is provided.

Current Actions: There is no change in the paperwork burden previously approved by OMB.

Type of Review: Extension of a currently approved collection.

Affected Public: Individuals and households, businesses and other for-profit organizations.

Estimated Number of Respondents: 5,000.

Estimated Time per Respondent: 2 hours.

Estimated Total Annual Burden Hours: 10,000.

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: July 3, 2014.

R. Joseph Durbala,

IRS Reports Clearance Officer.

[FR Doc. 2014–16578 Filed 7–14–14; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Proposed Collection; Comment Request for Form 843

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, 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, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the IRS is

soliciting comments concerning Form 843, Claim for Refund and Request for Abatement.

DATES: Written comments should be received on or before September 15, 2014 to be assured of consideration.

ADDRESSES: Direct all written comments to R. Joseph Durbala, Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form and instructions should be directed to LaNita Van Dyke, Internal Revenue Service, Room 6517, 1111 Constitution Avenue NW., Washington, DC 20224, or through the internet at *Lanita.VanDyke@irs.gov*.

SUPPLEMENTARY INFORMATION:

Title: Claim for Refund and Request for Abatement.

OMB Number: 1545–0024.

Form Number: 843.

Abstract: Internal Revenue Code section 6402, 6404, and sections 301.6402–2, 301.6404–1, and 301.6404–3 of the regulations allow for refunds of taxes (except income taxes) or refund, abatement, or credit of interest, penalties, and additions to tax in the event of errors or certain actions by the IRS. Form 843 is used by taxpayers to claim these refunds, credits, or abatements.

Current Actions: There are no changes being made to the form at this time.

Type of Review: Extension of a currently approved collection.

Affected Public: Business or other for-profit organizations, individuals or households, not-for-profit institutions, farms, and state, local or tribal governments.

Estimated Number of Responses: 550,500.

Estimated Time per Respondent: 1 hr., 35 min.

Estimated Total Annual Burden Hours: 875,295.

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: June 5, 2014.

R. Joseph Durbala,

IRS Reports Clearance Officer.

[FR Doc. 2014–16471 Filed 7–14–14; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Proposed Collection; Comment Request For Regulation Project

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, as part of its effort to reduce paperwork and respondent burden, invites the general public and Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104–13(44 U.S.C. 3506(c)(2)(A)). The IRS is soliciting comments concerning Treatment of Gain From the Disposition of Interest in Certain Natural Resource Recapture Property by S Corporations and Their Shareholders.

DATES: Written comments should be received on or before September 15, 2014 to be assured of consideration.

ADDRESSES: Direct all written comments to R. Joseph Durbala, Internal Revenue Service, room 6129, 1111 Constitution Avenue NW., Washington, DC 20224.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the information collection should be directed to LaNita Van Dyke, or at Internal Revenue Service, room 6517, 1111 Constitution Avenue NW., Washington, DC 20224, or through the internet, at *Lanita.VanDyke@irs.gov.*

SUPPLEMENTARY INFORMATION:

Title: Treatment of Gain From the Disposition of Interest in Certain Natural Resource Recapture Property by S Corporations and Their Shareholders.

OMB Number: 1545–1493.

Regulation Project Number: T.D. 8684.

Abstract: This regulation prescribes rules under Code section 1254 relating to the treatment by S corporations and their shareholders of gain from the disposition of natural resource recapture property and from the sale or exchange of S corporation stock. Section 1.1254–4(c)(2) of the regulation provides that gain recognized on the sale or exchange of S corporation stock is not treated as ordinary income if the shareholder attaches a statement to his or her return containing information establishing that the gain is not attributable to section 1254 costs.

Current Actions: There is no change to this existing regulation.

Type of Review: Extension of a currently approved collection.

Affected Public: Business or other for-profit organizations, and individuals.

Estimated Number of Respondents: 1,000.

Estimated Time per Respondent: 1 hour.

Estimated Total Annual Burden Hours: 1,000.

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: June 6, 2014.

R. Joseph Durbala,

IRS Reports Clearance Officer.

[FR Doc. 2014–16484 Filed 7–14–14; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Proposed Collection; Comment Request for Form 12114

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, 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, Public Law 104–13(44 U.S.C. 3506(c)(2)(A)). Currently, the IRS is soliciting comments concerning Form 12114, Continuation Sheet for Item #15 (Additional Information) OF–306, Declaration for Federal Employment.

DATES: Written comments should be received on or before September 15, 2014 to be assured of consideration.

ADDRESSES: Direct all written comments to R. Joseph Durbala Internal Revenue Service, room 6129, 1111 Constitution Avenue NW., Washington, DC 20224.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form and instructions should be directed to LaNita Van Dyke, at Internal Revenue Service, room 6517, 1111 Constitution Avenue NW., Washington, DC 20224, or through the internet at *Lanita.VanDyke@irs.gov*.

SUPPLEMENTARY INFORMATION:

Title: Continuation Sheet for Item #15 (Additional Information) OF–306, Declaration for Federal Employment.

OMB Number: 1545–1921.

Form Number: 12114.

Abstract: This form is used by recruitment personnel of the Covington Host Site. This form is provided to applicants when completing OF 306, Declaration for Federal Employment. It is used as a continuation sheet to clearly define additional information that is requested in item 15 of the OF 306. Due to lack of space on the OF 306 this form can be used in lieu of an additional sheet of paper.

Type of Review: Extension of a currently approved collection.

Affected Public: Individuals or households.

Estimated Number of Respondents: 24,813.

Estimated Time per Respondent: 15 minutes.

Estimated Total Annual Burden Hours: 6,203.

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: June 19, 2014.

R. Joseph Durbala,

IRS Reports Clearance Officer.

[FR Doc. 2014–16472 Filed 7–14–14; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Proposed Collection; Comment Request for Form 4797

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, 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, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the IRS is soliciting comments concerning Form 4797, Sales of Business Property.

DATES: Written comments should be received on or before September 15, 2014 to be assured of consideration.

ADDRESSES: Direct all written comments to R. Joseph Durbala, Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form and instructions should be directed to Gerald J. Shields at Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224, or through the internet at *Gerald.J.Shields@irs.gov.*

SUPPLEMENTARY INFORMATION:

Title: Sales of Business Property.

OMB Number: 1545–0184.

Form Number: 4797.

Abstract: Form 4797 is used by taxpayers to report sales, exchanges, or involuntary conversions of assets used in a trade or business. It is also used to compute ordinary income from recapture and the recapture of prior year losses under section 1231 of the Internal Revenue Code. In the instructions, the *Worksheet for Partners and S Corporation Shareholders To Figure Gain or Loss on Dispositions of Property for Which a Section 179 Deduction Was Claimed* is located.

Current Actions: There are no changes being made to the form at this time. The change in burden is due to changes in the instructions and agency discretion.

Type of Review: Revision of a currently approved collection.

Affected Public: Business or other for-profit organizations, individuals or households, and farms.

Estimated Number of Respondents: 1,993,957.

Estimated Time per Respondent: 42 hours, 2 minutes.

Estimated Total Annual Burden Hours: 78,852,363.

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: July 1, 2014.

R. Joseph Durbala,

IRS Reports Clearance Officer.

[FR Doc. 2014–16581 Filed 7–14–14; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Proposed Collection; Comment Request for Form 56–F

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, 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, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the IRS is soliciting comments concerning Form 56–F, Notice Concerning Fiduciary Relationship of Financial Institution.

DATES: Written comments should be received on or before September 15, 2014 to be assured of consideration.

ADDRESSES: Direct all written comments to R. Joseph Durbala, Internal Revenue Service, room 6129, 1111 Constitution Avenue NW., Washington, DC 20224.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of notice should be directed to LaNita Van Dyke or at Internal Revenue Service, room 6517, 1111 Constitution Avenue NW., Washington, DC 20224, or through the internet, at *Lanita.VanDyke@irs.gov.*

SUPPLEMENTARY INFORMATION:

Title: Notice Concerning Fiduciary Relationship of Financial Institution.

OMB Number: 1545–2159.

Notice Number: Form 56–F

Abstract: The filing of Form 56–F by a fiduciary (FDIC or other federal agency acting as a receiver or conservator of a failed financial institution (bank or thrift)) gives the IRS the necessary information to submit send letters, notices, and notices of tax liability to the federal fiduciary now in charge of the financial institution rather than sending the notice, etc. to the institution's last known address.

Current Actions: Extension of currently approved collection. There are no changes being made to the notice at this time.

Type of Review: Extension of currently approved collection.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 106.

Estimated Average Time Per Respondent: 9 hrs., 23 mins.

Estimated Total Annual Burden Hours: 997 hrs.

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: June 20, 2014.

R. Joseph Durbala,

IRS Reports Clearance Officer.

[FR Doc. 2014–16468 Filed 7–14–14; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

[REG–119436–01]

Proposed Collection; Comment Request for Regulation Project.

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, 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, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the IRS is soliciting comments concerning an existing final regulation, REG–119436–01 (TD 9171), New Markets Tax Credits.

DATES: Written comments should be received on or before September 15, 2014 to be assured of consideration.

ADDRESSES: Direct all written comments to R. Joseph Durbala, Internal Revenue Service, room 6129, 1111 Constitution Avenue NW., Washington, DC 20224.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the regulation should be directed to Sara L. Covington, Internal Revenue Service, room 6129, 1111 Constitution Avenue NW., Washington, DC 20224, or through the internet at *Sara.L.Covington@irs.gov.*

SUPPLEMENTARY INFORMATION:

Title: New Markets Tax Credits.

OMB Number: 1545–1765.

Regulation Project Number: REG–119436–01 (Final).

Abstract: These regulations finalize the rules relating to the new markets tax credit under section 45D and replace the temporary regulations which expired on

December 23, 2004. A taxpayer making a qualified equity investment in a qualified community development entity that has received a new markets tax credit allocation may claim a 5-percent tax credit with respect to the qualified equity investment on each of the first 3 credit allowance dates and a 6-percent tax credit with respect to the qualified equity investment on each of the remaining 4 credit allowance dates.

Current Actions: There is no change to this existing regulation.

Type of Review: Extension of a currently approved collection.

Affected Public: Business or other for-profit organizations.

Estimated Number of Respondents: 816.

Estimated Time per Respondents: 15 minutes.

Estimated Total Annual Burden Hours: 210.

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: June 30, 2014.

R. Joseph Durbala,

IRS Supervisory Tax Analyst.

[FR Doc. 2014–16481 Filed 7–14–14; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Proposed Collection; Comment Request for Form 8823

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, 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, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the IRS is soliciting comments concerning Form 8823, Low-Income Housing Credit Agencies Report of Noncompliance or Building Disposition.

DATES: Written comments should be received on or before September 15, 2014 to be assured of consideration.

ADDRESSES: Direct all written comments to, R. Joseph Durbala, Internal Revenue Service, room 6129, 1111 Constitution Avenue NW., Washington, DC 20224.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form and instructions should be directed to, LaNita Van Dyke, or through the internet at *LanitaVanDyke@irs.gov.*

SUPPLEMENTARY INFORMATION:

Title: Low-Income Housing Credit Agencies Report of Noncompliance or Building Disposition.

OMB Number: 1545–1204.

Form Number: 8823.

Abstract: Under Internal Revenue Code section 42(m)(1)(B)(iii), state housing credit agencies are required to notify the IRS of noncompliance with the low-income housing tax credit provisions. A separate form must be filed for each building that is not in compliance. The IRS uses this information to determine whether the low-income housing credit is being correctly claimed and whether there is any credit recapture.

Current Actions: Form 8823 was not revised; however, adjustments were made to the burden computation to accurately reflect the total burden hours associated with this collection, which resulted in a decrease of 69,000 hours, making the new burden hours 303,200.

Type of Review: Revision of a currently approved collection.

Affected Public: State or local government housing credit agencies.

Estimated Number of Respondents: 20,000.

Estimated Total Annual Burden Hours: 303,200.

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: June 9, 2014.

R. Joseph Durbala,

IRS Reports Clearance Officer.

[FR Doc. 2014–16485 Filed 7–14–14; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Proposed Collection; Comment Request for Regulation Project

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, 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, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the IRS is soliciting comments concerning low-income housing credit for federally-assisted buildings.

DATES: Written comments should be received on or before September 15, 2014 to be assured of consideration.

ADDRESSES: Direct all written comments to R. Joseph Durbala, Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of this regulation should be directed to Kerry Dennis, Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224, or through the internet at *Kerry.Dennis@irs.gov.*

SUPPLEMENTARY INFORMATION:

Title: Low-Income Housing Credit for Federally-assisted Buildings.

OMB Number: 1545–1005.

Regulation Project Number: TD 8302.

Abstract: The regulation provides state and local housing credit agencies and owners of qualified low-income buildings with guidance regarding compliance with the waiver requirement of section 42(d)(6) of the Internal Revenue Code. The regulation requires documentary evidence of financial distress leading to a potential claim against a Federal mortgage insurance fund in order to get a written waiver from the IRS for the acquirer of the qualified low-income building to properly claim the low-income housing credit.

Current Actions: There is no change to this existing regulation.

Type of Review: Extension of a currently approved collection.

Affected Public: Business or other for-profit organizations, individuals or households, not-for-profit institutions, and Federal, state, local or tribal governments.

Estimated Number of Respondents: 1,000.

Estimated Time per Respondent: 3 hrs.

Estimated Total Annual Burden Hours: 3,000.

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: July 8, 2014.

R. Joseph Durbala,

IRS Reports Clearance Officer.

[FR Doc. 2014–16579 Filed 7–14–14; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Proposed Collection; Comment Request for Regulation Project

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, 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, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). The IRS is soliciting comments concerning information collection requirements related to amortizable bond premium.

DATES: Written comments should be received on or before September 15, 2014 to be assured of consideration.

ADDRESSES: Direct all written comments to R. Joseph Durbala, Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the regulations should be directed to Gerald J. Shields, LL.M. at Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224, or through the internet at *Gerald.J.Shields@irs.gov.*

SUPPLEMENTARY INFORMATION:

Title: Amortizable Bond Premium.

OMB Number: 1545–1491.

Regulation Project Number: REG–209798–95, T.D. 8746.

Abstract: This regulation addresses the tax treatment of bond premium. The regulation provides that a holder may make an election to amortize bond premium by offsetting interest income with bond premium, and the holder must attach a statement to their tax return providing certain information. The regulation also provides that a taxpayer may receive automatic consent to change its method of accounting for premium provided the taxpayer attaches a statement to its tax return. The information requested is necessary for the IRS to determine whether an issuer or a holder has changed its method of accounting for premium.

Current Actions: There is no change to this existing regulation.

Type of Review: Extension of a currently approved collection.

Affected Public: Businesses or other for-profit organizations and individuals.

Estimated Number of Respondents: 10,000.

Estimated Total Annual Burden Hours: 7,500.

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: July 1, 2014.

R. Joseph Durbala,

IRS Reports Clearance Officer.

[FR Doc. 2014–16610 Filed 7–14–14; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Proposed Collection; Comment Request for Form 56–F

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, 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, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the IRS is soliciting comments concerning Form 56–F, Notice Concerning Fiduciary Relationship of Financial Institution.

DATES: Written comments should be received on or before September 15, 2014 to be assured of consideration.

ADDRESSES: Direct all written comments to R. Joseph Durbala, Internal Revenue Service, room 6129, 1111 Constitution Avenue NW., Washington, DC 20224.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of notice should be directed to LaNita Van Dyke or at Internal Revenue Service, room 6517, 1111 Constitution Avenue NW., Washington, DC 20224, or through the internet, at *Lanita.VanDyke@irs.gov*.

SUPPLEMENTARY INFORMATION:

Title: Notice Concerning Fiduciary Relationship of Financial Institution.

OMB Number: 1545–2159.

Notice Number: Form 56–F

Abstract: The filing of Form 56–F by a fiduciary (FDIC or other federal agency acting as a receiver or conservator of a failed financial institution (bank or thrift)) gives the IRS the necessary information to submit send letters, notices, and notices of tax liability to the federal fiduciary now in charge of the financial institution rather than sending the notice, etc. to the institution's last known address.

Current Actions: Extension of currently approved collection. There are no changes being made to the notice at this time.

Type of Review: Extension of currently approved collection.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 106.

Estimated Average Time per Respondent: 9 hrs., 23 mins.

Estimated Total Annual Burden Hours: 997 hrs.

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: June 20, 2014.

R. Joseph Durbala,

IRS Reports Clearance Officer.

[FR Doc. 2014–16470 Filed 7–14–14; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Proposed Collection; Comment Request for Form 8834

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, 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, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the IRS is soliciting comments concerning Form 8834, Qualified Electric Vehicle Credit.

DATES: Written comments should be received on or before September 15, 2014 to be assured of consideration.

ADDRESSES: Direct all written comments to R. Joseph Durbala, Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form and instructions should be directed to Kerry Dennis at Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224, or through the internet at *Kerry.Dennis@irs.gov.*

SUPPLEMENTARY INFORMATION:

Title: Qualified Electric Vehicle Credit.

OMB Number: 1545–1374.

Form Number: Form 8834.

Abstract: Form 8834 is used to claim any qualified electric vehicle passive activity credit allowed for the current tax year. The IRS uses the information on the form to determine that the credit is allowable and has been properly computed.

Current Actions: There are changes being made to the form. The changes to the form are a result of the expiration of the qualified plug-in electric vehicle credit for vehicles acquired after 2011 (IRC 30(f)). As a result of the expiration, Form 8834 is only used to claim any qualified electric vehicle passive activity credit allowed for the current tax year. Changes to the form will decrease burden by 16,495 hours (31,517 to 15,022 hours). The department has increased its estimate of the annual number of responses by 2,636 (from 500 to 3,136).This will increase burden by 26,492 hours. The combined effect of these changes will

have an overall hourly increase of burden to 9,997 (from 5,025 to 15,022 hours).

Type of Review: Revision of a currently approved collection.

Affected Pubic: Individuals or households and businesses or other for-profit organizations.

Estimated Number of Respondents: 3,136.

Estimated Time Per Respondent: 4 hours, 47 minutes.

Estimated Total Annual Burden Hours: 15,022.

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: July 2, 2014.

R. Joseph Durbala,

IRS Reports Clearance Officer.

[FR Doc. 2014–16580 Filed 7–14–14; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Proposed Collection; Comment Request for Form 4219

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, 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, Public Law 104–13 (44 U.S.C. 3506(c)(2)(A)). Currently, the IRS is soliciting comments concerning statements of liability of lender, surety, or other person for withholding taxes.

DATES: Written comments should be received on or before September 15, 2014 to be assured of consideration.

ADDRESSES: Direct all written comments to R. Joseph Durbala, Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form and instructions should be directed to Gerald J. Shields, at Internal Revenue Service, Room 6129, 1111 Constitution Avenue NW., Washington, DC 20224, or through the internet at *Gerald.J.Shields@irs.gov.*

SUPPLEMENTARY INFORMATION:

Title: Statement of Liability of Lender, Surety, or Other Person for Withholding Taxes.

OMB Number: 1545–2254.

Form Number: Form 4219.

Abstract: Third parties who directly pay another's payrolls can be held liable for the full amount of taxes required to be withheld but not paid to the Government (subject to the 25% limitation). IRC 3505 deals with persons who supply funds to an employer for the purpose of paying wages. The notification that a third party is paying or supplying wages will usually be made by filing of the Form 4219, Statement of Liability of Lender, Surety, or Other Person for Withholding Taxes. The Form 4219, Statement of Liability of Lender, Surety, or Other Person for Withholding Taxes, is to be submitted and associated with each employer and for every calendar quarter for which a liability under section 3505 is incurred.

Current Actions: Request for of approval of an existing IC in use that does not contain an OMB control number.

Type of Review: Existing IC in use that does not contain an OMB control number.

Affected Public: Businesses and other for-profit organizations, not-for-profit institutions, farms, Federal Government, State, Local, or Tribal Government.

Estimated Number of Respondents: 1,000.

Estimated Time per Respondent: 12 hours 50 minutes.

Estimated Total Annual Burden Hours: 12,833.

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: July 1, 2014.

R. Joseph Durbala,

IRS Reports Clearance Officer.

[FR Doc. 2014–16582 Filed 7–14–14; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Open Meeting of the Taxpayer Advocacy Panel Taxpayer Assistance Center Improvements Project Committee.

AGENCY: Internal Revenue Service (IRS) Treasury

ACTION: Notice of meeting

SUMMARY: An open meeting of the Taxpayer Advocacy Panel Taxpayer Assistance Center Improvements Project Committee will be conducted. The

Taxpayer Advocacy Panel is soliciting public comments, ideas, and suggestions on improving customer service at the Internal Revenue Service.

DATES: The meeting will be held Thursday, August 14, 2014.

FOR FURTHER INFORMATION CONTACT: Donna Powers at 1–888–912–1227 or (954) 423–7977.

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 meeting of the Taxpayer Advocacy Panel Taxpayer Assistance Center Improvements Project Committee will be held Thursday, August 14, 2014, at 2:00 p.m. Eastern Time. The public is invited to make oral comments or submit written statements for consideration. Due to limited conference lines, notification of intent to participate must be made with Donna Powers. For more information please contact Ms. Donna Powers at 1–888–912–1227 or (954) 423–7977, or write TAP Office, 1000 S. Pine Island Road, Plantation, FL 33324 or contact us at the Web site: *http://www.improveirs.org*.

The committee will be discussing various issues related to the Taxpayer Assistance Centers and public input is welcomed.

Dated: July 8, 2014.

Otis Simpson,

Acting Director, Taxpayer Advocacy Panel.

[FR Doc. 2014–16486 Filed 7–14–14; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Open Meeting of the Taxpayer Advocacy Panel Joint Committee

AGENCY: Internal Revenue Service (IRS) Treasury.

ACTION: Notice of meeting

SUMMARY: An open meeting of the Taxpayer Advocacy Panel Joint Committee will be conducted. The Taxpayer Advocacy Panel is soliciting public comments, ideas, and suggestions on improving customer service at the Internal Revenue Service.

DATES: The meeting will be held Wednesday, August 13, Thursday August 14 and Friday, August 15, 2014.

FOR FURTHER INFORMATION CONTACT: Otis Simpson at 1–888–912–1227 or (202) 317–3332.

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 an open meeting of the Taxpayer Advocacy Panel Joint Committee will be held Wednesday, August 13 from 1:00 p.m. to 5:00 p.m., Thursday, August 14, 2013 from 8:00 a.m. to 5:00 p.m. and Friday, August 15 from 8:00a.m. until 12:00 p.m. Central Standard Time. The public is invited to make oral comments or submit written statements for consideration. Notification of intent to participate must be made with Otis Simpson. For more information please contact Otis Simpson at 1–888–912–1227 or (202) 317–3332 or write TAP Office, 1111 Constitution Avenue NW., Room 1509 National Office, Washington, DC 20224, or contact us at the Web site: *http://www.improveirs.org*.

The agenda will include various committee issues for submission to the IRS and other TAP related topics. Public input is welcomed.

Dated: July 8, 2014.

Otis Simpson,

Acting Director, Taxpayer Advocacy Panel.

[FR Doc. 2014–16489 Filed 7–14–14; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Open Meeting of the Taxpayer Advocacy Panel Toll-Free Phone Line Project Committee

AGENCY: Internal Revenue Service (IRS) Treasury

ACTION: Notice of meeting

SUMMARY: An open meeting of the Taxpayer Advocacy Panel Toll-Free Phone Line Project Committee will be conducted. The Taxpayer Advocacy Panel is soliciting public comments, ideas, and suggestions on improving customer service at the Internal Revenue Service.

DATES: The meeting will be held Wednesday, August 20, 2014.

FOR FURTHER INFORMATION CONTACT: Linda Rivera at 1–888–912–1227 or (202) 317–3337.

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 an open meeting of the Taxpayer Advocacy Panel Toll-Free Phone Line Project Committee will be held Wednesday, August 20, 2014 at 2:30 p.m. Eastern Time via teleconference. The public is invited to make oral comments or submit written statements for consideration. Due to limited conference lines, notification of intent to participate must be made with Linda Rivera. For more information please contact: Ms. Rivera at 1–888–912–1227 or (202)317–3337, or write TAP Office, 1111 Constitution Avenue NW., Room 1509 National Office, Washington, DC 20224, or contact us at the Web site: *http://www.improveirs.org*.

The committee will be discussing Toll-free issues and public input is welcomed.

Dated: July 9, 2014.

Otis Simpson,

Acting Director, Taxpayer Advocacy Panel.

[FR Doc. 2014–16488 Filed 7–14–14; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Open Meeting of the Taxpayer Advocacy Panel Taxpayer Communications Project Committee

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of meeting.

SUMMARY: An open meeting of the Taxpayer Advocacy Panel Taxpayer Communications Project Committee will be conducted. The Taxpayer Advocacy Panel is soliciting public comments, ideas, and suggestions on improving customer service at the Internal Revenue Service.

DATES: The meeting will be held Thursday, August 21, 2014.

FOR FURTHER INFORMATION CONTACT: Ellen Smiley or Patti Robb at 1–888–912–1227 or 414–231–2360.

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 an open meeting of the Taxpayer Advocacy Panel Taxpayer Communications Project Committee will be held Thursday, August 21, 2014, at 2:00 p.m. Eastern Time via teleconference. The public is invited to make oral comments or submit written statements for consideration. Due to limited conference lines, notification of intent to participate must be made with Ms. Ellen Smiley or Ms. Patti Robb. For more information please contact Ms. Smiley or Ms. Robb at 1–888–912–1227 or 414–231–2360, or write TAP Office Stop 1006MIL, 211 West Wisconsin Avenue, Milwaukee, WI 53203–2221, or post comments to the Web site: *http://www.improveirs.org*.

The committee will be discussing various issues related to Taxpayer Communications and public input is welcome.

Dated: July 8, 2014.

Otis Simpson,

Acting Director, Taxpayer Advocacy Panel.

[FR Doc. 2014–16490 Filed 7–14–14; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Open Meeting of the Taxpayer Advocacy Panel Joint Committee

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of Meeting.

SUMMARY: An open meeting of the Taxpayer Advocacy Panel Joint Committee will be conducted. The Taxpayer Advocacy Panel is soliciting public comments, ideas, and suggestions on improving customer service at the Internal Revenue Service.

DATES: The meeting will be held Wednesday, August 27, 2014.

FOR FURTHER INFORMATION CONTACT: Otis Simpson at 1–888–912–1227 or (202) 317–3332.

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 an open meeting of the Taxpayer Advocacy Panel Joint Committee will be held Wednesday, August 27, 2014, at 1:00 p.m. Eastern Time via teleconference. The public is invited to make oral comments or submit written statements for consideration. Notification of intent to participate must be made with Mr. Simpson. For more information please contact Otis Simpson at 1–888–912–1227 or (202) 317–3332 or write TAP Office, 1111 Constitution Avenue NW., Room 1509—National Office, Washington, DC 20224, or contact us at the Web site: *http://www.improveirs.org*.

The agenda will include various committee issues for submission to the IRS and other TAP related topics. Public input is welcomed.

Dated: July 8, 2014.

Otis Simpson,

Acting Director, Taxpayer Advocacy Panel.

[FR Doc. 2014–16491 Filed 7–14–14; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Open Meeting of the Taxpayer Advocacy Panel Tax Forms and Publications Project Committee

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of Meeting.

SUMMARY: An open meeting of the Taxpayer Advocacy Panel Tax Forms and Publications Project Committee will be conducted. The Taxpayer Advocacy Panel is soliciting public comments, ideas and suggestions on improving customer service at the Internal Revenue Service.

DATES: The meeting will be held August 20, 2014.

FOR FURTHER INFORMATION CONTACT: Theresa Singleton at 1–888–912–1227 or 202–317–3329.

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 an open meeting of the Taxpayer Advocacy Panel Tax Forms and Publications Project Committee will be held Wednesday, August 20, 2014 at 11:00 a.m. Eastern Time via teleconference. The public is invited to make oral comments or submit written statements for consideration. Due to limited conference lines, notification of intent to participate must be made with Ms. Singleton. For more information please contact Ms. Singleton at 1–888–912–1227 or 202–317–3329, TAP Office, 1111 Constitution Avenue NW., Room 1509—National Office, Washington, DC 20224, or contact us at the Web site: *http://www.improveirs.org*.

The committee will be discussing various issues related to Tax Forms and Publications and public input is welcomed.

Dated: July 8, 2014.

Otis Simpson,

Acting Director, Taxpayer Advocacy Panel.

[FR Doc. 2014–16482 Filed 7–14–14; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Open Meeting of the Taxpayer Advocacy Panel Notices and Correspondence Project Committee

AGENCY: Internal Revenue Service (IRS) Treasury.

ACTION: Notice of Meeting.

SUMMARY: An open meeting of the Taxpayer Advocacy Panel Notices and Correspondence Project Committee will be conducted. The Taxpayer Advocacy Panel is soliciting public comments, ideas, and suggestions on improving customer service at the Internal Revenue Service.

DATES: The meeting will be held Wednesday, August 20, 2014.

FOR FURTHER INFORMATION CONTACT: Russ Pool at 1–888–912–1227 or 206–220–6542.

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 meeting of the Taxpayer Advocacy Panel Notices and Correspondence Project Committee will be held Wednesday, August 20, 2014, at 12 p.m. Eastern Time via teleconference. The public is invited to make oral comments or submit written statements for consideration. Due to limited conference lines, notification of intent to participate must be made with Russ Pool. For more information please contact Mr. Pool at 1–888–912–1227 or 206–220–6542, or write TAP Office, 915 2nd Avenue, MS W–406, Seattle, WA 98174, or contact us at the Web site: *http://www.improveirs.org*.

The agenda will include a discussion on various letters, and other issues related to written communications from the IRS.

Dated: July 8, 2014.

Otis Simpson,

Acting Director, Taxpayer Advocacy Panel.

[FR Doc. 2014–16493 Filed 7–14–14; 8:45 am]

BILLING CODE 4830–01–P

U.S.-CHINA ECONOMIC AND SECURITY REVIEW COMMISSION

Notice of Open Meetings to Prepare the 2014 Annual Report to Congress; Advisory Committee: U.S.-China Economic and Security Review Commission; Correction

AGENCY: U.S.-China Economic and Security Review Commission.

ACTION: Notice; correction.

SUMMARY: The U.S.-China Commission published a document in the **Federal Register** on July 07, 2014, concerning notice of open meetings to be held in Washington, DC to review and edit drafts of the 2014 Annual Report to Congress. The document contained an incorrect meeting room location.

FOR FURTHER INFORMATION CONTACT: Reed Eckhold, 202–624–1496

Correction

In the **Federal Register** of July 07, 2014, in FR Doc. 2014–15732 on page 38362, in the second column, correct the ''Dates, Times, and Room Locations'' caption to read:

Dates, Times, And Room Locations (Eastern Daylight Time):

- Monday and Tuesday, July 14–15, 2014 (9:00 a.m. to 5:00 p.m.)—Room 231 and 333
- Monday and Tuesday, August 18–19, 2014 (9:00 a.m. to 5:00 p.m.)—Room 231
- Monday and Tuesday, September 22–23, 2014 (9:00 a.m. to 5:00 p.m.)—Room 231
- Monday and Tuesday, October 06–07, 2014 (9:00 a.m. to 5:00 p.m.)—Room 383

Dated: July 9, 2014.

Michael Danis,

Executive Director, U.S.-China Economic and Security Review Commission.

[FR Doc. 2014–16459 Filed 7–14–14; 8:45 am]

BILLING CODE 1137–00–P

FEDERAL REGISTER

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Part II

Department of Commerce

National Oceanic and Atmospheric Administration

50 CFR Part 218

Taking and Importing Marine Mammals; Taking Marine Mammals Incidental to U.S. Marine Corps Training Exercises at Brant Island Bombing Target and Piney Island Bombing Range, USMC Cherry Point Range Complex, North Carolina; Proposed Rule

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 218

[Docket No. 131119976–3976–01]

RIN 0648–BD79

Taking and Importing Marine Mammals; Taking Marine Mammals Incidental to U.S. Marine Corps Training Exercises at Brant Island Bombing Target and Piney Island Bombing Range, USMC Cherry Point Range Complex, North Carolina

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

ACTION: Proposed rule; request for comments.

SUMMARY: NMFS has received a request from the U.S. Marine Corps (Marine Corps) for authorization to take marine mammals, specifically bottlenose dolphins (*Tursiops truncatus*), by harassment, incidental to training operations at the Marine Corps' Cherry Point Range Complex, North Carolina from September 2014 to September 2019. In this action, NMFS proposes to amend the regulations to establish a framework for authorizing the take of marine mammals incidental to the Marine Corps' military training operations, and to issue a subsequent Letter of Authorization to the Marine Corps, which would contain mitigation, monitoring, and reporting requirements. Per the Marine Mammal Protection Act (MMPA), NMFS requests comments on its proposal to issue regulations and a subsequent Letter of Authorization to the Marine Corps.

DATES: NMFS must receive comments on or before August 14, 2014.

ADDRESSES: You may submit comments on this document, identified by NOAA–NMFS–2014–0082, by any one of the following methods:

- *Electronic Submissions:* Submit all electronic public comments via the Federal e-Rulemaking Portal. Go to: *http://www.regulations.gov/#!docketDetail;D=NOAA-NMFS-2014-0082,* click the ''Comment Now!'' icon, complete the required fields, and enter or attach your comments.
- *Mail:* Submit written comments to the Chief, Permits and Conservation Division, Office of Protected Resources, National Marine Fisheries Service, 1315 East-West Highway, Silver Spring, MD 20910–3225.

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

The public may obtain a copy of the Marine Corps' application containing a list of references used in this document by visiting the Web page at: *http://www.nmfs.noaa.gov/pr/permits/incidental.htm#applications.* The public may also view documents cited in this proposed rule, by appointment, during regular business hours at the above address. To help NMFS process and review comments more efficiently, please use only one of the described methods to submit comments.

FOR FURTHER INFORMATION CONTACT: Jeannine Cody, National Marine Fisheries Service, Office of Protected Resources, (301) 427–8401.

SUPPLEMENTARY INFORMATION:

Executive Summary

This proposed regulation, under the Marine Mammal Protection Act (MMPA; 16 U.S.C. 1361 *et seq.*), establishes a framework for authorizing the take of marine mammals incidental to the Marine Corps' military training operations at the Brant Island Bombing Target (BT–9) and Piney Island Bombing Range (BT–11) located within the Marine Corps' Cherry Point Range Complex in Pamlico Sound, North Carolina.

The Marine Corps conducts military training to meet its statutory responsibility to organize, train, equip, and maintain combat-ready forces. The Marine Corps training activities include air-to-ground weapons delivery, weapons firing, and water-based training occurring at the BT–9 and BT–11 bombing targets located within the Marine Corps' Cherry Point Range Complex in Pamlico Sound, North Carolina. The Marine Corps' training activities are military readiness activities under the MMPA as defined by the National Defense Authorization Act for Fiscal Year 2004 (NDAA; Public Law 108–136).

Purpose and Need for This Regulatory Action

NMFS received an application from the Marine Corps requesting 5-year regulations and one, 5-year Letter of Authorization to take marine mammals, specifically bottlenose dolphins (*Tursiops truncatus*), by harassment, injury, and mortality incidental to training operations at BT–9 and BT–11 bombing targets from September 2014 to September 2019. These operations, which constitute a military readiness activity, have the potential to cause behavioral disturbance, serious injury, and mortality to marine mammals.

Section 101(a)(5)(A) of the MMPA directs the Secretary of Commerce (Secretary) to allow, upon request, the incidental, but not intentional taking of small numbers of marine mammals by U.S. citizens who engage in a specified activity (other than commercial fishing) within a specified geographical region if, after notice and public comment, the agency makes certain findings and issues regulations.

This proposed regulation would establish a framework to authorize take of marine mammals, incidental to the Marine Corps' training exercises through NMFS' issuance of one, 5-year Letter of Authorization to the Marine Corps, which would contain mitigation, monitoring, and reporting requirements.

Legal Authority for the Regulatory Action

Section 101(a)(5)(A) of the MMPA and our implementing regulations at 50 CFR part 216, subpart I provide the legal basis for issuing the 5-year regulations and subsequent Letter of Authorization. In the case of military readiness activities, such as those proposed to be conducted by the Marine Corps, the specified geographical region and small numbers provisions of section 101(a)(5)(A) do not apply.

Summary of Major Provisions Within the Proposed Regulation

The following provides a summary of some of the major provisions within this proposed rulemaking for the Marine Corps' training exercises at Brant Island Bombing Target–BT–9 and Piney Island Bombing Range–BT–11 in Pamlico Sound, North Carolina. The Marine Corps' adherence to the proposed mitigation, monitoring, and reporting measures listed below would achieve the least practicable adverse impact on the affected marine mammals. They include:

• Required pre- and post-exercise monitoring of the training areas to detect the presence of marine mammals during training exercises.

• Required monitoring of the training areas during active training exercises with required suspensions/delays of training activities if a marine mammal enters within designated mitigation zones.

• Required reporting of stranded or injured marine mammals in the vicinity of the BT–9 and BT–11 bombing targets located within the Marine Corps' Cherry Point Range Complex in Pamlico Sound, North Carolina to the NMFS Marine Mammal Stranding Network.

• Required research on a real-time acoustic monitoring system to automate detection of bottlenose dolphins in the training areas.

Cost and Benefits

This proposed rule, specific only to the Marine Corps' training activities in BT–9 and BT–11 bombing targets, is not significant under Executive Order 12866—Regulatory Planning and Review.

Availability of Supporting Information

In 2009, the Marine Corps prepared an Environmental Assessment (EA) titled, ''Environmental Assessment MCAS Cherry Point Range Operations,'' in accordance with the National Environmental Policy Act (NEPA; 42 U.S.C. 4321 *et seq.*) and the regulations published by the Council on Environmental Quality. The EA is available at: *http://www.nmfs.noaa.gov/pr/permits/incidental.htm#applications.* In 2009, the Marine Corps issued a Finding of No Significant Impact (FONSI) for its activities, which is also available at the same internet address.

After evaluating the Marine Corps' application and the 2009 EA, NMFS has determined that there are changes to the proposed action (i.e., increased ammunitions levels) and new environmental impacts (i.e., the use of revised thresholds for estimating potential impacts on marine mammals from explosives) not addressed in the 2009 document. Thus, NMFS has determined that a Supplemental Environmental Assessment (SEA) is necessary, and the agency intends to prepare a SEA incorporating relevant portions of the Marine Corps' EA by reference. Information in the Marine Corps' application including the 2014 addendum, its 2009 EA, and this notice of proposed rulemaking collectively provide the environmental information related to the proposed regulations and subsequent 5-year Letter of Authorization for public review and comment. NMFS will review all comments submitted in response to this notice as we complete the NEPA process, including whether to issue a FONSI, prior to finalizing the MMPA rulemaking.

SUPPLEMENTARY INFORMATION:

Background

Section 101(a)(5)(A) of the Marine Mammal Protection Act (MMPA; 16 U.S.C. 1361 *et seq.*) directs the Secretary to allow, upon request, the incidental, but not intentional taking of small numbers of marine mammals by U.S. citizens who engage in a specified activity (other than commercial fishing) within a specified geographical region if, after notice and public review, NMFS makes certain findings and issues regulations.

NMFS shall grant authorization for the incidental takings if the agency finds that the total taking will have a negligible impact on the species or stock(s), and will not have an unmitigable adverse impact on the availability of the species or stock(s) for subsistence uses (where relevant). Further, the authorization for incidental takings must set forth the permissible methods of taking; other means of effecting the least practicable adverse impact on the species or stock and its habitat; and requirements pertaining to the mitigation, monitoring, and reporting of such taking.

NMFS has defined ''negligible impact'' in 50 CFR 216.103 as ''an impact resulting from the specified activity that cannot be reasonably expected to, and is not reasonably likely to, adversely affect the species or stock through effects on annual rates of recruitment or survival.''

The National Defense Authorization Act of 2004 (NDAA; Public Law 108–136) removed the ''small numbers'' and ''specified geographical region'' limitations indicated earlier and amended the definition of harassment as it applies to a ''military readiness activity'' to read as follows: (i) Any act that injures or has the significant potential to injure a marine mammal or marine mammal stock in the wild [Level A Harassment]; or (ii) any act that disturbs or is likely to disturb a marine mammal or marine mammal stock in the wild by causing disruption of natural behavioral patterns, including, but not limited to, migration, surfacing, nursing, breeding, feeding, or sheltering, to a point where such behavioral patterns are abandoned or significantly altered [Level B Harassment].

Summary of Request

On January 28, 2013, NMFS received an application from the Marine Corps requesting a rulemaking and subsequent Letter of Authorization for the take of marine mammals incidental to training exercises conducted at Brant Island Bombing Target (BT–9) and Piney Island Bombing Range (BT–11) bombing targets at the USMC Cherry Point Range Complex located within Pamlico Sound, North Carolina.

On March 29, 2013, per the regulations at 50 CFR 216.104(b)(1)(i), NMFS began the public review process by publishing a Notice of Receipt in the **Federal Register** (78 FR 19224).

The Marine Corps plans to conduct weapons delivery training exercises (air-to-surface and surface-to-surface) at the two water-based bombing targets located within the Cherry Point Range Complex in North Carolina.

The proposed activities would occur between September 2014 and September 2019, year-round, day or night. The Marine Corps proposes to use small arms, large arms, bombs, rockets, grenades, and pyrotechnics for the air-to-surface and surface-to-surface training exercises, which qualify as military readiness activities.

The following specific aspects of the proposed exercises are likely to result in the take of marine mammals: exposure to sound and pressure from underwater detonations or direct strike by ordnance. Thus, the Marine Corps and NMFS anticipate that take, by Level B (behavioral) and Level A harassment of individuals of Atlantic bottlenose dolphin (*Tursiops truncatus*) would result from the training exercises. Due to the small potential for serious injury and mortality, the Marine Corps has also requested authorization for serious injury and mortality of up to 30 bottlenose dolphins over the course of the 5-year regulations.

The proposed regulations would establish a framework for authorizing incidental take in a future 5-year Letter of Authorization (LOA). The LOA, if approved, would authorize the take of Atlantic bottlenose dolphins (*Tursiops truncatus*), by Level A harassment, Level B (behavioral) harassment, and serious injury and mortality.

NMFS has issued three, one-year Incidental Harassment Authorizations to the Marine Corps under section 101(a)(5)(D) of the MMPA for the conduct of similar training exercises from 2010 to 2014 (75 FR 72807, November 26, 2010; 77 FR 87, January 3, 2012; and 78 FR 42042, July 15, 2013). The Marine Corps' current

Incidental Harassment Authorization expires in 2014.

NMFS is committed to the use of the best available science in its decision making. NMFS uses an adaptive, transparent process that allows for both timely scientific updates and public input into agency decisions regarding the use of acoustic research and thresholds. NMFS is currently in the process of re-evaluating acoustic thresholds based on the best available science, as well as how NMFS applies these thresholds under the MMPA to all activity types. This re-evaluation could potentially result in changes to the acoustic thresholds or their application as they apply to future Marine Corps training activities at BT–9 and BT–11. However, it is important to note that while changes in acoustic thresholds may affect the enumeration of ''takes,'' they do not necessarily change the evaluation of population level effects or the outcome of the negligible impact analysis. In addition, while acoustic criteria may also inform mitigation and monitoring decisions, the Marine Corps will implement an adaptive management program that will address new information allowing for the modification of mitigation and/or monitoring measures as appropriate.

Description of the Specified Activity

Overview

The Marine Corps must meet its statutory responsibility to organize, train, equip, and maintain combat-ready Marine Corps forces at the BT–9 and BT–11 bombing targets in Pamlico Sound, North Carolina. The bombing targets provide unique training environments and are of vital importance to the readiness of Marine Corps forces.

The types of ordnances proposed for use at the BT–9 and BT–11 bombing targets include gun ammunition (small and large arms), rockets, grenades, bombs, and pyrotechnics. Training for any activity may occur year-round, day or night, with no seasonal restrictions.

Active sonar is not a component of these specified training exercises and air-to-ground firing exercises do not impact the water; therefore, NMFS has not included a discussion of marine mammal harassment from active sonar operations within this notice.

Dates and Duration

The proposed activities would occur between September 2014 and September 2019. Each type of proposed exercise may occur year-round, day or night. Approximately 15 percent of the activities would occur at night.

NMFS proposes regulations to govern the Marine Corps' training activities at the BT–9 and BT–11 bombing targets within the USMC Cherry Point Range Complex to be effective from September 8, 2014 to September 7, 2019. The Marine Corps is requesting a 5-year Letter of Authorization for these activities.

Location of Proposed Activities

The Marine Corps administers and uses the BT–9 and BT–11 bombing targets (See Figure 1), located at the convergence of the Neuse River and Pamlico Sound, North Carolina, for the purpose of training military personnel in the skill of ordnance delivery by aircraft and small watercraft.

The BT–9 area is a water-based bombing target and mining exercise area located approximately 52 kilometers (km) (32.3 miles (mi)) northeast of Marine Air Corps Station Cherry Point. The U.S. Army Corps of Engineers, Wilmington District has defined a danger zone (prohibited area) by a 6 statute-mile (sm) diameter boundary around BT–9 (33 CFR 334.420). This restriction prohibits non-military vessels within the designated area. The BT–9 target area ranges in depth from 1.2 to 6.1 meters (m) (3.9 to 20 feet (ft)), with the shallow areas concentrated along the Brandt Island Shoal. The target itself consists of three ship hulls grounded on Brant Island Shoals, located approximately 4.8 km (3.0 mi) southeast of Goose Creek Island.

The BT–11 area encompasses a total of 50.6 square kilometers (km^2) (19.5 square miles (mi^2)) on Piney Island located in Carteret County, NC. The target prohibited area, at a radius of 1.8 sm, is roughly centered on Rattan Bay and includes approximately 9.3 km^2 (3.6 mi^2) of water and water depths range from 0.3 m (1.0 ft) along the shoreline to 3.1 m (10.1 ft) in the center of Rattan Bay. Water depths in the center of Rattan Bay range from approximately 2.4 to 3 m (8 to 10 ft) with bottom depths ranging from 0.3 to 1.5 m (1 to 5 ft) adjacent to the shoreline of Piney Island. The in-water stationary targets of BT–11 consist of a barge and patrol boat located in roughly the center of Rattan Bay. The Marine Corps also use on an intermittent basis for strafing at water- and land-based targets, a second danger zone, with an inner radius of 1.8 sm and outer radius of 2.5 sm and also roughly centered on Rattan Bay.

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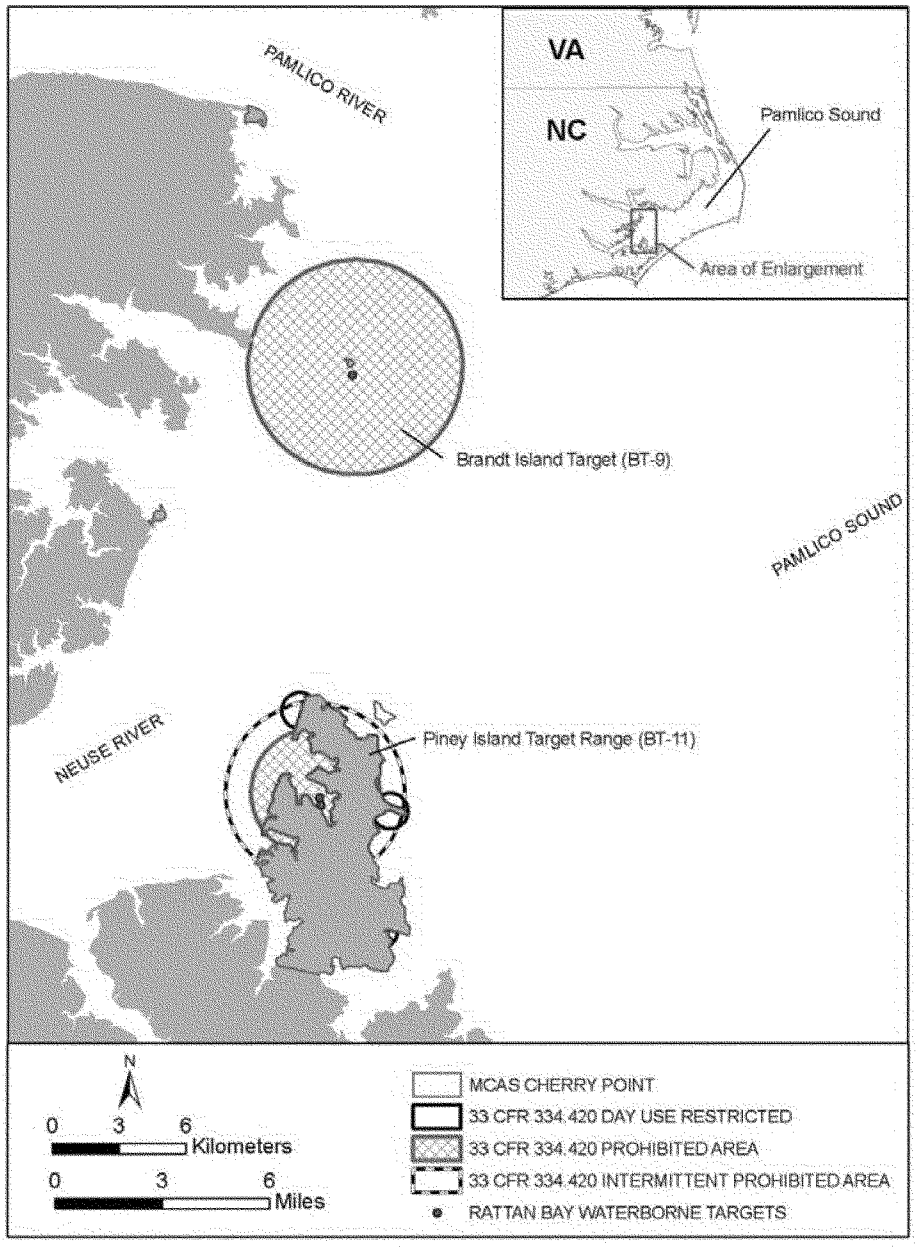

Figure 1. Brant Island Bombing Target (BT-9) and Piney Island Bombing Range (BT-11) bombing targets at the USMC Cherry Point Range Complex located within Pamlico Sound, North Carolina.

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The Marine Corps conducts all inert and live-fire exercises at BT–9 and BT–11 so that all ammunition and other ordnances strike and/or fall on the land or water-based targets or within the existing danger zones or water restricted areas. Military forces close danger zones to the public on an intermittent or full-time basis for hazardous operations such as target practice and ordnance firing. They also prohibit or limit public access to water restricted areas to provide security for government property and/or to protect the public from the risks of injury or damage that could occur from the government's use of that area (33 CFR 334.2). Surface danger zones are designated areas of rocket firing, target practice, or other hazardous operations (33 CFR 334.420). The surface danger zone (prohibited area) for BT–9 is a 4.8 km (3.0 mi) radius centered on the south side of Brant Island Shoal. The surface danger zone for BT–11 is a 2.9 km (1.8 mi) radius centered on a barge target in Rattan Bay. NMFS refers the reader to Section 3 of the Marine Corps' application for more detailed information on the locations and timing restrictions related to these zones.

Detailed Description of the Proposed Activities

The following sections describe the training activities that have the potential to affect marine mammals present within the BT–9 and BT–11 bombing targets. These activities fall into two categories based on the ordnance delivery method: (1) Surface-to-surface gunnery exercises; and (2) air-to-surface bombing exercises.

Surface-to-Surface Exercises

Gunnery exercises are the only category of surface-to-surface activity currently conducted within BT–9 or BT–11. Surface-to-surface gunnery firing exercises typically involve Special Boat Team personnel firing munitions from a machine gun and 40 mm grenade launchers at a water-based target or throwing concussion grenades into the water (e.g., not at a specific target) from a small boat. The number and type of boats used depend on the unit using the boat and the particular training mission. These include: Small unit river craft, combat rubber raiding craft, rigid hull inflatable boats, and patrol craft. These boats may use inboard or outboard, diesel or gasoline engines with either propeller or water jet propulsion systems.

The Marine Corps propose to use a maximum of six boats ranging in size from 7.3 to 26 m (24 to 85 ft) to conduct surface-to-surface firing activities. Each boat would travel between 0 to 20 knots (kts) (0 to 23 miles per hour (mph)) with an average of two vessels to approach and engage the intended targets. The boats typically travel in linear paths and do not operate erratically.

Boat sorties occur in all seasons and the number of sorties conducted at each range may vary from year to year based on training needs and worldwide operational tempo. The majority of boat sorties at BT–9 originate from Marine Corps Air Station Cherry Point's Navy boat docks, but they may also originate from the State Port in Morehead City, NC, Marine Corps Base Camp Lejeune, and U.S. Coast Guard Station Hobucken in Pamlico Sound. The majority of boat sorties at BT–11 originate from launch sites within the range complex.

There is no specific schedule associated with the use of BT–9 or BT–11 by the small boat teams. However, the Marine Corps schedules the exercises for 5-day blocks with exercises at various times throughout the year. Variables such as deployment status, range availability, and completion of crew specific training requirements influence the exercise schedules. Table 1 in this document outlines the number of surface-to-surface exercises that occurred between 2011 and 2013 by bombing target area.

TABLE 1—COUNTS OF SURFACE-TO-SURFACE SORTIES CONDUCTED IN CALENDAR YEARS 2011, 2012, AND 2013 IN BT–9 AND BT–11

Year	BT–9	BT–11
2011	223	105
2012	322	106
2013	87	62

The direct-fire gunnery exercises (i.e., all targets are within the line of sight of the military personnel) at BT–9 would typically use 7.62 millimeter (mm) or .50 caliber (cal) machine guns; 40 mm grenade machine guns; or G911 concussion hand grenades. The proposed exercises at BT–9 are usually live-fire exercises. At times Marine Corps personnel would use blanks (inert ordnance) so that the boat crews could practice ship-handling skills during training without being concerned with the safety requirements involved with live weapons.

The Marine Corps estimates that it could conduct up to approximately 354 vessel-based sorties annually at BT–9. This estimate includes the highest number of sorties conducted over the past three years (322) plus an additional 10 percent increase (32) in sorties to account for interannual variation based on future training needs and worldwide operational tempo.

The direct-fire gunnery exercises at BT–11 would include the use of small arms, large arms, bombs, rockets, and pyrotechnics. All munitions fired within the BT–11 range are non-explosive with the exception of the small explosives in the single charges. No live firing occurs at BT–11. The Marine Corps estimates that it could conduct up to approximately 117 vessel-based sorties annually at BT–11. This estimate includes the highest number of sorties conducted over the past three years (106) plus an additional 10 percent increase (11) in sorties to account for interannual variation based on future training needs and worldwide operational tempo.

Air-to-Surface Exercises

Air-to-surface training exercises involve fixed-, rotary-, or tilt-wing aircraft firing munitions at targets on the water's surface or on land (as in the case of BT–11). There are four types of air-to-surface activities conducted within BT–9 and BT–11. They include: Mine laying, bombing, gunnery, or rocket exercises. Table 2 in this document outlines the number of air-to-surface exercises that occurred in 2011, 2012, and 2013 by bombing target area.

TABLE 2—COUNTS OF AIR-TO-SURFACE EXERCISES CONDUCTED IN CALENDAR YEARS 2011, 2012, AND 2013 IN BT–9 AND BT–11

Year	BT–9	BT–11
2011	1,554	4,251
2012	842	11,706
2013	407	1,177

The Marine Corps estimates that it could conduct up to approximately 1,709 air-based based sorties annually at BT–9. This estimate includes the highest number of sorties conducted over the past three years (1,554) plus an additional 10 percent increase (155) in sorties to account for interannual variation based on future training needs and worldwide operational tempo.

For the BT–11 area, the Marine Corps estimates that it could conduct up to approximately 12,877 air-based based sorties annually. This estimate includes the highest number of sorties conducted over the past three years (11,706) plus an additional 10 percent increase (1,171) in sorties to account for interannual variation based on future training needs and worldwide operational tempo.

The following sections provide more detail on each exercise type that the Marine Corps proposes to conduct over the next five years.

Mine Laying Exercises: Aircraft With Inert Shapes

Mine laying exercises are simulations only, meaning that mine detonations would not occur during training. These exercises, regularly conducted at the BT–9 bombing target, involve the use of fixed-wing aircraft (F/A–18F Hornet Strike Fighter, P–3 Orion, or P–8 Poseidon) flying undetected to the target area using either a low- or high-altitude tactical flight pattern. When the aircraft reaches the target area, the pilot would deploy a series of inert mine shapes in an offensive or defensive pattern into the water. The aircraft would make multiple passes along a pre-determined flight azimuth dropping one or more of the inert shapes each time.

The mine-laying exercises at BT–9 would include the use of MK–62, MK–63, MK–76, BDU–45, and BDU–48 inert training shapes. Each inert shape weighs 500, 1000, 25, 500, and 10 pounds (lbs), respectively.

Bombing Exercises: Fixed-Wing Aircraft With Inert Bombs

Pilots train to destroy or disable enemy ships or boats during bombing exercises. These exercises, conducted at BT–9 or BT–11, normally involve the

use of two to four fixed-wing aircraft (i.e., an F/A–18F Hornet Strike Fighter or AV–8 Harrier II) approaching the target area from an altitude of approximately 152 m (500 ft) up to 4,572 m (15,000 ft). When the aircraft reach the target area, they establish a predetermined racetrack pattern relative to the target and deliver the bombs. Participating aircraft follow the same flight path during subsequent target ingress, ordnance delivery, target egress, and downwind pattern. The Marine Corps uses this type of pattern to ensure that only one aircraft releases ordnance at any given time.

The pilots deliver the bombs against targets at BT–9 or BT–11, day or night; the average time to complete this type of exercise is approximately one hour. There is no set level or pattern of amount of sorties conducted and there are no cluster munitions authorized for use during bombing exercises.

The bombing exercises would typically use unguided MK–76, BDU–45, MK–82, and MK–83 inert training bombs (25, 500, 500, and 1,000 lbs, respectively); precision-guided munitions consisting of laser-guided bombs (inert); and laser-guided training rounds (inert, but contains a small impact-initiated spotting charge).

For unguided munitions, the typical release altitudes are 914 m (3,000 ft) or above 4,572 m (15,000 ft). The typical release altitude for precision-guided munitions is 1.8 km (1.1 mi) or greater in altitude. For laser-guided munitions, onboard laser designators, laser designators from support aircraft, or ground support personnel use lasers to illuminate the certified targets. For either weapons delivery system, the lowest minimum altitude for ordnance delivery (inert bombs) would be 152 m (500 ft).

Gunnery Exercises: Aircraft With Cannons

During air-to-surface gunnery exercises with cannons, pilots train to destroy or disable enemy ships, boats, or floating/near-surface mines from aircraft with mounted cannons equal to or larger than 20 mm. The Marine Corps proposes to use either fixed-wing (F/A–18F Hornet Strike Fighter or an AV–8 Harrier II) or rotary-wing (AH–1 Super Cobra), tilt-rotor (V–22), and other aircraft to conduct gunnery exercises at BT–9 or BT–11. During the exercise (i.e., strafing run), two aircraft would approach the target area from an altitude of approximately 914 m (3,000 ft) and within a distance of 1,219 m (4,000 ft) from the target, begin to fire a burst of approximately 30 rounds of munitions before reaching an altitude of 305 m (1,000 ft) to break off the attack. Each aircraft would reposition for another strafing run until each aircraft expends its exercise ordnance of approximately 250 rounds (approximately 8–12 passes per aircraft per exercise). This type of gunnery exercise would typically use a Vulcan M61A1/A2, 20 mm cannon or a GAU–12, 25 mm cannon. The Marine Corps proposes to use inert munitions for these exercises. The aircraft deliver the ordnance against targets at BT–9 or BT–11, day or night. The average time to complete this type of exercise is approximately 1 hour.

Gunnery Exercises: Aircraft With Machine Guns

During air-to-surface gunnery exercises with machine guns, pilots train to destroy or disable enemy ships, boats, or floating/near-surface mines with aircraft using mounted machine guns. The Marine Corps proposes to use rotary-wing (CH–52 Super Stallion, UH–1 Iroquois Huey, CH–46 Sea Knight, MV–22 Osprey, or H–60 Hawk series, and other types) aircraft to conduct gunnery exercises at BT–9 or BT–11. During the exercise an aircraft would fly around the target area at an altitude between 15 and 30 m (50 and 100 ft) in a 91 m (300 ft) racetrack pattern around the water-based target. Each gunner would expend approximately 400 rounds of 7.62 mm ammunition and 200 rounds of .50 cal ammunition in each exercise. The aircraft deliver the ordnance against the bombing targets at BT–9 or BT–11, day or night. The average time to complete this type of exercise is approximately one hour.

Rocket Exercises

The Marine Corps proposes to carry out rocket exercises similar to the bombing exercises. Fixed- and rotary-wing aircraft crews launch rockets at surface maritime targets, day and night, to train for destroying or disabling enemy ships or boats. These operations employ 2.75-inch and 5-inch rockets (4.8 and 15.0 lbs net explosive weight, respectively). Generally, personnel would deliver an average of approximately 14 rockets per sortie. As with the bombing exercises, there is no set level or pattern of amount of sorties conducted.

Munitions and Estimated Annual Expenditures

Tables 3 and 4 in this document provide a list and expenditure levels of the live and inert ordnance proposed for use at BT–9 and BT–11, respectively.

There are several varieties of ordnance and net explosive weights (for live munition used at BT–9) can vary according to type. All practice bombs are inert but simulate the same ballistic properties of service type bombs. They are either solid cast metal bodies or thin sheet metal containers. Since practice bombs contain no explosive filler, a practice bomb signal cartridge (smoke) serves as a visual observation of weapon target impact.

High explosive detonations convert almost instantly into a gas at very high pressure and temperature. Under the pressure of the gases generated, the weapon case expands and breaks into fragments. The air surrounding the casing compresses and transmits a shock (blast) wave. Typical initial values for a high-explosive weapon are 200 kilobars of pressure (1 bar = 1 atmosphere) and 5,000 degrees Celsius (9,032 degrees Fahrenheit).

The Marine Corps proposes to use five types of explosive sources at BT–9: 2.75-inch Rocket High Explosives, 5-inch Rocket High Explosives, 30 mm High Explosives, 40 mm High Explosives, and G911 grenades. All munitions proposed for use at BT–11are inert (not live).

TABLE 3—TYPE OF ORDNANCE, NET EXPLOSIVE WEIGHT, AND PROPOSED LEVELS OF ANNUAL EXPENDITURES AT BT–9

Proposed ordnance	Net explosive weight in pounds (lbs)	Proposed number of rounds
Small arms excluding .50 cal (7.62 mm)	N/A, inert	525,610
.50 cal	N/A, inert	568,515
Large arms—live (30 mm)	0.1019	3,432
Large arms—live (40 mm)	0.1199	10,420
Large arms—inert (20, 25, 30, and 40 mm)	N/A	120,405
Rockets—live (2.75-inch)	4.8	220
Rockets—live (5-inch)	15.0	68

TABLE 3—TYPE OF ORDNANCE, NET EXPLOSIVE WEIGHT, AND PROPOSED LEVELS OF ANNUAL EXPENDITURES AT BT–9—Continued

Proposed ordnance	Net explosive weight in pounds (lbs)	Proposed number of rounds
Rockets—inert (2.75-inch rocket, 2.75-inch illumination, 2.75-inch white phosphorus, 2.75-inch red phosphorus; 5-inch rocket, 5-inch illumination, 5-inch white phosphorus, 5-inch red phosphorus).	N/A	844
Grenades—live (G911)	0.5	144
Bombs—inert (BDU–45 practice bomb, MK–76 practice bomb, MK–82 practice bomb, MK–83 practice bomb).	0.083800–0.1676 signal cartridge only	4,460
Pyrotechnics—inert (chaff, LUU–2, self-protection flares)	N/A	4,496

TABLE 4—TYPE OF ORDNANCE, NET EXPLOSIVE WEIGHT, AND PROPOSED LEVELS OF ANNUAL EXPENDITURES AT BT–11

Proposed ordnance	Net explosive weight in pounds (lbs)	Proposed number of rounds
Small arms excluding .50 cal (7.62 mm)	N/A, inert	610,957
.50 cal	N/A, inert	366,775
Large arms—inert (20, 25, 30, and 40 mm)	N/A	240,334
Rockets—inert (2.75-inch rocket, 2.75-inch illumination, 2.75-inch white phosphorus, 2.75-inch red phosphorus; 5-inch rocket, 5-inch illumination, 5-inch white phosphorus, 5-inch red phosphorus).	N/A	5,592
Bombs—inert (BDU–45 practice bomb, MK–76 practice bomb, MK–82 practice bomb, MK–83 practice bomb).	0.083800–0.1676 signal cartridge only	22,114
Pyrotechnics—inert (chaff, LUU–2, self-protection flares, SMD SAMS).	N/A	8,912

The Marine Corps estimates that the 5-year level of expended ordnance at BT–9 and BT–11 (both surface-to-surface and air-to-surface) would be approximately 6,193,070 and 6,273,420 rounds, respectively. The approximate annual quantities of ordnance listed in Tables 3 and 4 represent conservative figures, meaning that the volume of each type of inert and explosive ordnance proposed for is the largest number that personnel could expend annually.

The Marine Corps realizes that its evolving training programs, linked to real world events, necessitate flexibility regarding the amounts of ordnance used in air-to-surface and surface-to-surface exercises. Thus, this proposed rule would account for inter-annual variability in ordnance expenditures over the course of the five years. NMFS refers the reader to Table 2–2 of the Marine Corps' application for a complete list of munitions authorized for use at the Marine Corps Air Station Cherry Point Range Complex.

Acoustic Characteristics of Ordnance

Noise generated by live or inert ordnance impacting the water and associated detonations from live ordnance may present some risk to bottlenose dolphins. Estimates of the noise fields generated in water by the impact of non-explosive (inert) ordnance indicate that the energy radiated is about one to two percent of the total kinetic energy of the impact. This energy level (and likely peak pressure levels) is well below the thresholds for predicting potential physical impacts from underwater pressure waves, because the firing of an inert projectile does not create an explosion even at 1 m (3 ft) from the impact. Therefore, NMFS and the Marine Corps do not expect that the noise generated by the in-water impact of inert ordnance would have the potential to take of marine mammals within the action area. Thus, NMFS will not consider the acoustic impacts of inert ordnance further in this document.

However, live ordnance detonated underwater introduces loud, impulsive broadband (producing sound over a wide frequency band) sounds into the marine environment and does have the potential to take marine mammals. Broadband explosives produce significant acoustic energy across several frequency decades of bandwidth. Propagation loss is sufficiently sensitive to frequency as to require model estimates at several frequencies over such a wide band. Three source parameters influence the effect of an explosive: The weight of the explosive material, the type of explosive material, and the detonation depth. The net explosive weight (or NEW) accounts for the first two parameters. The ordnance's NEW is the weight of trinitrotoluene (TNT) that produces an equivalent explosive power. The detonation depth of an explosive is particularly important due to a propagation effect known as surface-image interference. For sources located near the sea surface, a distinct interference pattern arises from the coherent sum of the two paths that differ only by a single reflection from the pressure-release surface. As the source depth and/or the source frequency decreases, these two paths increasingly and destructively interfere with each other, reaching total cancellation at the surface (barring surface-reflection scattering loss).

For this proposed rulemaking, the Marine Corps proposes to use five types of explosive sources: 2.75-inch rocket high explosives, 5-inch rocket high explosives, 30 mm high explosives, 40 mm high explosives, and G911 grenades.

The firing sequence for some of the munitions consists of a number of rapid bursts, often lasting a second or less. The maximum firing time is 10 to 15 second bursts. Due to the tight spacing in time, the Marine Corps considers each burst as a single detonation. For the energy metrics, the Marine Corps

considers the impact area of a burst using a source energy spectrum that is the source spectrum for a single detonation scaled by the number of rounds in a burst. For the pressure metrics, the impact area for a burst is the same as the impact area of a single round. For all metrics, the cumulative impact area of an event consisting of a certain number of bursts is the product of the impact area of a single burst and the number of bursts, as would be the case if the bursts are sufficiently spaced in time or location as to insure that each burst is affecting a different set of marine wildlife.

Table 5 provides a comparison of the live explosive ordnance proposed for use during 2014 through 2019. Table 5 lists the number of rounds per burst by ordnance; the acoustic characteristics of the proposed ordnance including the peak one-third octave (OTO) source level (SL); and the approximate frequency at which the peak occurs.

TABLE 5—PROPOSED LEVELS OF ORDNANCE, NET EXPLOSIVE WEIGHT, SOURCE LEVELS, AND CENTER FREQUENCIES

Proposed ordnance	New (lbs)	Rounds per burst	Source level of peak ⅓ octave (decibels, dB)	Center frequency of peak ⅓ octave (hertz, Hz)
Large arms—live (30 mm)	0.1019	30	207 dB re: 1μPa	4,032
Large arms—live (40 mm)	0.1199	5	208 dB re: 1μPa	4,032
Rockets—live (2.75-inch)	4.8	1	224 dB re: 1μPa	1,270
Rockets—live (5-inch)	15.0	1	229 dB re: 1μPa	1,008
Grenades—live (G911)	0.5	1	214 dB re: 1μPa	2,540

For ordnance detonated at shallow depths, often the source level of the explosion may breech the surface with some of the acoustic energy escaping the water column. The source levels presented in Table 5 do not account for possible venting of the acoustic energy through the water surface which the Marine Corps expects to be minor because of the low source net explosive weights and detonation depth of 1.2 m (3.9 ft).

Description of Marine Mammals in the Area of the Specified Activity

There is one species of marine mammal with possible or confirmed occurrence in the area of the specified activity: The Atlantic bottlenose dolphin (*Tursiops truncatus*) which routinely frequents Pamlico Sound (Lefebvre *et al,* 2001; DoN 2003). The region of influence for the proposed project includes estuarine waters, and does not include offshore waters.

Four out of the seven designated coastal stocks for bottlenose dolphins may occur within the proposed activity area. They include: The Western North Atlantic Northern Migratory Coastal; Western North Atlantic Southern Migratory; Northern North Carolina Estuarine System; and the Southern North Carolina Estuarine System stocks. Dolphins encountered at BT–9 and BT–11 would most likely belong to the Northern North Carolina Estuarine System and the Southern North Carolina Estuarine System stocks.

Table 6 in this document presents information on the abundance, status, and distribution of the four stocks. The reader may also refer to Section 4 of the Marine Corps' application, their 2014 application addendum, and Chapter 3 of the Marine Corps' EA for more detailed information. NMFS summarizes this information and presents updated information on the species' abundance, status, and distribution from the 2013 NMFS Stock Assessment Report. The publication is available at *http://www.nmfs.noaa.gov/pr/sars/pdf/ao2013.pdf.*

TABLE 6—GENERAL INFORMATION ON THE SPECIES/STOCKS THAT COULD POTENTIALLY OCCUR IN THE PROPOSED ACTIVITY AREAS, 2014 THROUGH 2019

Bottlenose dolphin stocks	Regulatory status [1] [2]	Stock/species abundance	Occurrence and range	Season
Western North Atlantic Northern Migratory Coastal (NMC).	MMPA—D ESA—NL	11,548 (CV = 0.36)	Occasional Coastal	Winter.
Western North Atlantic Southern Migratory (SMC).	MMPA—D ESA—NL	9,173 (CV = 0.46)	Occasional Coastal	Winter.
Northern North Carolina Estuarine System (NNCES).	MMPA—S ESA—NL	950 (CV = 0.23)	Common Estuarine	Summer–Fall.
Southern North Carolina Estuarine System (SNCES).	MMPA—S ESA—NL	118 (CV = 0.19)	Common Estuarine	Late Summer.

[1] MMPA: D = Depleted, Strategic Stock; S = Strategic Stock only; NC = Not Classified.
[2] ESA: NL = Not listed.

Bottlenose Dolphins

The bottlenose dolphin is one of the most well-known species of marine mammals. They have a robust body and a short, thick beak. Their coloration ranges from light gray to black with lighter coloration on the belly. Inshore and offshore individuals vary in color and size. Inshore animals are smaller and lighter in color, while offshore animals are larger, darker in coloration and have smaller flippers.

Bottlenose dolphins range in lengths from 1.8 to 3.8 m (6.0 to 12.5 ft) with males slightly larger than females. Adults weight from 300–1,400 lbs (136–635 kg). Generally, the species has a lifespan of 40 to 45 years for males and more than 50 years for females.

Sexual maturity varies by population and ranges from five to 13 years for females and 9 to 14 years for males. Calves, born after a 12-month gestation period, generally wean at 18 to 20 months. On average, calving occurs every 3 to 6 years.

Bottlenose dolphins are generalists and feed on a variety of prey items ''endemic'' to their habitat, foraging individually and cooperatively. Like other dolphins, bottlenose dolphins use high frequency echolocation to locate and capture prey. Coastal animals prey on benthic invertebrates and fish, and offshore animals feed on pelagic squid and fish.

Western North Atlantic Northern Migratory Coastal (NMC) Stock: This stock is not listed as threatened or endangered under the Endangered Species Act (ESA; 16 U.S.C. 1531 *et seq.*); however, it is categorized as depleted (and thus strategic) under the MMPA. The best available abundance estimate for the NMC stock is 11,548 animals (Waring *et al.,* 2014). However, there is insufficient data to determine the population trends for this stock.

Based on aerial survey data, tag-telemetry studies, photo-identification data, and genetic studies, the NMC stock of bottlenose dolphins occur along the North Carolina coast and as far north as Long Island, New York (CETAP, 1982; Kenney, 1990; Garrison *et al.,* 2003; Waring *et al.,* 2014). During summer months (July–September), this stock occupies coastal waters from the shoreline to approximately the 25-m (82-ft) isobath between the Chesapeake Bay mouth and Long Island, New York. During the winter months (January–March), the stock moves south to waters of North Carolina and occupies coastal waters from Cape Lookout, North Carolina to the Virginia–North Carolina border (Barco and Swingle, 1996; Waring *et al.,* 2014).

Western North Atlantic Southern Migratory Coastal (SMC) Stock: This stock is not listed as threatened or endangered under the Endangered Species Act (ESA; 16 U.S.C. 1531 *et seq.*); however, it is categorized as depleted (and thus strategic) under the MMPA. The best available abundance estimate for the SMC stock is 9,173 animals (Waring *et al.,* 2014). However, there is insufficient data to determine the population trends for this stock.

Based on tag-telemetry studies, the SMC stock of bottlenose dolphins occur in coastal waters between southern North Carolina and Georgia, but the stock's migratory movements and spatial distribution are the most poorly understood of the coastal stocks (Waring *et al.,* 2014). During the fall (October–December), this stock occupies waters of southern North Carolina (South of Cape Lookout) where it overlaps spatially with the Southern North Carolina Estuarine System stock in coastal waters. In winter months (January–March), the SMC stock moves as far south as northern Florida where it overlaps spatially with the South Carolina/Georgia and Northern Florida Coastal stocks. In spring (April–June), the stock moves north to waters of North Carolina where it overlaps with the Southern North Carolina Estuarine System stock and the Northern North Carolina Estuarine System stock. In summer months (July–September), the stock most likely occupies coastal waters north of Cape Lookout, North Carolina, to the eastern shore of Virginia (Waring *et al.,* 2014).

Northern North Carolina Estuarine System (NNCES) Stock: This stock is not listed as threatened or endangered under the Endangered Species Act (ESA; 16 U.S.C. 1531 *et seq.*); however, it is categorized as strategic only (not depleted) under the MMPA. The best available abundance estimate for the NNCES stock is 950 animals (Waring *et al.,* 2014). However, there is insufficient data to determine the population trends for this stock.

Based on photo-identification studies, the NNCES stock of bottlenose dolphins occur in the estuarine waters of Pamlico Sound (Waring *et al.,* 2014). The ranging patterns of bottlenose dolphins in those studies support the presence of a group of dolphins within these waters that are distinct from both dolphins occupying estuarine and coastal waters in southern North Carolina and animals in the NMC and SMC stocks that occupy coastal waters of North Carolina at certain times of the year (Read *et al.,* 2003; NMFS, 2001; NMFS, unpublished data).

During summer and fall months (July–October), the NNCES stock occupies waters of Pamlico Sound and nearshore coastal (less than 1 km (3,280 ft) from shore) and estuarine waters of central and northern North Carolina to Virginia Beach and the lower Chesapeake Bay (Waring *et al.,* 2014). It likely overlaps with animals from the SMC stock in coastal waters during these months. During late fall and winter (November–March), the NNCES stock moves out of estuarine waters and occupies nearshore coastal waters between the New River and Cape Hatteras (Waring *et al.,* 2013). It overlaps with the NMC stock during this period, particularly between Cape Lookout and Cape Hatteras. It appears that the region near Cape Lookout including Bogue Sound and Core Sound is an area of overlap with the Southern North Carolina Estuarine System stock during late summer (Waring *et al.,* 2014).

Southern North Carolina Estuarine System (SNCES) Stock: This stock is not listed as threatened or endangered under the Endangered Species Act (ESA; 16 U.S.C. 1531 *et seq.*); however, it is categorized as strategic only (not depleted) under the MMPA. The best available abundance estimate for the SNCES stock is 118 animals (Waring *et al.,* 2014). However, there is insufficient data to determine the population trends for this stock.

Based on photo-identification studies, the SNCES stock of common bottlenose dolphins occupies estuarine and nearshore coastal waters (less than 3 km from shore) between the Little River Inlet Estuary, including the estuary and the New River (Waring *et al.,* 2014). During summer and fall months (July–October), the SNCES stock occupies estuarine and nearshore coastal waters (less than 3 km (1.7 mi) from shore) between the North Carolina–South Carolina border and Core Sound. It likely overlaps with the NNCES stock in the northern portion of its range (i.e., southern Pamlico Sound) during late summer (Waring *et al.,* 2014). During late fall through spring, the SNCES stock moves south to waters near Cape Fear. In coastal waters, it overlaps with the SMC stock during this period (Waring *et al.,* 2014).

Bottlenose Dolphin Distribution Within BT–9 and BT–11

In Pamlico Sound, bottlenose dolphins concentrate in shallow water habitats along shorelines, and few, if any, individuals are present in the central portions of the sounds (Gannon, 2003; Read *et al.,* 2003a, 2003b). The dolphins utilize shallow habitats, such as tributary creeks and the edges of the Neuse River, where the bottom depth is less than 3.5 m (11.5 ft) (Gannon, 2003). Fine-scale distribution of dolphins seems to relate to the presence of topography or vertical structure, such as the steeply-sloping bottom near the shore and oyster reefs. Bottlenose dolphins may use these features to facilitate prey capture (Gannon, 2003).

In 2000, Duke University Marine Lab (Duke) conducted a boat-based mark-recapture survey throughout the estuaries, bays and sounds of North Carolina (Read *et al.,* 2003). The 2000 boat-based survey produced an estimate of 919 dolphins for the northern inshore waters divided by an estimated 5,015 km^2 (1,936 mi^2) survey area.

In a follow-on aerial study (July, 2002 to June, 2003) specifically in and around BT–9 and BT–11, Duke reported one sighting in the restricted area surrounding BT–9, two sightings in proximity to BT–11, and seven sightings in waters adjacent to the bombing targets (Maher, 2003). In total, the study observed 276 bottlenose dolphins ranging in group size from two to 70 animals.

Results of a passive acoustic monitoring effort conducted from 2006–2007 by Duke University researchers detected that dolphin vocalizations in the BT–11 vicinity were higher in August and September than vocalization detection at BT–9 (Read *et al.,* 2007). Additionally, detected vocalizations of dolphins were more frequent at night for the BT–9 area and during early morning hours at BT–11 (Read *et al.,* 2007).

Other Marine Mammals in the Proposed Action Area

The endangered West Indian manatee (*Trichechus manatus*), under the jurisdiction of the U.S. Fish and Wildlife Service, rarely occurs in the area (Lefebvre *et al,* 2001; DoN 2003). The U.S. Fish and Wildlife Service has jurisdiction over the manatee; therefore, NMFS would not include a proposed authorization to harass manatees and does not discuss this species further in this notice.

Based on the best available information, there are no observations of the endangered North Atlantic right whale (*Eubalaena glacialis*) or other large whales within Pamlico Sound or in vicinity of the bombing targets (Kenney, 2006). No suitable habitat exists for these species in the shallow Pamlico Sound or bombing target vicinity; therefore, because NMFS does not expect these species to be present in the action area, there is no potential for take (NMFS, 2012). Thus, NMFS will not discuss these species further in this notice.

Other dolphins, such as Atlantic spotted (*Stenella frontalis*) and the common dolphin (*Delphinus delphis*), have an oceanic distribution and do not venture into the shallow, brackish waters of southern Pamlico Sound. Because these species are rare and/or have extralimital occurrence in the bombing target area, NMFS will not discuss these species further in this notice.

Potential Effects of the Specified Activity on Marine Mammals

This section includes a summary and discussion of the ways that the types of stressors associated with the specified activity (e.g., ordnance detonation and vessel movement) could impact marine mammals (via observations or scientific studies). This discussion may also include reactions that NMFS considers to rise to the level of a take and those that NMFS does not consider to rise to the level of a take (for example, with acoustics, we may include a discussion of studies that showed animals not reacting at all to sound or exhibiting barely measurable avoidance).

NMFS will provide an overview of potential effects of the Marine Corps' activities in this section and describe the effects of similar activities that have occurred in the past. This section does not consider the specific manner in which the Marine Corps would carry out the proposed activity, what mitigation measures the Marine Corps would implement, and how either of those would shape the anticipated impacts from this specific activity. The ''Estimated Take by Incidental Harassment, Injury, or Mortality'' section later in this document will include a quantitative analysis of the number of individuals that NMFS expects the Marine Corps to take during this activity. The ''Negligible Impact Analysis'' section will include the analysis of how this specific activity would impact marine mammals. NMFS will consider the content of the following sections: (1) Estimated Take by Incidental Harassment, Injury, or Mortality; (2) Proposed Mitigation; and (3) Anticipated Effects on Marine Mammal Habitat, to draw conclusions regarding the likely impacts of this activity on the reproductive success or survivorship of individuals—and from that consideration—the likely impacts of this activity on the affected marine mammal populations or stocks.

The surface-to-surface and air-to-surface training exercises proposed for taking of marine mammals under these regulations have the potential to take marine mammals by exposing them to impulsive noise and pressure waves generated by live ordnance detonation at or near the surface of the water. Exposure to energy or pressure resulting from these detonations could result in non-lethal injury (Level A harassment), disturbance (Level B harassment), serious injury, and/or mortality. In addition, NMFS also considered the potential for harassment from vessel and aircraft operations. NMFS outlines the analysis of potential impacts from these factors, including consideration of the Marine Corps' analysis in its application, in the following sections. The potential effects of impulsive sound sources (underwater detonations) from the proposed training activities may include one or more of the following: tolerance, masking, disturbance, hearing threshold shift, stress response, and lethal responses.

Brief Background on Sound

An understanding of the basic properties of underwater sound is necessary to comprehend many of the concepts and analyses presented in this document. NMFS presents a summary in this section.

Sound is a wave of pressure variations propagating through a medium (e.g., water). Pressure variations occur by compressing and relaxing the medium. Sound measurements exist in two forms: Intensity and pressure. Acoustic intensity is the average rate of energy transmitted through a unit area in a specified direction (expressed in watts per square meter (W/m^2)). Acoustic intensity is rarely measured directly, but rather from ratios of pressures; the standard reference pressure for underwater sound is 1 microPascal (μPa); for airborne sound, the standard reference pressure is 20 μPa (Richardson *et al.,* 1995).

Acousticians have adopted a logarithmic scale for sound intensities, denoted in decibels (dB). Decibel measurements represent the ratio between a measured pressure value and a reference pressure value (in this case 1 μPa or, for airborne sound, 20 μPa). The logarithmic nature of the scale means that each 10-dB increase is a ten-fold increase in acoustic power (and a 20-dB increase is then a 100-fold increase in power; and a 30-dB increase is a 1,000-fold increase in power). A ten-fold increase in acoustic power does not mean that the listener perceives sound as being ten times louder, however. Humans perceive a 10-dB increase in sound level as a doubling of loudness, and a 10-dB decrease in sound level as a halving of loudness. The term ''sound pressure level'' implies a decibel measure and a reference pressure that is the denominator of the ratio. Throughout this document, NMFS uses 1 microPascal (denoted re: 1μPa) as a standard reference pressure unless noted otherwise.

It is important to note that decibel values underwater and decibel values in air are not the same (different reference pressures and densities/sound speeds between media) and one should not directly compare the two mediums. Because of the different densities of air and water and the different decibel standards (i.e., reference pressures) in air and water, a sound with the same level in air and in water would be approximately 62 dB lower in air. Thus, a sound that measures 160 dB (re: 1 μPa) underwater would have the same approximate effective level as a sound that is 98 dB (re: 20 μPa) in air.

Sound frequency is measured in cycles per second, or Hertz (abbreviated Hz), and is analogous to musical pitch; high-pitched sounds contain high frequencies and low-pitched sounds contain low frequencies. Natural sounds in the ocean span a huge range of frequencies: From earthquake noise at 5 Hz to harbor porpoise clicks at 150,000

Hz (150 kHz). These sounds are so low or so high in pitch that humans cannot even hear them; acousticians call these infrasonic (typically below 20 Hz) and ultrasonic (typically above 20,000 Hz) sounds, respectively. A single sound may consist of many different frequencies together. Acousticians characterize sounds made up of only a small range of frequencies as ''narrowband'' and sounds with a broad range of frequencies as ''broadband''; explosives are an example of a broadband sound source.

Acoustic Impacts

The effects of noise on marine mammals are highly variable. Categorization of these effects includes the following (based on Richardson *et al.,* 1995):

- The sound may be too weak to be heard at the location of the animal (i.e., lower than the prevailing ambient noise level, the hearing threshold of the animal at relevant frequencies, or both);
- The sound may be audible but not strong enough to elicit any overt behavioral response;
- The sound may elicit reactions of variable conspicuousness and variable relevance to the well-being of the marine mammal; these can range from temporary alert responses to active avoidance reactions, such as stampedes into the sea from terrestrial haul-out sites;
- Upon repeated exposure, a marine mammal may exhibit diminishing responsiveness (habituation), or disturbance effects may persist; the latter is most likely with sounds that are highly variable in characteristics, infrequent and unpredictable in occurrence (as are vehicle launches), and associated with situations that a marine mammal perceives as a threat;
- Any anthropogenic sound that is strong enough to be heard has the potential to reduce (mask) the ability of a marine mammal to hear natural sounds at similar frequencies, including calls from conspecifics, and underwater environmental sounds such as surf noise;
- If marine mammals remain in an area because it is important for feeding, breeding, or some other biologically important purpose even though there is chronic exposure to noise, it is possible that there could be sound-induced physiological stress; this might in turn have negative effects on the well-being or reproduction of the animals involved; and
- Very strong sounds have the potential to cause temporary or permanent reduction in hearing sensitivity. In terrestrial mammals, and presumably marine mammals, received sound levels must far exceed the animal's hearing threshold for there to be any temporary threshold shift (TTS) in its hearing ability. For transient sounds, there is an inverse relation to the sound level necessary to cause TTS compared to the duration of the sound. Received sound levels must be even higher for there to be risk of permanent hearing impairment (PTS). In addition, intense acoustic or explosive events may cause trauma to tissues associated with organs vital for hearing, sound production, respiration, and other functions. This trauma may include minor to severe hemorrhage.

When considering the influence of various kinds of sound on the marine environment, it is necessary to understand that different kinds of marine life are sensitive to different frequencies of sound. Current data indicate that not all marine mammal species have equal hearing capabilities (Richardson *et al.,* 1995; Southall *et al.,* 1997; Wartzok and Ketten, 1999; Au and Hastings, 2008).

Southall *et al.* (2007) designated ''functional hearing groups'' for marine mammals based on available behavioral data; audiograms derived from auditory evoked potentials; anatomical modeling; and other data. Southall *et al.* (2007) also estimated the lower and upper frequencies of functional hearing for each group. However, animals are less sensitive to sounds at the outer edges of their functional hearing range and are more sensitive to a range of frequencies within the middle of their functional hearing range.

The functional groups and the associated frequencies are:

- Low frequency cetaceans (13 species of mysticetes): Functional hearing estimates occur between approximately 7 Hz and 30 kilohertz (kHz) (extended from 22 kHz based on data indicating that some mysticetes can hear above 22 kHz; Au *et al.,* 2006; Lucifredi and Stein, 2007; Ketten and Mountain, 2009; Tubelli *et al.,* 2012);
- Mid-frequency cetaceans (32 species of dolphins, six species of larger toothed whales, and 19 species of beaked and bottlenose whales): Functional hearing estimates occur between approximately 150 Hz and 160 kHz;
- High-frequency cetaceans (eight species of true porpoises, six species of river dolphins, *Kogia,* the franciscana, and four species of *cephalorhynchids*): Functional hearing estimates occur between approximately 200 Hz and 180 kHz; and
- Pinnipeds in water: Phocid (true seals) functional hearing estimates occur between approximately 75 Hz and 100 kHz (Hemila *et al.,* 2006; Mulsow *et al.,* 2011; Reichmuth *et al.,* 2013) and otariid (seals and sea lions) functional hearing estimates occur between approximately 100 Hz to 40 kHz.

As mentioned previously in this document, one marine mammal species (of the odontocete group) is likely to occur in the proposed action area. NMFS considers a species' functional hearing group when analyzing the effects of exposure to sound on marine mammals.

Vocalization and Hearing

Bottlenose dolphins can typically hear within a broad frequency range of 0.04 to 160 kHz (Au, 1993; Turl, 1993). Electrophysiological experiments suggest that the bottlenose dolphin brain has a dual analysis system: One specialized for ultrasonic clicks and another for lower-frequency sounds, such as whistles (Ridgway, 2000). Scientists have reported a range of highest sensitivity between 25 and 70 kHz, with peaks in sensitivity at 25 and 50 kHz (Nachtigall *et al.,* 2000). Research on the same individuals indicates that auditory thresholds obtained by electrophysiological methods correlate well with those obtained in behavior studies, except at lower (10 kHz) and higher (80 and 100 kHz) frequencies (Finneran and Houser, 2006).

Sounds emitted by bottlenose dolphins fall into two broad categories: Pulsed sounds (including clicks and burst-pulses) and narrow-band continuous sounds (whistles), which usually are frequency modulated. Clicks have a dominant frequency range of 110 to 130 kHz and a source level of 218 to 228 dB re: 1 μPa (peak-to-peak) (Au, 1993) and 3.4 to 14.5 kHz at 125 to 173 dB re 1 μPa (peak-to-peak) (Ketten, 1998). Whistles are primarily associated with communication and can serve to identify specific individuals (i.e., signature whistles) (Caldwell and Caldwell, 1965; Janik *et al.,* 2006). Cook *et al.* (2004) classified up to 52 percent of whistles produced by bottlenose dolphin groups with mother-calf pairs as signature whistles. Sound production is also influenced by group type (single or multiple individuals), habitat, and behavior (Nowacek, 2005). Bray calls (low-frequency vocalizations; majority of energy below 4 kHz), for example, are used when capturing fish, specifically sea trout (*Salmo trutta*) and Atlantic salmon (*Salmo salar*), in some regions (i.e., Moray Firth, Scotland) (Janik, 2000). Additionally, whistle production has been observed to increase while

feeding (Acevedo-Gutiérrez and Stienessen, 2004; Cook *et al.,* 2004).

Effects of Impulsive Sources

Marine mammals respond to various types of anthropogenic sounds introduced in the ocean environment. Responses are highly variable and depend on a suite of internal and external factors which in turn results in varying degrees of significance (NRC, 2003; Southall *et al.,* 2007). Internal factors include: (1) Individual hearing sensitivity, activity pattern, and motivational and behavioral state (e.g., feeding, traveling) at the time it receives the stimulus; (2) past exposure of the animal to the noise, which may lead to habituation or sensitization; (3) individual noise tolerance; and (4) demographic factors such as age, sex, and presence of dependent offspring. External factors include: (1) Non-acoustic characteristics of the sound source (e.g., if it is moving or stationary); (2) environmental variables (e.g., substrate) which influence sound transmission; and (3) habitat characteristics and location (e.g., open ocean vs. confined area).

Underwater explosive detonations send a shock wave and sound energy through the water and can release gaseous by-products, create an oscillating bubble, or cause a plume of water to shoot up from the water surface. The shock wave and accompanying noise are of most concern to marine animals. Depending on the intensity of the shock wave and size, location, and depth of the animal, an animal can be injured, killed, suffer non-lethal physical effects, experience hearing related effects with or without behavioral responses, or exhibit temporary behavioral responses or tolerance from hearing the blast sound. Generally, exposures to higher levels of impulse and pressure levels would result in greater impacts to an individual animal.

Tolerance

Numerous studies have shown that underwater sounds are often readily detectable by marine mammals in the water at distances of many kilometers. However, other studies have shown that marine mammals at distances more than a few kilometers away often show no apparent response to activities of various types (Miller *et al.,* 2005). This is often true even in cases when the sounds must be readily audible to the animals based on measured received levels and the hearing sensitivity of that mammal group. Although various baleen whales, toothed whales, and (less frequently) pinnipeds have been shown to react behaviorally to underwater sound from sources such as airgun pulses or vessels under some conditions, at other times, mammals of all three types have shown no overt reactions (e.g., Malme *et al.,* 1986; Richardson *et al.,* 1995; Madsen and Mohl, 2000; Croll *et al.,* 2001; Jacobs and Terhune, 2002; Madsen *et al.,* 2002; Miller *et al.,* 2005).

Masking

Marine mammals use acoustic signals for a variety of purposes, which differ among species, but include communication between individuals, navigation, foraging, reproduction, and learning about their environment (Erbe and Farmer 2000, Tyack 2000).

Masking, or auditory interference, generally occurs when sounds in the environment are louder than and of a similar frequency to, auditory signals an animal is trying to receive. Masking is a phenomenon that affects animals that are trying to receive acoustic information about their environment, including sounds from other members of their species, predators, prey, and sounds that allow them to orient in their environment. Masking these acoustic signals can disturb the behavior of individual animals, groups of animals, or entire populations.

The extent of the masking interference depends on the spectral, temporal, and spatial relationships between the signals an animal is trying to receive and the masking noise, in addition to other factors. In humans, significant masking of tonal signals occurs as a result of exposure to noise in a narrow band of similar frequencies. As the sound level increases, though, the detection of frequencies above those of the masking stimulus decreases also. NMFS expects this principle to apply to marine mammals because of common biomechanical cochlear properties across taxa.

Richardson *et al.* (1995) argued that the maximum radius of influence of an industrial noise (including broadband low frequency sound transmission) on a marine mammal is the distance from the source to the point at which the animal can barely hear the noise. This range applies to either the hearing sensitivity of the animal or the background noise level present. Industrial masking is most likely to affect some species' ability to detect communication calls and natural sounds (i.e., surf noise, prey noise, etc.; Richardson *et al.,* 1995).

The echolocation calls of toothed whales are subject to masking by high frequency sound. Human data indicate low-frequency sound can mask high-frequency sounds (i.e., upward masking). Studies on captive odontocetes by Au *et al.* (1974, 1985, and 1993) indicate that some species may use various processes to reduce masking effects (e.g., adjustments in echolocation call intensity or frequency as a function of background noise conditions). There is also evidence that the directional hearing abilities of odontocetes are useful in reducing masking at the high-frequencies these cetaceans use to echolocate, but not at the low-to-moderate frequencies they use to communicate (Zaitseva *et al.,* 1980). A study by Nachtigall and Supin (2008) showed that false killer whales adjust their hearing to compensate for ambient sounds and the intensity of returning echolocation signals.

Holt *et al.* (2009) measured killer whale call source levels and background noise levels in the one to 40 kHz band and reported that the whales increased their call source levels by one dB SPL for every one dB SPL increase in background noise level. Similarly, another study on St. Lawrence River belugas (*Delphinapterus leucas*) reported a similar rate of increase in vocalization activity in response to passing vessels (Scheifele *et al.,* 2005).

Although masking is a phenomenon which may occur naturally, the introduction of loud anthropogenic sounds into the marine environment at frequencies important to marine mammals increases the severity and frequency of occurrence of masking. For example, baleen whales exposed to continuous low-frequency sound from an industrial source, would be present within a reduced acoustic area around where it could hear the calls of another whale. The components of background noise that are similar in frequency to the signal in question primarily determine the degree of masking of that signal. In general, there is little data about the degree to which marine mammals rely upon detection of sounds from conspecifics, predators, prey, or other natural sources. In the absence of specific information about the importance of detecting these natural sounds, it is not possible to predict the impact of masking on marine mammals (Richardson *et al.,* 1995). In general, masking effects are expected to be less severe when sounds are transient than when they are continuous.

While it may occur temporarily, NMFS does not expect auditory masking to result in detrimental impacts to an individual's or population's survival, fitness, or reproductive success. Dolphin movement is not restricted within the BT–9 or BT–11 ranges, allowing for movement out of the area to avoid masking impacts. Also,

masking is typically of greater concern for those marine mammals that utilize low frequency communications, such as baleen whales and, as such, is not likely to occur for marine mammals in BT–9 or BT–11.

Disturbance

Behavioral responses to sound are highly variable and context-specific. Many different variables can influence an animal's perception of and response to (in both nature and magnitude) an acoustic event. An animal's prior experience with a sound or sound source affects whether it is less likely (habituation) or more likely (sensitization) to respond to certain sounds in the future (animals can also be innately pre-disposed to respond to certain sounds in certain ways) (Southall *et al.,* 2007). Related to the sound itself, the perceived nearness of the sound, bearing of the sound (approaching versus retreating), similarity of the sound to biologically relevant sounds in the animal's environment (i.e., calls of predators, prey, or conspecifics), and familiarity of the sound may affect the way an animal responds to the sound (Southall *et al.,* 2007). Individuals (of different age, gender, reproductive status, etc.) among most populations will have variable hearing capabilities, and differing behavioral sensitivities to sounds that will be affected by prior conditioning, experience, and current activities of those individuals. Often, specific acoustic features of the sound and contextual variables (i.e., proximity, duration, or recurrence of the sound or the current behavior that the marine mammal is engaged in or its prior experience), as well as entirely separate factors such as the physical presence of a nearby vessel, may be more relevant to the animal's response than the received level alone.

Because the few available studies show wide variation in response to underwater sound, it is difficult to quantify exactly how sound from the Marine Corps surface-to-surface and air-to-surface training activities would affect marine mammals. Exposure of marine mammals to sound sources can result in, but is not limited to, no response or any of the following observable responses: Increased alertness; orientation or attraction to a sound source; vocal modifications; cessation of feeding; cessation of social interaction; alteration of movement or diving behavior; avoidance; habitat abandonment (temporary or permanent); and, in severe cases, panic, flight, stampede, or stranding, potentially resulting in death (Southall *et al.,* 2007). Richardson first conducted a review of marine mammal responses to anthropogenic sound in 1995. A more recent review (Nowacek *et al.,* 2007) addresses studies conducted since 1995 and focuses on observations where researchers knew or could estimate the received sound level of the exposed marine mammal(s).

The following sub-sections provide examples of behavioral responses that provide an idea of the variability in behavioral responses expected given the differential sensitivities of marine mammal species to sound and the wide range of potential acoustic sources to which a marine mammal may be exposed. Estimates of the types of behavioral responses that could occur for a given sound exposure should be determined from the literature that is available for each species or extrapolated from closely related species when no information exists.

Flight Response: A flight response is a dramatic change in normal movement to a directed and rapid movement away from the perceived location of a sound source. Relatively little information on flight responses of marine mammals to anthropogenic signals exist, although observations of flight responses to the presence of predators have occurred (Connor and Heithaus, 1996).

Response to Predators: Evidence suggests that at least some marine mammals have the ability to acoustically identify potential predators. For example, certain groups of killer whales, but not others, frequently target harbor seals residing in the coastal waters off British Columbia. The seals discriminate between the calls of threatening and non-threatening killer whales (Deecke *et al.,* 2002), a capability that should increase survivorship while reducing the energy required for attending to and responding to all killer whale calls. The occurrence of masking or hearing impairment may prevent marine mammals from responding to the acoustic cues produced by their predators. Whether or not this is a possibility depends on the duration of the masking/hearing impairment and the likelihood of encountering a predator during the time that the sound impedes predator cues. Predator evasion is typically of greater concern for coastal marine mammals. Because of the low likelihood of bottlenose dolphin predators, such as killer whales, occurring within the shallow estuarine waters of Pamlico Sound, NMFS does not consider this likely to occur within the BT–9 or BT–11 target areas.

Diving: Changes in dive behavior can vary widely. They may consist of increased or decreased dive times and surface intervals as well as changes in the rates of ascent and descent during a dive. Variations in dive behavior may reflect interruptions in biologically significant activities (e.g., foraging) or they may be of little biological significance. Variations in dive behavior may also expose an animal to potentially harmful conditions (e.g., increasing the chance of ship-strike) or may serve as an avoidance response that enhances survivorship. The impact of a variation in diving resulting from an acoustic exposure depends on what the animal is doing at the time of the exposure and the type and magnitude of the response.

Nowacek *et al.* (2004) reported disruptions of dive behaviors in foraging North Atlantic right whales when exposed to an alerting stimulus, an action, they noted, that could lead to an increased likelihood of ship strike. However, the whales did not respond to playbacks of either right whale social sounds or vessel noise, highlighting the importance of the sound characteristics in producing a behavioral reaction. Conversely, studies have observed Indo-Pacific humpback dolphins (*Sousa chinensis*) to dive for longer periods of time in areas where vessels were present and/or approaching (Ng and Leung, 2003). In both of these studies, one cannot decouple the influence of the sound exposure from the physical presence of a surface vessel, thus complicating interpretations of the relative contribution of each stimulus to the response. Indeed, the presence of surface vessels, their approach and speed of approach, seemed to be significant factors in the response of the Indo-Pacific humpback dolphins (Ng and Leung, 2003). Researchers did not find that the low frequency signals of the Acoustic Thermometry of Ocean Climate (ATOC) sound source affected dive times of humpback whales (*Megaptera novaeangliae*) in Hawaiian waters (Frankel and Clark, 2000) or overtly affected elephant seal (*Mirounga angustirostris*) dives (Costa *et al.,* 2003). They did, however, produce subtle effects that varied in direction and degree among the individual seals, illustrating the equivocal nature of behavioral effects and consequent difficulty in defining and predicting them.

Foraging: Disruption of feeding behavior can be difficult to correlate with anthropogenic sound exposure, so it is usually inferred by observed displacement from known foraging areas, the appearance of secondary indicators (e.g., bubble nets or sediment plumes), or changes in dive behavior. Noise from seismic surveys was not

found to impact the feeding behavior in western grey whales off the coast of Russia (Yazvenko *et al.,* 2007) and sperm whales (*Physeter macrocephalus*) engaged in foraging dives did not abandon dives when exposed to distant signatures of seismic airguns (Madsen *et al.,* 2006). Balaenopterid whales exposed to moderate low-frequency signals similar to the ATOC sound source demonstrated no variation in foraging activity (Croll *et al.,* 2001), whereas five out of six North Atlantic right whales exposed to an acoustic alarm interrupted their foraging dives (Nowacek *et al.,* 2004). Although the received sound pressure level at the animals was similar in the latter two studies, the frequency, duration, and temporal pattern of signal presentation were different. These factors, as well as differences in species sensitivity, are likely contributing factors to the differential response. A determination of whether foraging disruptions incur fitness consequences would require information on or estimates of the energetic requirements of the individuals and the relationship between prey availability, foraging effort, and success, and the life history stage of the animal.

Breathing: Variations in respiration naturally vary with different behaviors and variations in respiration rate as a function of acoustic exposure could co-occur with other behavioral reactions, such as a flight response or an alteration in diving. However, respiration rates in and of themselves may be representative of annoyance or an acute stress response. Mean exhalation rates of gray whales at rest and while diving were found to be unaffected by seismic surveys conducted adjacent to the whale feeding grounds (Gailey *et al.,* 2007). Studies with captive harbor porpoises (*Phocoena phocoena*) showed increased respiration rates upon introduction of acoustic alarms (Kastelein *et al.,* 2001; Kastelein *et al.,* 2006) and emissions for underwater data transmission (Kastelein *et al.,* 2005). However, exposure of the same acoustic alarm to a striped dolphin under the same conditions did not elicit a response (Kastelein *et al.,* 2006), again highlighting the importance in understanding species differences in the tolerance of underwater noise when determining the potential for impacts resulting from anthropogenic sound exposure.

Social Relationships: Sound can affect social interactions between mammals via the disruption of communication signals or by the displacement of individuals. Disruption of social relationships therefore depends on the disruption of other behaviors (e.g., caused avoidance, masking, etc.) and this notice's discussion does not provide a specific overview. However, one should consider social disruptions in the context of the relationships that are affected. Long-term disruptions of mother/calf pairs or mating displays have the potential to affect the growth and survival or reproductive effort/success of individuals, respectively.

Vocalizations (also see Masking Section): Vocal changes in response to anthropogenic noise can occur across the repertoire of sound production modes used by marine mammals, such as whistling, echolocation click production, calling, and singing. Changes may result in response to a need to compete with an increase in background noise or may reflect an increased vigilance or startle response. For example, in the presence of low-frequency active sonar, humpback whales have been observed to increase the length of their ''songs'' (Miller *et al.,* 2000; Fristrup *et al.,* 2003), possibly due to the overlap in frequencies between the whale song and the low-frequency active sonar. Some have suggested a similar compensatory effect for the presence of low frequency vessel noise for right whales; as researchers have observed right whales shift the frequency content of their calls upward while reducing the rate of calling in areas of increased anthropogenic noise (Parks *et al.,* 2007). Killer whales off the northwestern coast of the United States have been observed to increase the duration of primary calls once a threshold in observing vessel density (e.g., whale watching) was reached, which has been suggested as a response to increased masking noise produced by the vessels (Foote *et al.,* 2004). In contrast, both sperm and pilot whales potentially ceased sound production during the Heard Island feasibility test (Bowles *et al.,* 1994), although it cannot be absolutely determined whether the inability to acoustically detect the animals was due to the cessation of sound production or the displacement of animals from the area.

Avoidance: Avoidance is the displacement of an individual from an area as a result of the presence of a sound. Richardson *et al.,* (1995) noted that avoidance reactions are the most obvious manifestations of disturbance in marine mammals. It is qualitatively different from the flight response, but also differs in the magnitude of the response (i.e., directed movement, rate of travel, etc.). Often, avoidance is temporary and animals return to the area once the noise has ceased. Longer term displacement is possible, however, which can lead to changes in abundance or distribution patterns of the species in the affected region if they do not become acclimated to the presence of the sound (Blackwell *et al.,* 2004; Bejder *et al.,* 2006; Teilmann *et al.,* 2006). Studies have observed acute avoidance responses in captive porpoises and pinnipeds exposed to a number of different sound sources (Kastelein *et al.,* 2001; Finneran *et al.,* 2003; Kastelein *et al.,* 2006a, b). Short term avoidance of seismic surveys, low frequency emissions, and acoustic deterrents has also been noted in wild populations of odontocetes (Bowles *et al.,* 1994; Goold, 1996; 1998; Stone *et al.,* 2000; Morton and Symonds, 2002) and to some extent in mysticetes (Gailey *et al.,* 2007), while longer term or repetitive/chronic displacement for some dolphin groups and for manatees has been suggested to be due to the presence of chronic vessel noise (Haviland-Howell *et al.,* 2007; Miksis-Olds *et al.,* 2007).

Haviland-Howell *et al.* (2007) compared sighting rates of bottlenose dolphins within the Wilmington, North Carolina stretch of the Atlantic Intracoastal Waterway (ICW) on weekends, when recreational vessel traffic was high, to weekdays, when vessel traffic was relatively minimal. The authors found that dolphins were less often sighted in the ICW during times of increased boat traffic (i.e., on weekends) and theorized that because vessel noise falls within the frequencies of dolphin communication whistles and primary energy of most fish vocalizations, the continuous vessel traffic along that stretch of the ICW could result in social and foraging impacts. However, the extent to which these impacts affect individual health and population structure is unknown.

Orientation: A shift in an animal's resting state or an attentional change via an orienting response represent behaviors that would be considered mild disruptions if it occurred alone. As previously mentioned, the responses may co-occur with other behaviors; for instance, an animal may initially orient toward a sound source, and then move away from it. Thus, one should consider any orienting response in context of other reactions that may occur.

Vessel and Aircraft Presence: The marine mammals most vulnerable to vessel strikes are slow-moving and/or spend extended periods of time at the surface in order to restore oxygen levels within their tissues after deep dives (e.g., right whales, fin whales (*Balaenoptera physalus*), and sperm whales). Smaller marine mammals such as bottlenose dolphins (the only marine mammal known to occur in BT–9 and BT–11) are agile and move more quickly

through the water, making them less susceptible to ship strikes. NMFS and the Marine Corps are not aware of any vessel strikes of bottlenose dolphins in Pamlico Sound during training operations and both parties do not anticipate that Marine Corps vessels engaged in the specified activity would strike any marine mammals.

Dolphins within Pamlico Sound are continually exposed to recreational, commercial, and military vessels. Behaviorally, marine mammals may or may not respond to the operation of vessels and associated noise. Responses to vessels vary widely among marine mammals in general, but also among different species of small cetaceans. Responses may include attraction to the vessel (Richardson *et al.,* 1995); altering travel patterns to avoid vessels (Constantine, 2001; Nowacek *et al.,* 2001; Lusseau, 2003, 2006); relocating to other areas (Allen and Read, 2000); cessation of feeding, resting, and social interaction (Baker *et al.,* 1983; Bauer and Herman, 1986; Hall, 1982; Krieger and Wing, 1984; Lusseau, 2003; Constantine *et al.,* 2004); abandoning feeding, resting, and nursing areas (Jurasz and Jurasz 1979; Dean *et al.,* 1985; Glockner-Ferrari and Ferrari, 1985, 1990; Lusseau, 2005; Norris *et al.,* 1985; Salden, 1988; Forest, 2001; Morton and Symonds, 2002; Courbis, 2004; Bejder, 2006); stress (Romano *et al.,* 2004); and changes in acoustic behavior (Van Parijs and Corkeron, 2001). However, in some studies marine mammals display no reaction to vessels (Watkins, 1986; Nowacek *et al.,* 2003) and many odontocetes show considerable tolerance to vessel traffic (Richardson *et al.,* 1995). Dolphins may actually reduce the energetic cost of traveling by riding the bow or stern waves of vessels (Williams *et al.,* 1992; Richardson *et al.,* 1995).

Aircraft produce noise at frequencies that are well within the frequency range of cetacean hearing and also produce visual signals such as the aircraft itself and its shadow (Richardson *et al.,* 1995, Richardson and Wursig, 1997). A major difference between aircraft noise and noise caused by other anthropogenic sources is that the sound is generated in the air, transmitted through the water surface and then propagates underwater to the receiver, diminishing the received levels significantly below what is heard above the water's surface. Sound transmission from air to water is greatest in a sound cone 26 degrees directly under the aircraft.

There are fewer reports of reactions of odontocetes to aircraft than those of pinnipeds. Responses to aircraft include diving, slapping the water with pectoral fins or tail fluke, or swimming away from the track of the aircraft (Richardson *et al.,* 1995). The nature and degree of the response, or the lack thereof, are dependent upon nature of the flight (e.g., type of aircraft, altitude, straight vs. circular flight pattern). Wursig *et al.* (1998) assessed the responses of cetaceans to aerial surveys in the north central and western Gulf of Mexico using a DeHavilland Twin Otter fixed-wing airplane. The plane flew at an altitude of 229 m (751.3 ft) at 204 km/hr (126.7 mph) and maintained a minimum of 305 m (1,000 ft) straight line distance from the cetaceans. Water depth was 100 to 1,000 m (328 to 3,281 ft). Bottlenose dolphins most commonly responded by diving (48 percent), while 14 percent responded by moving away. Other species (e.g., beluga and sperm whales) show considerable variation in reactions to aircraft but diving or swimming away from the aircraft are the most common reactions to low flights (less than 500 m; 1,640 ft).

Stress Response

An acoustic source is considered a potential stressor if, by its action on the animal, via auditory or non-auditory means, it may produce a stress response in the animal. Here, the stress response will refer to an increase in energetic expenditure that results from exposure to the stressor and which is predominantly characterized by either the stimulation of the sympathetic nervous system (SNS) or the hypothalamic-pituitary-adrenal (HPA) axis (Reeder and Kramer, 2005). The SNS response to a stressor is immediate and acute and occurs by the release of the catecholamine neurohormones norepinephrine and epinephrine (i.e., adrenaline). These hormones produce elevations in the heart and respiration rate, increase awareness, and increase the availability of glucose and lipids for energy. The HPA response results in increases in the secretion of the glucocorticoid steroid hormones, predominantly cortisol in mammals. The presence and magnitude of a stress response in an animal depends on a number of factors. These include the animal's life history stage (e.g., neonate, juvenile, adult), the environmental conditions, reproductive or developmental state, and experience with the stressor. Not only will these factors be subject to individual variation, but they will also vary within an individual over time. The stress response may or may not result in a behavioral change, depending on the characteristics of the exposed animal. However, provided that a stress response occurs, NMFS assumes that some contribution is made to the animal's allostatic load. One can assume that any immediate effect of exposure that produces an injury also produce a stress response and contribute to the allostatic load. Allostasis is the ability of an animal to maintain stability through change by adjusting its physiology in response to both predictable and unpredictable events (McEwen and Wingfield, 2003). If the animal does not perceive the sound, the acoustic source would not produce tissue effects and does not produce a stress response by any other means. Thus, NMFS assumes that the exposure does not contribute to the allostatic load. Additionally, without a stress response or auditory masking, NMFS assumes that there can be no behavioral change.

Physiology-Hearing Threshold Shift

In mammals, high-intensity sound may rupture the eardrum, damage the small bones in the middle ear, or over stimulate the electromechanical hair cells that convert the fluid motions caused by sound into neural impulses sent to the brain. Lower level exposures may cause a loss of hearing sensitivity, termed a threshold shift (TS) (Miller, 1974). Incidence of TS may be either permanent, referred to as permanent threshold shift (PTS), or temporary, referred to as temporary threshold shift (TTS). The amplitude, duration, frequency, and temporal pattern, and energy distribution of sound exposure all affect the amount of associated TS and the frequency range in which it occurs. As amplitude and duration of sound exposure increase, generally, so does the amount of TS and recovery time. Human non-impulsive noise exposure guidelines are based on exposures of equal energy (the same SEL) producing equal amounts of hearing impairment regardless of how the sound energy distributes over time (NIOSH, 1998). Until recently, previous marine mammal TTS studies have also generally supported this equal energy relationship (Southall *et al.,* 2007). Three newer studies, two by Mooney *et al.* (2009a, 2009b) on a single bottlenose dolphin either exposed to playbacks of Navy mid-frequency active sonar or octave-band noise (4–8 kHz) and one by Kastak *et al.* (2007) on a single California sea lion (*Zalophus californianus*) exposed to airborne octave-band noise (centered at 2.5 kHz), concluded that for all noise exposure situations the equal energy relationship may not be the best indicator to predict TTS onset levels. Generally, with sound exposures of equal energy, those that were quieter (lower SPL) with longer duration induced TTS onset more than

louder (higher SPL) and shorter durations (more similar to noise from the Marine Corps' exercises at BT–9 and BT–11). For intermittent sounds, less threshold shift would occur than from a continuous exposure with the same energy (some recovery will occur between exposures) (Kryter *et al.,* 1966; Ward, 1997). Additionally, although TTS is temporary; very prolonged exposure to sound strong enough to elicit TTS, or shorter-term exposure to sound levels well above the TTS threshold, can cause PTS, at least in terrestrial mammals (Kryter, 1985). However, these studies highlight the inherent complexity of predicting TTS onset in marine mammals, as well as the importance of considering exposure duration when assessing potential impacts.

PTS consists of non-recoverable physical damage to the sound receptors in the ear, which can include total or partial deafness, or an impaired ability to hear sounds in specific frequency ranges; NMFS considers PTS as Level A harassment. TTS is recoverable, resulting from temporary, non-injurious impacts to hearing-related tissues. NMFS considers TTS as Level B harassment.

Permanent Threshold Shift

Auditory trauma represents direct mechanical injury to hearing related structures, including tympanic membrane rupture, disarticulation of the middle ear ossicles, and trauma to the inner ear structures such as the organ of Corti and the associated hair cells. Auditory trauma is irreversible and considered to be an injury that could result in PTS. PTS results from exposure to intense sounds that cause a permanent loss of inner or outer cochlear hair cells or exceed the elastic limits of certain tissues and membranes in the middle and inner ears and result in changes in the chemical composition of the inner ear fluids. In some cases, there can be total or partial deafness across all frequencies, whereas in other cases, the animal has an impaired ability to hear sounds in specific frequency ranges.

There is no empirical data for onset of PTS in any marine mammal for ethical reasons. Therefore, research must extrapolate PTS-onset based on hearing loss growth rates (i.e., rate of how quickly threshold shifts grow in relation to increases in decibel level; expressed in dB of TTS/dB of noise) from limited marine mammal TTS studies and more numerous terrestrial mammal TTS/PTS experiments. Typically, the magnitude of a threshold shift increases with increasing duration or level of exposure, until it becomes asymptotic (growth rate begins to level or the upper limit of TTS; Mills *et al.,* 1979; Clark *et al.,* 1987; Laroche *et al.,* 1989; Yost, 2007). One presumes that PTS is likely if reduction to the hearing threshold occurs by greater than or equal to 40 dB (i.e., 40 dB of TTS).

Temporary Threshold Shift

TTS is the mildest form of hearing impairment that can occur during exposure to a loud sound (Kryter, 1985). Southall *et al.* (2007) indicate that although PTS is a tissue injury, TTS is not because the reduced hearing sensitivity following exposure to intense sound results primarily from fatigue, not loss, of cochlear hair cells and supporting structures and is reversible. Accordingly, NMFS classifies TTS as Level B Harassment, not Level A Harassment (injury); however, NMFS does not consider the onset of TTS to be the lowest level at which Level B Harassment may occur (see Behavior section).

Southall *et al.* (2007) considers a 6 dB TTS (*i.e.,* baseline hearing thresholds are elevated by 6 dB) sufficient to be recognized as an unequivocal deviation and thus a sufficient definition of TTS onset. Researchers testing hearing in marine mammals have experimentally induced TTS in bottlenose dolphins. For example, Finneran *et al.* (2002) exposed a trained captive bottlenose dolphin to a seismic watergun simulator with a single acoustic pulse. No TTS was observed in the dolphin at the highest exposure condition (peak: 207 kiloPascals (kPa; 30 pressure per square inch (psi)); peak-to-peak: 228 dB re: 1 μPa; SEL: 188 dB re: 1 μPa^2-s). Schludt et al. (2000) demonstrated temporary shifts in masked hearing thresholds in five bottlenose dolphins occurring generally between 192 and 201 dB rms (192 and 201 dB SEL) after exposure to intense, non-pulse, 1-second tones at 3 kHz, 10 kHz, and 20 kHz. TTS onset occurred at mean sound exposure level of 195 dB rms (195 dB SEL). At 0.4 kHz, no subjects exhibited threshold shifts after SPL exposures of 193 dB re: 1 μPa (192 dB re: 1 μPa^2-s). In the same study, at 75 kHz, one dolphin exhibited a TTS after exposure at 182 dB SPL re: 1 μPa but not at higher exposure levels. Another dolphin experienced no threshold shift after exposure to maximum SPL levels of 193 dB re: 1 μPa at the same frequency. Frequencies of explosives used at the Cherry Point Range Complex range from 1–25 kHz; the range where dolphin TTS onset occurred at 195 dB rms in the Schlundt *et al.* (2000) study.

Preliminary research indicates that TTS and recovery after noise exposure are frequency dependent and that an inverse relationship exists between exposure time and sound pressure level associated with exposure (Mooney *et al.,* 2005; Mooney, 2006). For example, Nachtigall *et al.* (2003) measured TTS in a bottlenose dolphin and found an average 11-dB shift following a 30-minute net exposure to the octave-band noise (OBN) at a 7.5 kHz center frequency (maximum SPL of 179 dB re: 1 μPa; SEL: 212–214 dB re: 1 μPa^2-s). No TTS was observed after exposure to the same duration and frequency noise with maximum SPLs of 165 and 171 dB re:1 μPa. After 50 minutes of exposure to the same 7.5 kHz frequency OBN, Natchigall *et al.* (2004) measured a 4–8 dB shift (max SPL: 160 dB re: 1 μPa; SEL: 193–195 dB re: 1 μPa^2-s). Finneran *et al.* (2005) concluded that a sound exposure level of 195 dB re 1 μPa2-s is a reasonable threshold for the onset of TTS in bottlenose dolphins exposed to mid-frequency tones.

Lethal Responses

The Marine Corps proposes to use five types of explosive sources during its training exercises: 2.75-inch Rocket High Explosives, 5-inch Rocket High Explosives, 30 mm High Explosives, 40 mm High Explosives, and G911 grenades. The underwater explosions from these weapons would send a shock wave and blast noise through the water, release gaseous by-products, create an oscillating bubble, and cause a plume of water to shoot up from the water surface. The shock wave and blast noise are of most concern to marine animals. In general, potential impacts from explosive detonations can range from brief effects (such as short term behavioral disturbance), tactile perception, physical discomfort, slight injury of the internal organs and the auditory system, to death of the animal (Yelverton *et al.,* 1973; O'Keeffe and Young, 1984; DoN, 2001).

The effects of an underwater explosion on a marine mammal depend on many factors, including the size, type, and depth of both the animal and the explosive charge; the depth of the water column; and the standoff distance between the charge and the animal, as well as the sound propagation properties of the environment. Physical damage of tissues resulting from a shock wave (from an explosive detonation) constitutes an injury. Blast effects are greatest at the gas-liquid interface (Landsberg, 2000) and gas containing organs, particularly the lungs and gastrointestinal tract, are especially susceptible to damage (Goertner, 1982;

Hill 1978; Yelverton *et al.,* 1973). Nasal sacs, larynx, pharynx, trachea, and lungs may be damaged by compression/expansion caused by the oscillations of the blast gas bubble (Reidenberg and Laitman, 2003). Severe damage (from the shock wave) to the ears can include tympanic membrane rupture, fracture of the ossicles, damage to the cochlea, hemorrhage, and cerebrospinal fluid leakage into the middle ear.

Non-lethal injury includes slight injury to internal organs and the auditory system; however, delayed lethality can be a result of individual or cumulative sublethal injuries (DoN, 2001). Immediate lethal injury would be a result of massive combined trauma to internal organs as a direct result of proximity to the point of detonation (DoN, 2001). Exposure to distance explosions could result only in behavioral changes. Researchers have measured masked underwater hearing thresholds in two bottlenose dolphins and one beluga whale before and after exposure to impulsive underwater sounds with waveforms resembling distant signatures of underwater explosions (Finneran *et al.,* 2000). The authors found no temporary shifts in masked-hearing thresholds, defined as a 6-dB or larger increase in threshold over pre-exposure levels, had been observed at the highest impulse level generated (500 kg at 1.7 km, peak pressure 70 kPa); however, disruptions of the animals' trained behaviors began to occur at exposures corresponding to 5 kg at 9.3 km and 5 kg at 1.5 km for the dolphins and 500 kg at 1.9 km for the beluga whale.

Direct Strike by Inert Ordnance

Another potential risk to marine mammals is direct strike by ordnance, in which the ordnance physically hits an animal. While strike from an item falling through the water column is possible, the potential risk of a direct hit to an animal in the target area would be so low because objects sink slowly and most projectiles fired at targets usually hit those targets.

Training Debris

In addition to behavioral and physiological impacts from live fire and ammunition testing, NMFS has analyzed impacts from presence of munition debris in the water, as described in the Marine Corps' application and its 2009 EA. These impacts include falling debris, ingestion of expended ordnance, and entanglement in parachute debris.

Ingestion of marine debris by marine mammals can cause digestive tract blockages or damage the digestive system (Gorzelany, 1998; Stamper *et al.,* 2006). Debris could be either the expended ordnance or non-munition related products such as chaff and self-protection flares. Expended ordnance would be small and sink to the bottom. Chaff is composed aluminum-coated glass fibers designed to act as a visual smoke screen; hiding the aircraft from enemy radar. Chaff also serves as a decoy for radar detection, allowing aircraft to maneuver or egress from the area. The chaff, cut into dipoles range in length from 0.3 to over 2.0 inches and its major components are silica, aluminum, and stearic acid; all naturally prevalent in the environment.

Based on the dispersion characteristics of chaff, concentrations around the BTs would be low. For example, Hullar *et al.* (1999) calculated that the deployment of a single cartridge containing 150 grams of chaff would affect an 8-km by 12 km (4.97-mi by 7.46-mi) area; however, the concentration would only be about 5.4 grams per square nautical mile. This corresponds to fewer than 179,000 fibers per square nautical mile or fewer than 0.005 fibers per square foot.

Marine Corps personnel deploy self-protection flares to mislead or confuse heat-sensitive or heat-seeking anti-aircraft systems. The flares are magnesium pellets that, when ignited, burn for a short period of time (less than 10 seconds) at 2,000 degrees Fahrenheit. Personnel use air-deployed LUU–2 high-intensity illumination flares to illuminate targets, enhancing a pilot's ability to see targets while using night vision goggles. The LUU–2B Flare has a light output rating of 1.8×10^6 candlepower and at 1,000 feet altitude illuminates a circle on the ground of 500 meters (1,640 ft). The LUU–2 is housed in a pod or canister and is deployed by ejection. The mechanism has a timer on it that deploys the parachute and ignites the flare candle. The flare candle burns magnesium at high temperature, emitting an intense bright white light. The LUU–2 has a burn time of approximately five minutes while suspended from a parachute. The pyrotechnic candle consumes the flare housing, reducing flare weight, which in turn slows the rate of fall during the last two minutes of burn time. At candle burnout an explosive bolt fires, releasing one parachute support cable, which causes the parachute to collapse.

Ingestion of debris by dolphins is not likely, as dolphins typically eat fish and other moving prey items. The Marine Corps solicited information on evidence of debris ingestion from two marine mammal veterinarians who have performed many necropsies on the protected species of North Carolina's waters. In their experience, no necropsies of bottlenose dolphins have revealed evidence of munition, parachute, or chaff ingestion (pers. comm., Drs. C. Harms and D. Rostein, November 14, 2009). However, they noted that evidence of chaff ingestion would be difficult to detect. In the chance that dolphins do ingest chaff, the filaments are so fine they would likely pass through the digestive system without complication. However, if the chaff is durable enough, it might act as a linear foreign body. In such case, the intestines bunch up on the line restricting movement of the line resulting in an obstruction. The peristalsis on an immovable thin line can cause intestinal lacerations and perforations (pers. comm., C. Harms, November 14, 2009). This is a well-known complication in cats when they ingest thread, and it occurs occasionally with sea turtles ingesting fishing line. The longevity of chaff filaments, based upon dispersion rates, is unclear. Chaff exposed to synthetic seawater and aqueous environments in the pH range of 4 to 10 exhibited varying levels of degradation suggesting a short lifespan for the outer aluminum coating (Farrell and Siciliano, 1998). The underlying filament is a flexible silica core and composed of primarily silica dioxide. While no studies have been conducted to evaluate the effects of chaff ingestion on marine mammals, the effects are expected to be negligible based upon chaff concentration in the environment, size of fibers, and available toxicity data on fiberglass and aluminum. The likelihood of chaff ingestion is low given the following factors: That the size of chaff fibers are no more than 2 inches long, tidal flushing reduces concentration in the environment, and chaff degradation occurs quickly. Moreover, if swallowed by a marine mammal, the impacts would be negligible.

In summary, there is no evidence that dolphins ingest military debris, dolphins in Pamlico Sound forage on moving prey suspended in the water column while expended munition would sink and the property and dispersion characteristics of chaff make potential for ingestion discountable. Because Pamlico Sound is a tidal body of water with continuing flushing, NMFS and the Marine Corps have determined that the presence of training debris would not have an effect on dolphins in Pamlico Sound.

Although sometimes large, expended parachutes (e.g., those from the flares) are flimsy and structurally simple. The probability of entanglement with a

dolphin is low. There are no known reports of live or stranded dolphins entangled in parachute gear; fishing gear is usually the culprit of reported entanglements.

Anticipated Effects on Habitat

Detonations of live ordnance would result in temporary changes to the water environment. Munitions could hit the targets and not explode in the water. However, because the targets are located over the water (i.e., a ship's hull on a shoal), in water explosions could occur. An underwater explosion from these weapons could send a shock wave and blast noise through the water, release gaseous by-products, create an oscillating bubble, and cause a plume of water to shoot up from the water surface. However, these effects would be temporary and not expected to last more than a few seconds.

Similarly, the Marine Corps does not expect any long-term impacts with regard to hazardous constituents to occur. The Marine Corps has an active Range Environmental Vulnerability Assessment (REVA) program in place to monitor impacts to habitat from its activities. One goal of REVA is to determine the horizontal and vertical concentration profiles of heavy metals, explosives constituents, perchlorate nutrients, and dissolved salts in the sediment and seawater surrounding BT–9 and BT–11. The results of the sampling indicate that the Marine Corps did not detect explosive constituents in any sediment or water sample surrounding the bombing targets. Metals were not present above toxicity screening values. The Marine Corps detected perchlorate in a few sediment samples above the detection limit (0.21 parts per million (ppm)), but below the reporting limit (0.6 ppm). The ongoing REVA would continue to evaluate potential munitions constituent migration from operational range areas to off-range areas and Marine Corps Air Station Cherry Point.

While NMFS anticipates that the specified activity may result in marine mammals avoiding certain areas due to temporary ensonification, this impact to habitat and prey resources would be temporary and reversible. The main impact associated with the proposed activity would be temporarily elevated noise levels and the associated direct effects on marine mammals, previously discussed in this notice. Based on the preceding discussion, NMFS does not anticipate that the proposed activity would have any habitat-related effects that could cause significant or long-term consequences for individual marine mammals or their populations.

Summary of Previous Monitoring

The Marine Corps complied with the mitigation and monitoring required under the previous authorizations (2010–2013). The Marine Corps submitted final monitoring reports, which described the activities conducted and observations made. For the 2010 period, the Marine Corps did not observe any marine mammals during training exercises. The only recorded observations—which were bottlenose dolphins—occurred on two occasions by maintenance vessels engaged in target maintenance. Personnel did not observe marine mammals during range sweeps, air-to-ground or surface-to-surface activities (small boats), or during ad hoc monitoring via range cameras.

For the 2012 period, the total amount of ordnance expended at BT–9 and BT–11 was 301,687 and 955,528 rounds, respectively. During the period of the 2012 IHA, the Marine Corps did not fire any high explosive (live) munitions at BT–9. The Marine Corps do not permit high explosive (live) munitions within BT–11. Maintenance vessels engaged in target maintenance observed marine mammals on two occasions during the 2012 reporting period. Flight crews conducting range sweeps identified dolphins within the confines of Rattan Bay at BT–11 on two separate occasions: February 10, 2012 and August 16, 2012. When the sightings occurred during range sweeps, the Marine Corps suspended military training until the dolphins exited the mouth of the embayment, per Marine Corps Air Station Cherry Point Range standard operating procedures. There were no observations of marine mammals during the air-to surface or surface-to-surface activities (small boats), or during ad hoc monitoring via range cameras other than during follow-up on the two occasions of sightings made during the pre-exercise range sweeps.

Proposed Mitigation

In order to issue an incidental take authorization under section 101(a)(5)(A) of the MMPA, NMFS must set forth the permissible methods of taking pursuant to such activity, and other means of effecting the least practicable adverse impact on such species or stock and its habitat, paying particular attention to rookeries, mating grounds, and areas of similar significance, and the availability of such species or stock for taking for certain subsistence uses (where relevant).

The NDAA of 2004 amended the MMPA as it relates to military-readiness activities and the incidental take authorization process such that ''least practicable adverse impact'' shall include consideration of personnel safety, practicality of implementation, and impact on the effectiveness of the military readiness activity.

NMFS and the Marine Corps have worked to identify potential practicable and effective mitigation measures, which include a careful balancing of the likely benefit of any particular measure to the marine mammals with the likely effect of that measure on personnel safety, practicality of implementation, and impact on the ''military-readiness activity.'' NMFS refers the reader to Appendix B of the Marine Corps' application for more detailed information on the proposed mitigation measures which include the following:

1. *Visual Monitoring:* Range operators will conduct or direct visual surveys to monitor BT–9 or BT–11 for protected species before and after each exercise. Range operation and control personnel would monitor the target area through two tower mounted safety and surveillance cameras. The remotely operated range cameras are high-resolution cameras that allow viewers to see animals at the surface and breaking the surface, but not underwater. The camera system has night vision (IR) capabilities. Lenses on the camera system have a focal length of 250 mm to 1500 mm, with view angles of $2.2° \times 1.65°$ (in wide-view) and $0.55° \times 41°$ (in narrow-view) respectively. Using the night-time capabilities, with a narrow view, an observer could identify a 1-by-1 meter target out to three kilometers.

In the event that a marine mammal is sighted within 914 m (3,000 ft) of the BT–9 target area, personnel would declare the area as fouled and cease training exercises. Personnel would commence operations in BT–9 only after the animal has moved 914 m (3,000 ft) away from the target area.

For BT–11, in the event that a marine mammal is sighted anywhere within the confines of Rattan Bay, personnel would declare the water-based targets within Rattan Bay as fouled and cease training exercises. Personnel would commence operations in BT–11 only after the animal has moved out of Rattan Bay.

2. *Range Sweeps:* The VMR–1 squadron, stationed at Marine Corps Air Station Cherry Point, includes three specially equipped HH–46D helicopters. The primary mission of these aircraft, known as PEDRO, is to provide search and rescue for downed 2nd Marine Air Wing aircrews. On-board are a pilot, co-pilot, crew chief, search and rescue swimmer, and a medical corpsman. Each crew member has received extensive training in search and rescue

techniques, and is therefore particularly capable at spotting objects floating in the water.

The PEDRO crew would conduct a range sweep the morning of each exercise day prior to the commencement of range operations. The crew would also conduct post-exercise sweeps. The primary goal of the pre-exercise sweep is to ensure that the target area is clear of fisherman, other personnel, and protected species. Generally, the weekly monitoring events would include a maximum of five pre-exercise and four post-exercise sweeps. The maximum number of days that would elapse between pre- and post-exercise monitoring events would be approximately 3 days, and would normally occur on weekends.

The sweeps would occur at 100 to 300 meters (328 to 984 ft) above the water surface, at airspeeds between 60 to 100 knots (69 to 115 mph). The path of the sweep runs down the western side of BT–11, circles around BT–9 and then continues down the eastern side of BT–9 before leaving. The sweep typically takes 20 to 30 minutes to complete.

The PEDRO crew communicates directly with range personnel and can provide immediate notification to range operators of a fouled target area due to the presence of protected species. The PEDRO aircraft would remain in the area of a marine mammal sighting until the animal clears the area, if possible or as mission requirements dictate.

If the crew sights marine mammals during a range sweep, they would collect sighting data and immediately provide the information to range personnel who would take appropriate management action. Range staff would relay the sighting information to training Commanders scheduled on the range after the observation. Range personnel would enter the data into the Marine Corps' sighting database, web-interface, or report generator. Sighting data includes the following (collected to the best of the observer's ability): (1) Species identification; (2) group size; (3) the behavior of marine mammals (e.g., milling, travel, social, foraging); (4) location and relative distance from the bombing target; (5) date, time and visual conditions (e.g., Beaufort sea state, weather) associated with each observation; (6) direction of travel relative to the BT; and (7) duration of the observation.

3. *Aircraft Cold Pass:* Standard operating procedures for waterborne targets require the pilot to perform a visual check prior to ordnance delivery to ensure the target area is clear of unauthorized civilian boats and personnel, and protected species such as turtles and marine mammals. This is referred to as a ''cold'' or clearing pass. Pilots requesting entry onto the BT–9 and BT–11 airspace must perform a low-altitude, cold first pass (a pass without any release of ordnance) immediately prior to ordnance delivery at the bombing targets both day and night.

Pilots would conduct the cold pass with the aircraft (helicopter or fixed-winged) flying straight and level at altitudes of 61 to 914 m (200 to 3,000 ft) over the target area. The viewing angle is approximately 15 degrees. A blind spot exists to the immediate rear of the aircraft. Based upon prevailing visibility, a pilot can see more than one mile forward upon approach. If marine mammals are present in the target area, the Range Controller may deny ordnance delivery to the target as conditions warrant. If marine mammals are not present in the target area, the Range Controller may grant ordnance delivery as conditions warrant.

4. *Delay of Exercises:* The Marine Corps would consider an active range as fouled and not available for use if a marine mammal is present within 914 m (3,000 ft) of the target area at BT–9 or anywhere within Rattan Bay (BT–11). Therefore, if Marine Corps personnel observe a marine mammal within 914 m (3,000 ft) of the target at BT–9 or anywhere within Rattan Bay at BT–11 during the cold pass or from range camera detection, they would delay training until the marine mammal moves beyond and on a path away from 914 m (3,000 ft) from the BT–9 target or moved out of Rattan Bay at BT–11. This mitigation applies to air-to-surface and surface-to-surface exercises day or night.

5. *Vessel Operation:* All vessels used during training operations would abide by NMFS' Southeast Regional Viewing Guidelines designed to prevent harassment to marine mammals (*http://www.nmfs.noaa.gov/pr/education/southeast/*).

6. *Stranding Network Coordination:* The Marine Corps would coordinate with the local NMFS Stranding Coordinator to discuss any unusual marine mammal behavior and any stranding, beached live/dead, or floating marine mammals that may occur at any time during training activities or within 24 hours after completion of training.

NMFS has carefully evaluated the Marine Corps' proposed mitigation measures in the context of ensuring that we prescribe the means of effecting the least practicable impact on the affected marine mammal species and stocks and their habitat. NMFS' evaluation of potential measures included consideration of the following factors in relation to one another:

- The manner in which, and the degree to which, the successful implementation of the measure is expected to minimize adverse impacts to marine mammals;
- The proven or likely efficacy of the specific measure to minimize adverse impacts as planned; and
- The practicability of the measure for applicant implementation.

Any mitigation measure(s) prescribed by NMFS should be able to accomplish, have a reasonable likelihood of accomplishing (based on current science), or contribute to the accomplishment of one or more of the general goals listed here:

1. Avoidance or minimization of injury or death of marine mammals wherever possible (goals 2, 3, and 4 may contribute to this goal).

2. A reduction in the numbers of marine mammals (total number or number at biologically important time or location) exposed to training exercises that we expect to result in the take of marine mammals (this goal may contribute to 1, above, or to reducing harassment takes only).

3. A reduction in the number of times (total number or number at biologically important time or location) individuals would be exposed to training exercises that we expect to result in the take of marine mammals (this goal may contribute to 1, above, or to reducing harassment takes only).

4. A reduction in the intensity of exposures (either total number or number at biologically important time or location) to training exercises that we expect to result in the take of marine mammals (this goal may contribute to a, above, or to reducing the severity of harassment takes only).

5. Avoidance or minimization of adverse effects to marine mammal habitat, paying special attention to the food base, activities that block or limit passage to or from biologically important areas, permanent destruction of habitat, or temporary destruction/disturbance of habitat during a biologically important time.

6. For monitoring directly related to mitigation—an increase in the probability of detecting marine mammals, thus allowing for more effective implementation of the mitigation.

Based on the evaluation of the Marine Corps' proposed measures, as well as other measures considered, NMFS has determined that the proposed mitigation measures provide the means of effecting the least practicable impact on marine mammal species or stocks and their habitat, paying particular attention to rookeries, mating grounds, and areas of

similar significance while also considering personnel safety, practicality of implementation, and the impact of effectiveness of the military readiness activity.

The proposed rule comment period will afford the public an opportunity to submit recommendations, views, and/or concerns regarding this action and the proposed mitigation measures. While NMFS has determined that the proposed mitigation measures presented in this document will effect the least practicable adverse impact on the affected species or stocks and their habitat, NMFS will consider all public comments to help inform our final decision. Consequently, the proposed mitigation measures may be refined, modified, removed, or added to prior to the issuance of the final rule based on public comments received and, where appropriate, further analysis of any additional mitigation measures.

Proposed Monitoring and Reporting

In order to issue an Letter of Authorization for an activity, section 101(a)(5)(A) of the MMPA states that we must set forth ''requirements pertaining to the monitoring and reporting of such taking.'' The MMPA implementing regulations at 50 CFR 216.104(a)(13) indicate that requests for an authorization must include the suggested means of accomplishing the necessary monitoring and reporting that will result in increased knowledge of the species and our expectations of the level of taking or impacts on populations of marine mammals present in the action area.

As part of its application, the Marine Corps provided a monitoring plan, similar to that in previous Incidental Harassment Authorizations issued to them from 2010–2013, for assessing impacts to marine mammals from rocket and missile launches at Marine Air Corps Station Cherry Point. The Marine Corps proposes to conduct the following monitoring activities under these regulations. However, NMFS may modify the proposed monitoring program or supplement the monitoring based on comments or new information received from the public during the public comment period.

The Marine Corps' suggested means of accomplishing the necessary monitoring and reporting includes the following:

1. *Protected Species Observer Training:* Operators of small boats, and other personnel monitoring for marine mammals from watercraft shall be required to take the Marine Species Awareness Training (Version 2), maintained and promoted by Department of the Navy. Pilots conducting range sweeps shall be instructed on marine mammal observation techniques during routine Range Management Department briefings. This training would make personnel knowledgeable of marine mammals, protected species, and visual cues related to the presence of marine mammals and protected species.

2. *Pre- and Post-Exercise Monitoring:* The Marine Corps would conduct pre-exercise monitoring the morning of an exercise and post-exercise monitoring the morning following an exercise, unless an exercise occurs on a Friday, in which case the post-exercise sweep would take place the following Monday. Weekly monitoring events would include a maximum of five pre-exercise and four post-exercise sweeps. The maximum number of days that would elapse between pre- and post-exercise monitoring events would be approximately three days, and would normally occur on weekends. If the Marine Corps observe marine mammals during this monitoring, personnel would record sighting data identical to those collected by the PEDRO crew.

3. *Long-term Monitoring:* The Marine Corps has awarded Duke University Marine Lab (Duke) a contract to obtain abundance, group dynamics (e.g., group size, age census), behavior, habitat use, and acoustic data on the bottlenose dolphins which inhabit Pamlico Sound, specifically those around BT–9 and BT–11. Duke began conducting boat-based surveys and passive acoustic monitoring of bottlenose dolphins in Pamlico Sound in 2000 (Read *et al.,* 2003) and specifically at BT–9 and BT–11 in 2003 (Mayer, 2003). To date, boat-based surveys indicate that bottlenose dolphins may be resident to Pamlico Sound and use BT restricted areas on a frequent basis. Passive acoustic monitoring (PAM) provides more detailed insight into how dolphins use the two ranges, by monitoring for their vocalizations year-round, regardless of weather conditions or darkness. In addition to these surveys, Duke's scientists are testing a real-time passive acoustic monitoring system at BT–9 that will allow automated detection of bottlenose dolphin whistles, providing yet another method of detecting dolphins prior to training operations.

4. *Reporting:* The Marine Corps will submit an annual report to NMFS on December 7 of each year. The first report will cover the time period from issuance of the Letter of Authorization through September 7, 2015. Each annual report after that time will cover the time period from September 8th through September 7th of the following year.

The Marine Corps will submit a final comprehensive report to NMFS no later than 180 days prior to expiration of these regulations. This report must summarize the findings made in all previous reports and assess both the impacts at each of the bombing targets and the cumulative impact on bottlenose dolphin from the specified activities.

The reports will summarize the type and amount of training exercises conducted, all marine mammal observations made during monitoring, and if mitigation measures were implemented. The report will also address the effectiveness of the monitoring plan in detecting marine mammals.

General Notification of Injured or Dead Marine Mammals

The Marine Corps will systematically observe training operations for injured or disabled marine mammals. In addition, the Marine Corps will monitor the principal marine mammal stranding networks and other media to correlate analysis of any dolphin strandings that could potentially be associated with BT–9 or BT–11 training operations.

Marine Corps personnel will ensure that they notify NMFS immediately or as soon as clearance procedures allow if an injured, stranded, or dead marine mammal is found during or shortly after, and in the vicinity of, any training operations. The Marine Corps will provide NMFS with species or description of the animal(s), the condition of the animal(s) (including carcass condition if the animal is dead), location, time of first discovery, observed behaviors (if alive), and photo or video (if available).

In the event that an injured, stranded, or dead marine mammal is found by Marine Corps personnel that is not in the vicinity of, or found during or shortly after operations, the Marine Corps personnel will report the same information as listed above as soon as operationally feasible and clearance procedures allow.

General Notification of a Ship Strike

In the event of a vessel strike, at any time or place, the Marine Corps shall do the following:

- Immediately report to us the species identification (if known), location (lat/long) of the animal (or the strike if the animal has disappeared), and whether the animal is alive or dead (or unknown);
- Report to us as soon as operationally feasible the size and length of the animal, an estimate of the injury status (e.g., dead, injured but

alive, injured and moving, unknown, etc.), vessel class/type and operational status;

- Report to NMFS the vessel length, speed, and heading as soon as feasible; and
- Provide us a photo or video, if equipment is available.

Adaptive Management

NMFS may modify or augment the existing mitigation or monitoring measures (after consulting with the Marine Corps regarding the practicability of the modifications) if doing so creates a reasonable likelihood of more effectively accomplishing the goals of mitigation and monitoring set forth in the preamble of these regulations. Below are some of the possible sources of new data that could contribute to the decision to modify the mitigation or monitoring measures:

1. Results from the Marine Corps' monitoring from the previous year.
2. Results from marine mammal and sound research; or
3. Any information which reveals that marine mammals may have been taken in a manner, extent or number not authorized by these regulations or subsequent Letters of Authorization.

Research

The Marine Corps has funded surveys performed by Duke University researchers and provided financial support to augment surveys conducted by the NMFS Southeast Fisheries Science Center. Information and knowledge gained from the Marine Corps-funded research has contributed significantly to the understanding of bottlenose dolphin stocks, including their distribution and movement, in Pamlico Sound, NC.

The Marine Corps has contracted with Duke University to develop and test a real-time passive acoustic monitoring system that will allow automated detection of bottlenose dolphin whistles (Appendix C in the application). The work has been performed in two phases. Phase I was the development of an automated signal detector (a software program) to recognize the whistles of dolphins at BT–9 and BT–11. Phase II, currently in progress, is the assembly and deployment of a prototype real-time monitoring unit on one of the towers in the BT–9 range. The success of this effort will help direct future research initiatives and activities within the Marine Corps Air Station Cherry Point Range Complex. As funding becomes available and research opportunities arise, Marine Corps Air Station Cherry Point will continue to fund and participate in studies that will enhance the Marine Corps' understanding of marine mammals in Pamlico Sound.

Estimated Numbers of Marine Mammals Taken by Harassment, Injury, and Mortality

NMFS' analysis identified the lethal responses, physiological responses, and behavioral responses that could potentially result from exposure to underwater explosive detonations. In this section, we will relate the potential effects to marine mammals from underwater detonation of explosives and direct strike by ordnance to the MMPA regulatory definitions of Level A and Level B harassment, serious injury, and mortality. This section will also quantify the effects that might occur from the proposed military readiness activities in BT–9 and BT–11.

Definition of Harassment

The NDAA removed the ''small numbers'' and ''specified geographic region'' limitations indicated earlier in this document and amended the definition of harassment as it applies to a ''military readiness activity'' to read as follows: (i) Any act that injures or has the significant potential to injure a marine mammal or marine mammal stock in the wild [Level A Harassment]; or (ii) any act that disturbs or is likely to disturb a marine mammal or marine mammal stock in the wild by causing disruption of natural behavioral patterns, including, but not limited to, migration, surfacing, nursing, breeding, feeding, or sheltering, to a point where such behavioral patterns are abandoned or significantly altered [Level B Harassment].

Level B Harassment

Of the potential effects described earlier in this document, the following are the types of effects that fall into the Level B harassment category:

Behavioral Harassment—Behavioral disturbance that rises to the level described in the above definition, when resulting from exposures to non-impulsive or impulsive sound, is Level B harassment. Some of the lower level physiological stress responses discussed earlier would also likely co-occur with the predicted harassments, although these responses are more difficult to detect and fewer data exist relating these responses to specific received levels of sound. When predicting Level B harassment based on estimated behavioral responses, those takes may have a stress-related physiological component.

Acoustic Masking and Communication Impairment—NMFS considers acoustic masking to be Level B harassment, as it can disrupt natural behavioral patterns by interrupting or limiting the marine mammal's receipt or transmittal of important information or environmental cues.

Temporary Threshold Shift (TTS)—As discussed previously, TTS can affect how an animal behaves in response to the environment, including conspecifics, predators, and prey. NMFS classifies TTS (when resulting from exposure to explosives and other impulsive sources) as Level B harassment, not Level A harassment (injury).

Level A Harassment

Of the potential effects that were described earlier, the following are the types of effects that fall into the Level A Harassment category:

Permanent Threshold Shift (PTS)—PTS (resulting either from exposure to explosive detonations) is irreversible and NMFS considers this to be an injury.

Physical Disruption of Tissues Resulting from Explosive Shock Wave—NMFS classifies physical damage of tissues resulting from a shock wave (from an explosive detonation) as an injury.

Ordnance Strike—NMFS considers direct strike by ordnance associated with the specified activities to be serious injury or mortality.

Impulsive Sound Explosive Thresholds

For the purposes of this proposed regulation, NMFS has identified three levels of take for the Marine Corps' training exercises: Level B harassment; Level A harassment; and mortality (or serious injury leading to mortality). We present the acoustic thresholds for impulse sounds in this section.

In the absence of mitigation, it is likely that the activities could kill or injure marine mammals as a result of an explosive detonation, due to the response of air cavities in the body (e.g., lungs and intestines). These effects are likely to be most severe in near surface waters where the reflected shock wave creates a region of negative pressure called cavitation. Extensive lung hemorrhage is debilitating and potentially fatal. Suffocation caused by lung hemorrhage is likely to be the major cause of marine mammal death from underwater shock waves. The estimated range for the onset of extensive lung hemorrhage to marine mammals varies depending upon the animal's weight, with the smallest mammals having the greatest potential hazard range.

Table 7 summarizes the marine mammal impulsive sound explosive

thresholds used for the Marine Corps' acoustic impact modeling for marine mammal take in its application and 2009 EA. Several standard acoustic metrics (Urick, 1983) describe the thresholds for predicting potential physical impacts from underwater pressure waves. They are:

• Total energy flux density or Sound Exposure Level (SEL). For plane waves (as assumed here), SEL is the time integral of the instantaneous intensity, where the instantaneous intensity is defined as the squared acoustic pressure divided by the characteristic impedance of sea water. Thus, SEL is the instantaneous pressure amplitude squared, summed over the duration of the signal. Standard units are dB referenced to 1 re: μPa^2-s.

• ⅓-octave SEL. This is the SEL in a ⅓-octave frequency band. A ⅓-octave band has upper and lower frequency limits with a ratio of 21:3, creating bandwidth limits of about 23 percent of center frequency.

• Positive impulse. This is the time integral of the initial positive pressure pulse of an explosion or explosive-like wave form. Standard units are Pa-s or psi-ms.

• Peak pressure. This is the maximum positive amplitude of a pressure wave, dependent on charge mass and range. Standard units are psi, μPa, or Bar.

TABLE 7—IMPULSIVE SOUND EXPLOSIVE THRESHOLDS USED BY THE MARINE CORPS IN ITS PREVIOUS ACOUSTICS IMPACTS MODELING

Criterion	Criterion definition	Threshold
Mortality	Onset of severe lung injury (mass of dolphin calf: 12.2 kg) (1% probability of mortality).	31 psi-msec (positive impulse).
Level A harassment (injury)	50% animals would experience ear drum rupture, 30% animals exposed sustain permanent threshold shift.	205 dB re 1 μPa^2-s EFD (full spectrum energy).
Level A harassment (injury)	Onset of slight lung injury (mass of dolphin calf: 12.2 kg).	13 psi-msec (positive impulse).
Level B harassment	TTS and associated behavioral disruption	23 psi peak pressure
Level B harassment	TTS and associated behavioral disruption (dual criteria)	182 dB re: 1 μPa^2-s EFD,* ⅓ octave band.
Level B harassment	Sub-TTS behavioral disruption (for multiple/sequential detonations only).	177 dB re: 1 μPa^2-s EFD,* ⅓ octave band.

* **Note:** In greatest ⅓-octave band above 10 Hz or 100 Hz.

NMFS previously developed the explosive thresholds for assessing impacts of explosions on marine mammals shown in Table 7 for the shock trials of the USS Seawolf and USS Winston S. Churchill. However, at NMFS' recommendation, the Marine Corps has updated the thresholds used for onset of temporary threshold shift (TTS; Level B Harassment) and onset of permanent threshold shift (PTS; Level A Harassment) to be consistent with the thresholds outlined in the Navy's report titled, ''Criteria and Thresholds for U.S. Navy Acoustic and Explosive Effects Analysis Technical Report,'' which the Navy coordinated with NMFS. NMFS believes that the thresholds outlined in the Navy's report represent the best available science. The report is available on the internet at: *http://aftteis.com/Portals/4/aftteis/Supporting%20Technical%20Documents/Criteria_and_Thresholds_for_US_Navy_Acoustic_and_Explosive_Effects_Analysis-Apr_2012.pdf.*

Table 8 in this document outlines the revised acoustic thresholds used by NMFS for this proposed rulemaking when addressing noise impacts from explosives.

TABLE 8—IMPULSIVE SOUND EXPLOSIVE THRESHOLDS USED BY THE MARINE CORPS IN ITS CURRENT ACOUSTICS IMPACTS MODELING

Group	Behavior		Slight injury			Mortality
	Behavioral	TTS	PTS	Gastro-intestinal tract	Lung	
Mid-frequency Cetaceans.	167 dB SEL	172 dB SEL or 23 psi.	187 dB SEL or 45.86 psi.	104 psi	39.1 $M^{1/3}$ $(1+[D_{Rm}/10.081])^{1/2}$ Pa-sec. Where: M = mass of the animals in kg. D_{Rm} = depth of the receiver (animal) in meters.	91.4 $M^{1/3}$ $(1+D_{Rm}/10.081])^{1/2}$ Pa-sec Where: M = mass of the animals in kg D_{Rm} = depth of the receiver (animal) in meters

The Marine Corps conservatively modeled that all explosives would detonate at a 1.2 m (3.9 ft) water depth despite the training goal of hitting the target, resulting in an above water or on land explosion. For sources detonated at shallow depths, it is frequently the case that the explosion may breech the surface with some of the acoustic energy escaping the water column. Table 9 provides the estimated maximum range or radius, from the detonation point to the various thresholds described in Table 8.

TABLE 9—DISTANCES (m) TO HARASSMENT THRESHOLDS FROM THE MARINE CORPS' EXPLOSIVE ORDNANCE

Proposed ordnance	NEW (lbs)	Mortality	Level A harassment		Level B harassment		
			187 dB	46 psi-msec	172 dB	23 psi	167 dB
30 mm HE	0.1019	0	297.8	8.5	677.7	70	856.7
40 mm HE	0.1199	0	168.2	9.5	467.5	64.4	604.6
2.75-inch Rocket	4.8	29.3	270.4	49.1	631.5	197.3	830.4
5-inch Rocket	15.0	39.8	346.1	63.4	778.7	233.4	1,032.4
G911 Grenade	0.5	9.6	136.4	23.3	416.2	103.5	547.3

Density Estimation

The Marine Corps bases its method to estimate the number of marine mammals potentially affected using bottlenose dolphin densities (summer and winter), the amount and type of ordnance proposed, and distances to NMFS' harassment threshold criteria.

In 2000, Duke conducted a boat-based mark-recapture survey throughout the estuaries, bays and sounds of North Carolina (Read *et al.,* 2003). The 2000 boat-based survey yielded a dolphin density of 0.183 per square kilometer (km^2) (0.071 square mile (mi^2)) based on an estimate of 919 dolphins for the northern inshore waters divided by an estimated 5,015 km^2 (1,936 mi^2) survey area.

In a follow-on aerial study (July 2002–June 2003) specifically in and around BT–9 and BT–11, Duke reported one sighting in the restricted area surrounding BT–9, two sightings in proximity to BT–11, and seven sightings in waters adjacent to the bombing targets (Maher, 2003). In total, 276 bottlenose dolphins were sighted ranging in group size from two to 70 animals with mean dolphin density in BT–11 more than twice as large as the density of any of the other areas; however, the daily densities were not significantly different (Maher, 2003). The researchers calculated the estimated dolphin density at BT–9 and BT–11 based on these surveys to be 0.11 dolphins/km^2, and 1.23 dolphins/km^2, respectively.

For the proposed regulations, the Marine Corps chose to estimate take of dolphins based on the higher density reported from the summer 2000 surveys (0.183/km^2). Although the researchers conducted the aerial surveys year round and provided seasonal density estimates, the average year-round density from the aerial surveys is 0.0936, lower than the 0.183/km^2 density chosen to calculate take for purposes of these proposed regulations. Additionally, Goodman *et al.* (2007) acknowledged that boat based density estimates may be more accurate than the uncorrected estimates derived from the aerial surveys.

Estimated Take From Explosives at BT–9

In order to calculate take from ordnance, the Marine Corps considered the distances to which animals could be harassed along with dolphin density (0.183 km^2) and based take calculations for munitions firing on 100 percent water detonation. Because the goal of training is to hit the targets and not the water, NMFS considers these take estimates based on 100 percent water detonation of munitions to be conservative.

The Marine Corps' 2009 EA (Appendix B) and its addendum to its application present a detailed discussion of the computational process for the modeling, which ultimately generates two outcomes—the zones of influence and marine mammal exposures. Briefly, the Marine Corps calculated the expected acoustic harassment takes from each source on a per in-water explosive basis using the following steps:

- For the relevant environmental acoustic parameters, transmission loss (TL) estimates are computed, sampling the water column over the appropriate depth and range intervals. TL calculations are also made over non-overlapping one-third octave bands for a wide range of frequencies.
- The accumulated energy within the waters where the source is ''operating'' is sampled over a volumetric grid. At each grid point, the received energy from each source emission is modeled as the effective energy source level reduced by the appropriate propagation loss from the location of the source at the time of the emission to that grid point and summed. For the peak pressure or positive impulse, the appropriate metric is similarly modeled for each emission. The maximum value of that metric, over all emissions, is stored at each grid point.
- The impact volume for a given threshold is estimated by summing the incremental volumes represented by each grid point for which the appropriate metric exceeds that threshold.
- Finally, they estimate the number of harassments as the vector product of the animal density depth profile and the impact volume and scaled by user-specified surface animal densities.

Table 10 presents the annual estimated take of bottlenose dolphins from exposure to explosive ordnance based on current thresholds. The Marine Corps has requested, and NMFS proposes to authorize the incidental take of 323 bottlenose dolphins from Level B Harassment (behavioral and TTS) annually and 33 bottlenose dolphins from Level A Harassment (PTS) annually. Table 10 also includes estimated take by mortality (or serious injury leading to mortality) as a result of exposure to impulsive sound explosions resulting in an estimate of 5 bottlenose dolphins, annually. In consideration of the effectiveness of the mitigation measures, NMFS does not expect take by serious injury or mortality related to exposure to explosive ordnance to occur. However, because the probability is not zero, the Marine Corps has requested these takes incidental to its operations.

TABLE 10—ANNUAL AND 5-YEAR ESTIMATED TAKE OF BOTTLENOSE DOLPHINS FROM EXPOSURE TO EXPLOSIVE ORDNANCE BASED ON INDICATED THRESHOLDS

Proposed ordnance	Mortality	Serious injury	Level A harassment (PTS)	Level B harassment (TTS and behavior)	
		104 psi	187 dB SEL	172 dB SEL	167 dB SEL
30 mm HE	0	0.51	3.64	17.18	10.41
40 mm HE	0	1.81	23.78	153.84	95.37
2.75-inch Rocket	0.06	0.5	3.37	15.35	9.82
5-inch Rocket	0.03	0.27	1.59	7.21	4.77
G911 Grenade	0.004	0.8	0.06	4.60	2.91
Annual Totals *	1	4	33	199	124
5-Year Totals	25		165	1,615	

* Estimate rounded to the nearest whole number.

Estimated Take by Direct Strike of Ordnance

A potential cause of mortality (in the absence of mitigation) would be direct strike by ordnance. In the absence of mitigation, it is likely that the activities could kill or injure marine mammals as a result of ordnance hitting the animals. Table 11 presents the annual estimated take of bottlenose dolphins from direct strike by ordnance. In consideration of the effectiveness of the mitigation measures, NMFS does not expect take by serious injury or mortality related to direct strike to occur. However, because the probability is not zero, NMFS is proposing to authorize a total of five takes by mortality (or serious injury leading to mortality) related to direct strike of ordnance over the course of the 5-year regulation.

TABLE 11—ANNUAL ESTIMATED TAKE OF BOTTLENOSE DOLPHINS FROM DIRECT STRIKE BY ORDNANCE

Bombing target	Estimated annual ordnance levels	Strike probability	Estimated number of strikes	Annual estimate	5-Year estimate
BT–9	1,225,815	2.61×10^{-7}	0.32	1	5
BT–11	[1] 451,686.24	9.4×10^{-8}	0.042	0	0

[1] BT–11 based on 36 percent of the total estimated ordnance levels (1,254,684) with a deployment footprint over water. NMFS rounded estimates greater than or equal to 0.10 to 1 to be more conservative. NMFS considered the modeled numbers less than 0.10 to be discountable for estimating take.

The Marine Corps conducted modeling for the bombing targets to determine the total surface area needed to contain 99.99 percent of initial and ricochet impacts (95 percent confidence interval) for each aircraft and ordnance type. It then generated the surface area or footprints of weapon impact areas associated with air-to-ground ordnance delivery and estimated that at both BT–9 and BT–11 the probability of deployed ordnance landing in the impact footprint is essentially 1.0, since the footprints were designed to contain 99.99 percent of impacts, including ricochets. However, only 36 percent of the weapon footprint for BT–11 is over water in Rattan Bay. Water depths in Rattan Bay range from 3 m (10 ft) in the deepest part of the bay to 0.5 m (1.6 ft) close to shore.

The Marine Corps calculated the probability of hitting a bottlenose dolphin at the bombing targets by multiplying the dolphin's dorsal surface area by the density estimate of dolphins in the area. It estimated that the dorsal surface area of a bottlenose dolphin was approximately 1.425 m^2 (15.3 ft^2) with an average length and width of 2.85 m (9.3 ft) and 0.5 m (1.6 ft), respectively. Then using the density estimate of 0.183 km^2, it calculated the probability of direct strike in the waters of BT–9 as 2.61×10^{-7} and the probability of direct strike in the waters of BT–11 as 9.4×10^{-8}. The probability for BT–11 is 64 percent lower, because only 36 percent of the weapons footprint occurs over the water column. This method is the best available information for estimating the probability of ordnance striking a marine mammal in BT–9 or BT–11.

Take From Vessel Presence

Interactions with vessels are not a new experience for bottlenose dolphins in Pamlico Sound. Pamlico Sound is heavily used by recreational, commercial (fishing, daily ferry service, tugs, etc.), and military (including the Navy, Air Force, and Coast Guard) vessels year-round. The NMFS' Southeast Regional Office has developed marine mammal viewing guidelines to educate the public on how to responsibly view marine mammals in the wild and avoid causing a take (*http://www.nmfs.noaa.gov/pr/education/southeast*). The guidelines recommend that vessels should remain a minimum of 50 yards (45.7 m; 150 ft) from a dolphin, operated in a predictable manner, avoid excessive speed or sudden changes in speed or direction in the vicinity of animals, and not pursue, chase, or separate a group of animals. The Marine Corps would abide by these guidelines to the fullest extent practicable. The Marine Corps would not engage in high speed exercises if personnel detect a marine mammal within the immediate area of the bombing targets prior to training commencement and would never closely approach, chase, or pursue dolphins. Personnel monitoring on the vessels, marking success rate of target hits, and monitoring the remote camera would facilitate detection of marine mammals within the bombing targets.

Based on the description of the action, the other activities regularly occurring in the area, the species that may be exposed to the activity and their observed behaviors in the presence of vessel traffic, and the implementation of measures to avoid vessel strikes, NMFS has determined that it is unlikely that the small boat maneuvers during

surface-to-surface maneuvers would result in the take of any marine mammals, in the form of either behavioral harassment, injury, serious injury, or mortality.

Negligible Impact Analysis and Preliminary Determinations

Negligible impact is ''an impact resulting from the specified activity that cannot be reasonably expected to, and is not reasonably likely to, adversely affect the species or stock through effects on annual rates of recruitment or survival'' (50 CFR 216.103). A negligible impact finding is based on the lack of likely adverse effects on annual rates of recruitment or survival (i.e., population-level effects). An estimate of the number of Level B harassment takes, alone, is not enough information on which to base an impact determination. In addition to considering estimates of the number of marine mammals that might be ''taken'' through behavioral harassment, NMFS must consider other factors, such as the likely nature of any responses (their intensity, duration, etc.), the context of any responses (critical reproductive time or location, migration, etc.), as well as the number and nature of estimated Level A harassment takes, the number of estimated mortalities, and effects on habitat.

Pursuant to our regulations implementing the MMPA, NMFS requires an applicant to estimate the number of animals that will be ''taken'' by the specified activities (i.e., takes by harassment only, or takes by harassment, injury, serious injury, and/or death). This estimate informs the analysis that we must perform to determine whether the activity will have a ''negligible impact'' on the species or stock. In making a negligible impact determination, NMFS considers a variety of factors, including but not limited to: (1) The number of anticipated serious injuries and mortalities; (2) the number and nature of anticipated injuries (Level A harassment); (3) the number, nature, intensity, and duration of Level B harassment; and (4) the context in which the takes occur.

NMFS proposes authorizing Level A and Level B harassment and serious injury and/or mortality of bottlenose dolphins over the course of the 5-year period. The Marine Corps has described its specified activities based on best estimates of the number of sorties that it proposes to conduct training exercises at BT–9 and BT–11. The exact number of ordnance expenditures may vary from year to year, but will not exceed the 5-year total of ordnance expenditures based on the information in Tables 3 and 4. NMFS does not anticipate that the take totals proposed for authorization would exceed the 5-year totals indicated in Tables 10 and 11.

Tolerance

Depending on the intensity of the shock wave and size, location, and depth of the animal, an animal can exhibit tolerance from hearing the blast sound. However, tolerance effects on bottlenose dolphins within the bombing target areas are difficult to assess given their affinity for the area. Scientific boat based surveys conducted throughout Pamlico Sound conclude that dolphins use the areas around the BTs more frequently than other portions of Pamlico Sound (Maher, 2003), despite the Marine Corps actively training in a manner identical to the specified activities described here for years. Because of the low concentration of bottlenose dolphins present within the BT–9 and BT–11 areas, the incorporation of mitigation measures to lessen effects, and the short durations of the missions, NMFS expects that tolerance effects would be minimal and would affect a small number of marine mammals on an infrequent basis.

Masking

For reasons stated previously in this notice, NMFS expects masking effects from ordnance detonation to be minimal because masking is typically of greater concern for those marine mammals that utilize low frequency communications, such as baleen whales. While it may occur temporarily, NMFS does not expect auditory masking to result in detrimental impacts to an individual's or population's survival, fitness, or reproductive success. Dolphin movement is not restricted within the BT–9 or BT–11 ranges, allowing for movement out of the area to avoid masking impacts.

Disturbance

The probability that detonation events will overlap in time and space with marine mammals is low, particularly given the densities of marine mammals in the vicinity of BT–9 and BT–11 and the implementation of monitoring and mitigation measures. Moreover, NMFS does not expect animals to experience repeat exposures to the same sound source, as bottlenose dolphins would likely move away from the source after being exposed. In addition, NMFS expects that these isolated exposures, when received at distances of Level B behavioral harassment, would cause brief startle reactions or short-term behavioral modification by the animals. These brief reactions and behavioral changes would disappear when the exposures cease.

The Level B harassment takes would likely result in dolphins being temporarily affected by bombing or gunnery exercises. In addition, NMFS may attribute takes to animals not using the area when exercises are occurring; however, this is difficult to calculate. Instead, NMFS considers if the specified activities occur during and within habitat important to vital life functions to better inform the preliminary negligible impact determination. Read *et al.* (2003) concluded that dolphins rarely occur in open waters in the middle of North Carolina sounds and large estuaries, but instead are concentrated in shallow water habitats along shorelines. However, no specific areas have been identified as vital reproduction or foraging habitat.

NMFS and the Marine Corps have estimated that individuals of bottlenose dolphins may sustain some level of temporary threshold shift (TTS) from underwater detonations. TTS can last from a few minutes to days, be of varying degree, and occur across various frequency bandwidths. Although the degree of TTS depends on the received noise levels and exposure time, studies show that TTS is reversible. NMFS expects the animals' sensitivity to recover fully in minutes to hours based on the fact that the proposed underwater detonations are small in scale and isolated. In summary, we do not expect that these levels of received impulse noise from detonations would affect annual rates or recruitment or survival.

Stress Response

NMFS expects short-term effects such as stress during underwater detonations, as repeated exposure to sounds from underwater explosions may cause physiological stress that could lead to long-term consequences for the individual such as reduced survival, growth, or reproductive capacity. However, the time scale of individual explosions is very limited, and the Marine Corps disperses its training exercises in space and time.

Consequently, repeated exposure of individual bottlenose dolphins to sounds from underwater explosions is not likely and most acoustic effects are expected to be short-term and localized. NMFS does not expect long-term consequences for populations because the BT–9 and BT–11 areas continue to support bottlenose dolphins in spite of ongoing missions. The best available data do not suggest that there is a

decline in the Pamlico Sound population due to these exercises.

Permanent Threshold Shift

NMFS believes that many marine mammals would deliberately avoid exposing themselves to the received levels of explosive ordnance necessary to induce injury by moving away from or at least modifying their path to avoid a close approach. Also, in the unlikely event that an animal approaches the bombing target at a close distance, NMFS believes that the mitigation measures (i.e., the delay/postponement of missions) would typically ensure that animals would not be exposed to injurious levels of sound. As discussed previously, the Marine Corps utilizes both aerial and passive acoustic monitoring in addition to personnel on vessels to detect marine mammals for mitigation implementation. The potential for permanent hearing impairment and injury is low due to the incorporation of the proposed mitigation measures specified in the proposed rulemaking.

Lethal Responses

As stated previously, NMFS also proposes to authorize take by mortality (and serious injury leading to mortality), though there have been no recorded incidents of mortality or serious injury of marine mammals resulting from previous missions in BT–9 or BT–11 to date. Based on the Marine Corps' compliance with previous authorizations for the same activities, NMFS expects the proposed mitigation and monitoring measures to minimize the potential risk for serious injury or mortality and does not expect these types of takes to occur. NMFS does not expect the number of takes from mortality or serious injury to increase from previous authorizations to the Marine Corps; rather, the agency is proposing to authorize these takes for the first time.

The Marine Corps has conducted gunnery and bombing training exercises at BT–9 and BT–11 for several years and, to date, the monitoring reports do not indicate that dolphin injury, serious injury, or mortality has occurred as a result of its training exercises. Also, the Marine Corps has a history of notifying the NMFS stranding network when any injured or stranded animal comes ashore or is spotted by personnel on the water. The stranding responders have examined each of the stranded animals, confirming that it was unlikely that the Marine Corps' exercises resulted in the death or injury of the stranded marine mammal.

Summary

As described in the *Affected Species* section of this notice, bottlenose dolphin stock segregation is complex with stocks overlapping throughout the coastal and estuarine waters of North Carolina. It is not possible for the Marine Corps to determine to which stock any individual dolphin taken during training activities belongs, as this can only be accomplished through genetic testing. However, it is likely that many of the dolphins encountered would belong to the Northern or Southern North Carolina Estuarine System stocks. These stocks have abundance estimates of 950 and 118 animals, respectively and are not listed as threatened or endangered under the ESA.

In addition, the potential for temporary or permanent hearing impairment and injury is low and through the incorporation of the proposed mitigation measures specified in this document would have the least practicable adverse impact on the affected species or stocks. The information contained in the Marine Corps' application, the 2009 EA, and this document support NMFS' finding that impacts will be mitigated by implementation of a conservative safety range for marine mammal exclusion in Rattan Bay, incorporation of platform and aerial survey monitoring efforts both prior to and after detonation of explosives, and delay/postponement/cancellation of detonations whenever marine mammals or other specified protected resources are either detected within the bombing target areas or enter the bombing target areas at the time of detonation, or if weather and sea conditions preclude adequate surveillance.

The Marine Corps has complied with the requirements of the previous incidental harassment authorizations issued for similar activities, and reported few observed takes of marine mammals incidental to these training exercises.

Based on the best available information, NMFS proposes to authorize: Take by Level B harassment of 1,615 bottlenose dolphins; take by Level A harassment of 165 bottlenose dolphins; and take by mortality of 30 bottlenose dolphins. However, this represents an overestimate of the number of individuals harassed over the duration of the final rule and LOA because these totals represent much smaller numbers of individuals that may be harassed multiple times. There are no stocks known from the action area listed as threatened or endangered under the ESA. Two bottlenose dolphin stocks designated as strategic under the MMPA may be affected by the Marine Corps' activities. In this case, under the MMPA, strategic stock means a marine mammal stock for which the level of direct human-caused mortality exceeds the potential biological removal level. These include the Southern North Carolina Estuarine System and Northern North Carolina Estuarine System Stocks. NMFS does not expect the proposed action likely to result in long-term impacts such as permanent abandonment or reduction in presence with BT–9 or BT–11. No impacts are expected at the population or stock level.

For this proposed rulemaking, taking into account information presented in this notice, the Marine Corps' application and 2014 application addendum, the 2009 EA, and results from previous monitoring reports, NMFS has preliminarily determined that the total level of take incidental to authorized training exercises over the 5-year effective period of the regulations would have a negligible impact on the one marine mammal species and stocks affected at BT–9 and BT–11 in Pamlico Sound, NC.

Impact on Availability of Affected Species or Stock for Taking for Subsistence Uses

There are no relevant subsistence uses of marine mammals implicated by this action. Therefore, NMFS has determined that the total taking of affected species or stocks would not have an unmitigable adverse impact on the availability of such species or stocks for taking for subsistence purposes.

Endangered Species Act (ESA)

For the reasons explained above, this action will not affect any ESA-listed species or designated critical habitat under NMFS' jurisdiction. Therefore, there is no requirement for NMFS to consult under Section 7 of the ESA on the issuance of an Authorization under section 101(a)(5)(A) of the MMPA.

National Environmental Policy Act (NEPA)

On February 11, 2009, the Marine Corps issued a Finding of No Significant Impact for its Environmental Assessment (EA) on MCAS Cherry Point Range Operations. Based on the analysis of the EA, the Marine Corps determined that the proposed action would not have a significant impact on the human environment. NMFS adopted the Marine Corps' EA and signed a Finding of No Significant Impact on August 31, 2010. NMFS has reviewed the EA, the

application, and public comments, and has determined that a supplemental EA is warranted to address: (1) The proposed increases in ordnance usage; and (2) the use of revised thresholds for estimating potential impacts on marine mammals from explosives because these are substantial changes to the proposed action or new environmental impacts or concerns. The agency intends to prepare a SEA and incorporate relevant portions of the Marine Corps' EA by reference. The 2009 EA referenced above is available for review at *http://www.nmfs.noaa.gov/pr/permits/incidental.htm*.

Request for Information

NMFS requests interested persons to submit comments, information, and suggestions concerning the Marine Corps' application and this proposed rule (see **ADDRESSES**). All comments will be reviewed and evaluated as NMFS prepares a final rule and makes final determinations on whether to issue the requested authorization. In addition, this notice and referenced documents provide all environmental information relevant to our proposed action for the public's review and we solicit comments which we will also consider as we make final NEPA determinations.

Classification

This action has been determined to be not significant for purposes of Executive Order 12866.

The Chief Counsel for Regulation of the Department of Commerce has certified to the Chief Counsel for Advocacy of the Small Business Administration that this proposed rule, if adopted, would not have a significant economic impact on a substantial number of small entities. This proposed rule would apply only to the U.S. Marine Corps, a Federal agency, which is not considered to be a small governmental jurisdiction, small organization/business, as defined by the Regulatory Flexibility Act. This rulemaking authorizes Marine Corps Air Station Cherry Point Range Complex to take of marine mammals incidental to a specified activity. The specified activity defined in the proposed rule includes the use of explosive detonations, which are only used by the U.S. military, during training activities that are only conducted by the Marine Corps at BT–9 and BT–11. Additionally, any requirements imposed by a Letter of Authorization issued pursuant to these regulations, and any monitoring or reporting requirements imposed by these regulations, will be applicable only to Marine Corps Air Station Cherry Point Range Complex.

This action may indirectly affect a small number of contractors providing services related to reporting the impact of the activity on marine mammals, some of whom may be small businesses, but the number involved would not be substantial. Further, since the monitoring and reporting requirements are what would lead to the need for their services, the economic impact on any contractors providing services relating to reporting impacts would be beneficial. Because the Chief Counsel for Regulation certified that this proposed rule would not have significant economic impact on a substantial number of small entities, a regulatory flexibility analysis is not required and none has been prepared.

List of Subjects in 50 CFR Part 218

Exports, Fish, Imports, Indians, Labeling, Marine mammals, Penalties, Reporting and recordkeeping requirements, Seafood, Transportation.

Dated: July 9, 2014.

Samuel D. Rauch III,

Deputy Assistant Administrator for Regulatory Programs, National Marine Fisheries Service.

For reasons set forth in the preamble, 50 CFR part 218 is proposed to be amended as follows:

PART 218—REGULATIONS GOVERNING THE TAKING AND IMPORTING OF MARINE MAMMALS

■ 1. The authority citation for part 218 continues to read as follows:

Authority: 16 U.S.C. 1361 *et seq.*

■ 2. Subpart E is added to part 218 to read as follows:

Subpart E—Taking Marine Mammals Incidental to U.S. Marine Corps Training Exercises at Brant Island Bombing Target and Piney Island Bombing Range, Pamlico Sound, North Carolina

Sec.

218.40 Specified activity and location of specified activities.
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Subpart E—Taking Marine Mammals Incidental to U.S. Marine Corps Training Exercises at Brant Island Bombing Target and Piney Island Bombing Range, Pamlico Sound, North Carolina

§ 218.40 Specified activity and location of specified activities.

(a) Regulations in this subpart apply only to the U.S. Marine Corps (Marine Corps) for the incidental taking of marine mammals that occurs in the area outlined in paragraph (b) of this section and that occurs incidental to the activities described in paragraph (c) of this section.

(b) The taking of marine mammals by the Marine Corps is only authorized if it occurs within the Brant Island Target (BT–9) and Piney Island Bombing Range (BT–11) bombing targets at the Marine Corps Air Station Cherry Point Range Complex located within Pamlico Sound, North Carolina (as depicted in Figure 3–1 of the Marine Corps' request for regulations and Letter of Authorization). The BT–9 area is a water-based bombing target and mining exercise area located approximately 52 kilometers (km) (32.3 miles (mi)) northeast of Marine Air Corps Station Cherry Point. The BT–11 area encompasses a total of 50.6 square kilometers (km^2) (19.5 square miles (mi^2)) on Piney Island located in Carteret County, North Carolina.

(c) The taking of marine mammals by the Marine Corps is only authorized of it occurs incidental to the following activities within the annual amounts of use:

(1) The level of training activities in the amounts indicated here:

(i) Surface-to-Surface Exercises—up to 471 vessel-based sorties annually at BT–9 and BT–11; and

(ii) Air-to-Surface Exercises—up to 14,586 air-based based sorties annually at BT–9 and BT–11.

(2) The use of the following live ordnance for Marine Corps training activities at BT–9, in the total amounts over the course of the five-year rule indicated here:

(i) 30 mm HE—17,160 rounds;

(ii) 40 mm HE—52,100 rounds;

(iii) 2.75-inch Rocket—1,100 rounds;

(iv) 5-inch Rocket—340 rounds; and

(v) G911 Grenade—720 rounds.

(3) The use of the following inert ordnance for Marine Corps training activities at BT–9 and BT–11, in the total amounts over the course of the five-year rule indicated here:

(i) Small arms excluding .50 cal (7.62 mm)—2,628,050 rounds at BT–9 and 3,054,785 rounds at BT–11;

(ii) 0.50 Caliber arms—2,842,575 rounds at BT–9 and 1,833,875 rounds at BT–11;

(iii) Large arms (up to 25 mm)—602,025 rounds at BT–9 and 1,201,670 rounds at BT–11;

(iv) Rockets, inert (2.75-inch rocket, 2.75-inch illumination, 2.75-inch white phosphorus, 2.75-inch red phosphorus; 5-inch rocket, 5-inch illumination, 5-inch white phosphorus, 5-inch red phosphorus)—4,220 rounds at BT–9 and 27,960 rounds at BT–11;

(v) Bombs, inert (BDU–45 practice bomb, MK–76 practice bomb, MK–82 practice bomb, MK–83 practice bomb)—4,055 rounds at BT–9 and 22,114 rounds at BT–11; and

(vi) Pyrotechnics—4,496 rounds at BT–9 and 8,912 at BT–11.

§ 218.41 Effective dates.

Regulations in this subpart are effective from September 8, 2014 until September 7, 2019.

§ 218.42 Permissible methods of taking.

(a) Under a Letter of Authorization issued pursuant to §§ 216.106 and 218.47 of this chapter, the Holder of the Letter of Authorization may incidentally, but not intentionally, take marine mammals by Level A and Level B harassment, serious injury, and mortality within the area described in § 218.40(b) of this chapter, provided the activity is in compliance with all terms, conditions, and requirements of these regulations and the appropriate Letter of Authorization.

(b) The activities identified in § 218.40(c) of this chapter must be conducted in a manner that minimizes, to the greatest extent practicable, any adverse impact on marine mammals and their habitat.

(c) The incidental take of marine mammals under the activities identified in § 218.40(c) is limited to the following species, by the indicated method of take and the indicated number:

(1) Level B Harassment:

(i) Atlantic bottlenose dolphin (*Tursiops truncatus*)—1,615.

(ii) [Reserved]

(2) Level A Harassment:

(i) Atlantic bottlenose dolphin—165.

(ii) [Reserved]

(3) Mortality:

(i) Atlantic bottlenose dolphin—30.

(ii) [Reserved]

§ 218.43 Prohibitions.

No person in connection with the activities described in § 218.40 shall:

(a) Take any marine mammal not specified in § 218.42(c);

(b) Take any marine mammal specified in § 218.42(c) other than by incidental take as specified in § 218.42(c)(1),(c)(2), (c)(3), and (c)(4);

(c) Take a marine mammal specified in § 218.42(c) if such taking results in more than a negligible impact on the species or stocks of such marine mammal; or

(d) Violate, or fail to comply with, the terms, conditions, and requirements of these regulations or a Letter of Authorization issued under §§ 216.106 and 218.47 of this chapter.

§ 218.44 Mitigation.

(a) The activities identified in § 218.40(c) must be conducted in a manner that minimizes, to the greatest extent practicable, adverse impacts on marine mammals and their habitats. When conducting operations identified in § 218.40(c), the mitigation measures contained in the Letter of Authorization issued under §§ 216.106 and 218.47 of this chapter must be implemented. These mitigation measures include, but are not limited to:

(b) Training Exercises at BT–9 and BT–11:

(1) Safety Zone:

(i) The Marine Corps shall establish and monitor a safety zone for marine mammals comprising the entire Rattan Bay area at BT–11.

(ii) [Reserved]

(2) For training exercises, the Marine Corps shall comply with the monitoring requirements, including pre-mission and post-mission monitoring, set forth in § 218.45(4).

(3) When detonating explosives:

(i) If personnel observe any marine mammals within the safety zone prescribed in paragraph (b)(1) of this section, or if personnel observe marine mammals that are on a course that will put them within designated safety zone prior to surface-to-surface or air-to-surface training exercises, the Marine Corps shall delay ordnance delivery and/or explosives detonations until all marine mammals are no longer within the designated safety zone.

(ii) If personnel cannot reacquire marine mammals detected in the safety zone after delaying training missions, the Marine Corps shall not commence activities until the next verified location of the animal is outside of the safety zone and the animal is moving away from the mission area.

(iii) If personnel are unable to monitor the safety zone prescribed in paragraph (b)(1) of this section, the Marine Corps shall delay training exercises.

(iv) If daytime weather and/or sea conditions preclude adequate surveillance for detecting marine mammals, the Marine Corps shall postpone training exercises until adequate sea conditions exist for adequate monitoring of the safety zone prescribed in paragraph (b)(1) of this section.

(4) Pre-Mission and Post-Mission Monitoring:

(i) Range operators shall conduct or direct visual surveys to monitor BT–9 or BT–11 for marine mammals before and after each exercise. Range operation and control personnel shall monitor the target area through two tower-mounted safety and surveillance cameras.

(ii) Range operators shall use the surveillance camera's night vision (i.e., infrared) capabilities to monitor BT–9 or BT–11 for marine mammals during night-time exercises.

(iii) For BT–11, in the event that a marine mammal is sighted anywhere within the confines of Rattan Bay, personnel shall declare the water-based targets within Rattan Bay as fouled and cease training exercises. Personnel shall commence operations in BT–11 only after the animal has moved out of Rattan Bay.

(5) Range Sweeps:

(i) The Marine Corps shall conduct a range sweep the morning of each exercise day prior to the commencement of range operations.

(ii) The Marine Corps shall also conduct a range sweep after each exercise following the conclusion of range operations.

(iii) Marine Corps Air Station personnel shall conduct the sweeps by aircraft at an altitude of 100 to 300 meters (328 to 984 ft) above the water surface, at airspeeds between 60 to100 knots.

(iv) The path of the sweeps shall run down the western side of BT–11, circle around BT–9, and then continue down the eastern side of BT–9 before leaving the area.

(v) The maximum number of days that shall elapse between pre- and post-exercise monitoring events shall be approximately 3 days, and will normally occur on weekends.

(6) Cold Pass by Aircraft:

(i) For waterborne targets, the pilot must perform a low-altitude visual check immediately prior to ordnance delivery at the bombing targets both day and night to ensure the target area is clear of marine mammals. This is referred to as a ''cold'' or clearing pass.

(ii) Pilots shall conduct the cold pass with the aircraft (helicopter or fixed-winged) flying straight and level at altitudes of 61 to 914 m (200 to 3,000 ft) over the target area.

(iii) If marine mammals are present in the target area, the Range Controller shall deny ordnance delivery to the target as conditions warrant. If marine mammals are not present in the target area, the Range Controller may grant clearance to the pilot as conditions warrant.

(7) Vessel Operation:

(i) All vessels used during training operations shall abide by NMFS' Southeast Regional Viewing Guidelines designed to prevent harassment to marine mammals (*http://www.nmfs.noaa.gov/pr/education/southeast/*).

§ 218.45 Requirements for monitoring and reporting.

(a) The Holder of the Letter of Authorization issued pursuant to §§ 216.106 and 218.47 of this chapter for activities described in § 218.40(c) is required to conduct the monitoring and reporting measures specified in this section and § 218.44 and any additional monitoring measures contained in the Letter of Authorization.

(b) The Holder of the Letter of Authorization is required to cooperate with the National Marine Fisheries Service, and any other Federal, state, or local agency monitoring the impacts of the activity on marine mammals. Unless specified otherwise in the Letter of Authorization, the Holder of the Letter of Authorization must notify the Director, Office of Protected Resources, National Marine Fisheries Service, or designee, by letter or telephone (301–427–8401), at least 2 weeks prior to any modification to the activity identified in § 218.40(c) that has the potential to result in the serious injury, mortality, or Level A or Level B harassment of a marine mammal that was not identified and addressed previously.

(c) Monitoring Procedures for Missions at BT–9 and BT–11:

(1) The Holder of this Authorization shall:

(i) Designate qualified on-site individual(s) to record the effects of training exercises on marine mammals that inhabit Pamlico Sound;

(ii) Require operators of small boats, and other personnel monitoring for marine mammals from watercraft to take the Marine Species Awareness Training (Version 2), provided by the Department of the Navy.

(iii) Instruct pilots conducting range sweeps on marine mammal observation techniques during routine Range Management Department briefings. This training would make personnel knowledgeable of marine mammals, protected species, and visual cues related to the presence of marine mammals and protected species.

(iv) Continue the Long-Term Monitoring Program to obtain abundance, group dynamics (e.g., group size, age census), behavior, habitat use, and acoustic data on the bottlenose dolphins which inhabit Pamlico Sound, specifically those around BT–9 and BT–11.

(v) Continue the Passive Acoustic Monitoring (PAM) Program to provide additional insight into how dolphins use BT–9 and BT–11 and to monitor for vocalizations.

(vi) Continue to refine the real-time passive acoustic monitoring system at BT–9 to allow automated detection of bottlenose dolphin whistles.

(d) Reporting. (1) Unless specified otherwise in the Letter of Authorization, the Holder of the Letter of Authorization shall conduct all of the monitoring and reporting required under the LOA and shall submit an annual and comprehensive report to the Director, Office of Protected Resources, National Marine Fisheries Service by a date certain to be specified in the LOA. This report must include the following information:

(i) Date and time of each training exercise;

(ii) A complete description of the pre-exercise and post-exercise activities related to mitigating and monitoring the effects of the training exercises on marine mammal populations;

(iii) Results of the monitoring program, including numbers by species/stock of any marine mammals injured or killed as a result of the training exercises and number of marine mammals (by species, if possible) that may have been harassed due to presence within the applicable safety zone;

(iv) A detailed assessment of the effectiveness of sensor-based monitoring in detecting marine mammals in the area of the training exercises; and

(v) Results of coordination with coastal marine mammal stranding networks. The Marine Corps shall coordinate with the local NMFS Stranding Coordinator to discuss any unusual marine mammal behavior and any stranding, beached (live or dead), or floating marine mammals that may occur at any time during training activities or within 24 hours after completion of training.

(2) The Marine Corps shall submit an annual report to NMFS on December 7 of each year. The first report shall cover the time period from issuance of the Letter of Authorization through September 7, 2015. Each annual report after that time shall cover the time period from September 8th through September 7th.

(3) The final comprehensive report on all marine mammal monitoring and research conducted during the period of these regulations shall be submitted to the Director, Office of Protected Resources, National Marine Fisheries Service at least 180 days prior to expiration of these regulations or 180 days after the expiration of these regulations if new regulations will not be requested.

(4) General Notification of Injured or Dead Marine Mammals:

(i) The Marine Corps shall systematically observe training operations for injured or disabled marine mammals. In addition, the Marine Corps shall monitor the principal marine mammal stranding networks and other media to correlate analysis of any dolphin strandings that could potentially be associated with BT–9 or BT–11 training operations.

(ii) Marine Corps personnel shall notify NMFS immediately, or as soon as clearance procedures allow, if an injured, stranded, or dead marine mammal is found during or shortly after, and in the vicinity of, any training operations. The Marine Corps shall provide NMFS with species or description of the animal(s), the condition of the animal(s) (including carcass condition if the animal is dead), location, time of first discovery, observed behaviors (if alive), and photo or video (if available).

(iii) In the event that an injured, stranded, or dead marine mammal is found by Marine Corps personnel that is not in the vicinity of, or found during or shortly after operations, the Marine Corps personnel will report the same information listed above as soon as operationally feasible and clearance procedures allow.

(5) General Notification of a Ship Strike:

(i) In the event of a vessel strike, at any time or place, the Marine Corps shall do the following:

(ii) Immediately report to NMFS the species identification (if known), location (lat/long) of the animal (or the strike if the animal has disappeared), and whether the animal is alive or dead (or unknown);

(iii) Report to NMFS as soon as operationally feasible the size and length of the animal, an estimate of the injury status (e.g., dead, injured but alive, injured and moving, unknown, etc.), vessel class/type, and operational status;

(iv) Report to NMFS the vessel length, speed, and heading as soon as feasible; and

(v) Provide NMFS with a photo or video, if equipment is available.

§ 218.46 Applications for Letters of Authorization.

To incidentally take marine mammals pursuant to these regulations, the U.S. citizen (as defined at § 216.103) conducting the activities identified in

§ 218.40 must apply for and obtain either an initial Letter of Authorization in accordance with §§ 216.106 and 218.47 of this chapter or a renewal under § 218.48 of this chapter.

§ 218.47 Letter of Authorization.

(a) To incidentally take marine mammals pursuant to these regulations, the Marine Corps must apply for and obtain a Letter of Authorization.

(b) A Letter of Authorization, unless suspended or revoked, may be effective for a period of time not to exceed the expiration date of these regulations.

(c) If a Letter of Authorization expires prior to the expiration date of these regulations, the Marine Corps must apply for and obtain a renewal of the Letter of Authorization.

(d) In the event of any changes to the activity or to mitigation and monitoring measures required by a Letter of Authorization, the Marine Corps must apply for and obtain a modification of the Letter of Authorization as described in § 218.48.

(e) The Letter of Authorization shall set forth:

(1) Permissible methods of incidental taking;

(2) Means of effecting the least practicable adverse impact (i.e., mitigation) on the species, its habitat, and on the availability of the species for subsistence uses; and

(3) Requirements for monitoring and reporting.

(f) Issuance of the Letter of Authorization shall be based on a determination that the level of taking will be consistent with the findings made for the total taking allowable under these regulations.

(g) Notice of issuance or denial of a Letter of Authorization shall be published in the **Federal Register** within 30 days of a determination.

§ 218.48 Renewals and Modifications of Letters of Authorization.

(a) A Letter of Authorization issued under § 216.106 and § 218.47 of this chapter for the activity identified in § 218.40 shall be renewed or modified upon request by the applicant, provided that:

(1) The proposed specified activity and mitigation, monitoring, and reporting measures, as well as the anticipated impacts, are the same as those described and analyzed for these regulations (excluding changes made pursuant to the adaptive management provision in § 218.47(c)(1) of this chapter), and

(2) NMFS determines that the mitigation, monitoring, and reporting measures required by the previous Letter of Authorization under these regulations were implemented.

(b) For Letter of Authorization modification or renewal requests by the applicant that include changes to the activity or the mitigation, monitoring, or reporting (excluding changes made pursuant to the adaptive management provision in § 218.47(c)(1)) that do not change the findings made for the regulations or result in no more than a minor change in the total estimated number of takes (or distribution by species or years), NMFS may publish a notice of proposed Letter of Authorization in the **Federal Register**, including the associated analysis illustrating the change, and solicit public comment before issuing the Letter of Authorization.

(c) A Letter of Authorization issued under § 216.106 and § 218.47 of this chapter for the activity identified in § 218.40 may be modified by NMFS under the following circumstances:

(1) *Adaptive Management.* NMFS may modify (including augment) the existing mitigation, monitoring, or reporting measures (after consulting with the Marine Corps regarding the practicability of the modifications) if doing so creates a reasonable likelihood of more effectively accomplishing the goals of the mitigation and monitoring set forth in the preamble for these regulations.

(i) Possible sources of data that could contribute to the decision to modify the mitigation, monitoring, or reporting measures in a Letter of Authorization include:

(A) Results from the Marine Corps' monitoring from the previous year(s);

(B) Results from other marine mammal and/or sound research or studies; or

(C) Any information that reveals marine mammals may have been taken in a manner, extent, or number not authorized by these regulations or subsequent Letters of Authorization.

(ii) If, through adaptive management, the modifications to the mitigation, monitoring, or reporting measures are substantial, NMFS shall publish a notice of proposed Letter of Authorization in the **Federal Register** and solicit public comment.

(2) *Emergencies.* If NMFS determines that an emergency exists that poses a significant risk to the well-being of the species or stocks of marine mammals specified in § 218.42(c) of this chapter, a Letter of Authorization may be modified without prior notice or opportunity for public comment. NMFS will publish a notice in the **Federal Register** within 30 days subsequent to the action.

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