

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–NASDAQ–2016–013 and should be submitted on or before July 28, 2016.

VI. Accelerated Approval of Proposed Rule Change, as Modified by Amendment No. 2

The Commission finds good cause to approve the proposed rule change, as modified by Amendment No. 2, prior to the 30th day after the date of publication of the notice of Amendment No. 2 in the **Federal Register**. As noted above, in Amendment No. 2, the exchange clarified various aspects of the proposed rule's applicability and included new provisions that enhance the proposal.⁴⁰ The Commission believes the clarifications in Amendment No. 2 would provide market participants with greater transparency regarding the requirements for listed companies to disclose compensation or other payments by third parties to board of director's members or nominees under Nasdaq's rules. In addition, in Amendment No. 2, the Exchange revised the proposed date of effectiveness of the proposed rule change.⁴¹ The Commission believes this revision will allow listed companies appropriate time to comply with the proposed rule change.

Because Amendment No. 2 provided additional transparency to the disclosure requirements imposed by the proposed rule change, enhanced its provisions, and provided a revised date of effectiveness which will allow listed

companies time to comply with the new requirements, the Commission finds good cause for approving the proposed rule change, as modified by Amendment No. 2, on an accelerated basis, pursuant to Section 19(b)(2) of the Act.⁴²

VII. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,⁴³ that the proposed rule change (SR–NASDAQ–2016–013), as modified by Amendment No. 2, be, and it hereby is, approved on an accelerated basis.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁴⁴

Brent J. Fields,
Secretary.

[FR Doc. 2016–16123 Filed 7–6–16; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–78203; File No. SR–ISE–2016–15]

Self-Regulatory Organizations; International Securities Exchange, LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Extend the Penny Pilot Program

June 30, 2016.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"),¹ and Rule 19b–4 thereunder,² notice is hereby given that on June 29, 2016, the International Securities Exchange, LLC (the "Exchange" or the "ISE") filed with the Securities and Exchange Commission the proposed rule change as described in Items I and II below, which items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The ISE proposes to amend its rules to extend a pilot program to quote and to trade certain options classes in penny increments ("Penny Pilot Program"). The text of the proposed rule change is available on the Exchange's Web site www.ise.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 these statements may be examined at the places specified in Item IV below. The self-regulatory organization 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

Under the Penny Pilot Program, the minimum price variation for all participating options classes, except for the Nasdaq–100 Index Tracking Stock ("QQQQ"), the SPDR S&P 500 Exchange Traded Fund ("SPY") and the iShares Russell 2000 Index Fund ("IWM"), is \$0.01 for all quotations in options series that are quoted at less than \$3 per contract and \$0.05 for all quotations in options series that are quoted at \$3 per contract or greater. QQQQ, SPY and IWM are quoted in \$0.01 increments for all options series. The Penny Pilot Program is currently scheduled to expire on June 30, 2016.³ The Exchange proposes to extend the Penny Pilot Program through December 31, 2016, and to provide a revised date for adding replacement issues to the Penny Pilot Program. The Exchange proposes that any Penny Pilot Program issues that have been delisted may be replaced on the second trading day following July 1, 2016. The replacement issues will be selected based on trading activity for the most recent six month period excluding the month immediately preceding the replacement (*i.e.*, beginning December 1, 2015, and ending May 31, 2016). This filing does not propose any substantive changes to the Penny Pilot Program: All classes currently participating will remain the same and all minimum increments will remain unchanged. The Exchange believes the benefits to public customers and other market participants who will be able to express their true prices to buy and sell options have been

⁴² 15 U.S.C. 78s(b)(2).

⁴³ 15 U.S.C. 78s(b)(2).

⁴⁴ 17 CFR 200.30–3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ See Exchange Act Release No. 75312 (June 26, 2015), 80 FR 38251 (July 2, 2015) (SR–ISE–2015–21).

⁴⁰ See *supra* note 6.

⁴¹ See *id.*

demonstrated to outweigh any increase in quote traffic.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder that are applicable to a national securities exchange, and, in particular, with the requirements of Section 6(b) of the Act.⁴ Specifically, the proposed rule change is consistent with Section 6(b)(5) of the Act,⁵ because it is designed to promote just and equitable principles of trade, 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. In particular, the proposed rule change, which extends the Penny Pilot Program for an additional six months, will enable public customers and other market participants to express their true prices to buy and sell options to the benefit of all market participants.

B. Self-Regulatory Organization's Statement on Burden on Competition

In accordance with Section 6(b)(8) of the Act,⁶ the Exchange does not believe that the proposed rule change will impose any burden on intermarket or intramarket competition that is not necessary or appropriate in furtherance of the purposes of the Act. Specifically, the Exchange believes that, by extending the expiration of the Penny Pilot Program, the proposed rule change will allow for further analysis of the Penny Pilot Program and a determination of how the Penny Pilot Program should be structured in the future. In doing so, the proposed rule change will also serve to promote regulatory clarity and consistency, thereby reducing burdens on the marketplace and facilitating investor protection.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

The Exchange has not solicited, and does not intend to solicit, comments on this proposed rule change. The Exchange has not received any written comments from members or other interested parties.

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 Act⁷ and Rule 19b-4(f)(6) thereunder.⁸ 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)⁹ normally does not become operative prior to 30 days after the date of the filing.¹⁰ However, pursuant to Rule 19b-4(f)(6)(iii),¹¹ the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing. The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest because doing so will allow the Pilot Program to continue without interruption in a manner that is consistent with the Commission's prior approval of the extension and expansion of the Pilot Program and will allow the Exchange and the Commission additional time to analyze the impact of the Pilot Program. Accordingly, the Commission designates the proposed rule change as operative upon filing with the Commission.¹²

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)¹³ 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 No. SR-ISE-2016-15 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-ISE-2016-15. 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 inspection and copying in the Commission's Public Reference Room. Copies of such filing also will be available for inspection and copying at the principal office of the ISE. 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

⁷ 15 U.S.C. 78s(b)(3)(A)(iii).

⁸ 17 CFR 240.19b-4(f)(6).

⁹ 17 CFR 240.19b-4(f)(6).

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 the text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this pre-filing requirement.

¹¹ 17 CFR 240.19b-4(f)(6)(iii).

¹² For purposes only of waiving the operative delay for this proposal, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

¹³ 15 U.S.C. 78s(b)(2)(B).

⁴ 15 U.S.C. 78f(b).

⁵ 15 U.S.C. 78f(b)(5).

⁶ 15 U.S.C. 78f(b)(8).

submissions should refer to File Number SR–ISE–2016–15 and should be submitted by July 28, 2016.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁴

Robert W. Errett,
Deputy Secretary.

[FR Doc. 2016–16030 Filed 7–6–16; 8:45 am]

BILLING CODE 8011–01–P

SOCIAL SECURITY ADMINISTRATION

[Docket No. SSA–2016–0024]

Consent Based Social Security Number Verification (CBSV) Service

AGENCY: Social Security Administration.

ACTION: Notice of revised transaction fee for consent based Social Security number verification service.

SUMMARY: We provide fee-based Social Security number (SSN) verification service to enrolled private businesses and government agencies who obtain a valid, signed consent form from the Social Security number holder. We originally published a notice announcing the CBSV service in the **Federal Register** on August 10, 2007.

Based on the consent forms, we verify the number holders' SSNs for the requesting party. The Privacy Act of 1974 (5 U.S.C. 552a(b)), section 1106 of the Social Security Act (42 U.S.C. 1306) and our regulation at 20 CFR 401.100, establish the legal authority for us to provide SSN verifications to third party requesters based on consent.

The CBSV process provides the business community and other government entities with consent-based SSN verifications in high volume. We developed CBSV as a user-friendly, internet-based application with safeguards that will protect the public's information. In addition to the benefit of providing high volume, centralized SSN verification services to the business community in a secure manner, CBSV provides us with cost and workload management benefits.

New Information: To use CBSV, interested parties must pay a one-time non-refundable enrollment fee of \$5,000. Currently, users also pay a fee of \$1.40 per SSN verification transaction in advance of services. We agreed to calculate our costs periodically for providing CBSV services and adjust the fees as needed. We also agreed to notify our customers who currently use the service and allow them to cancel or continue using the service at the new transaction fee.

Based on the most recent cost analysis, we will adjust the fiscal year 2017 fee to \$1.00 per SSN verification transaction. New customers will still be responsible for the one-time \$5,000 enrollment fee.

DATES: The changes described above are effective October 1, 2016.

FOR FURTHER INFORMATION CONTACT:

Michael Wilkins, Office of Data Exchange and Policy Publications, Social Security Administration, 6401 Security Boulevard, Baltimore, MD 21235–6401, [410–966–4965], for more information about the CBSV service, visit our Internet site, Social Security Online, at <http://www.socialsecurity.gov/cbsv>.

Dated: June 30, 2016.

Michael Wilkins,
Branch Chief, Office of Data Exchange & Policy Publications.

[FR Doc. 2016–16095 Filed 7–6–16; 8:45 am]

BILLING CODE 4191–02–P

SURFACE TRANSPORTATION BOARD

[Docket No. AB 319 (Sub-No. 5X)]

Florida Central Railroad Company, Inc.—Discontinuance of Service Exemption—in Lake County, Fla.

Florida Central Railroad Company, Inc. (Florida Central), filed a verified notice of exemption under 49 CFR part 1152, subpart F—*Exempt Abandonments and Discontinuances of Service* to discontinue service over an approximately 4.4-mile portion of rail line between milepost ASD 818.1 in Eustis, through a milepost equation at the Eustis Canal Bridge where milepost ASD 817.0 = milepost ASC 815.1, to the end of the line at milepost ASC 818.4 in Umatilla, in Lake County, Fla. (the Line).¹ The Line traverses U.S. Postal Service Zip Codes 32726 and 32784.

Florida Central has certified that: (1) No local traffic has moved over the Line for at least two years; (2) there is no overhead traffic to be rerouted over other lines; (3) no formal complaint filed by a user of rail service on the Line (or by a state or local government entity acting on behalf of such user) regarding cessation of service over the Line is pending either with the Surface

Transportation Board or any U.S. District Court or has been decided in favor of a complainant within the two-year period; and (4) the requirements at 49 CFR 1105.12 (newspaper publication) and 49 CFR 1152.50(d)(1) (notice to governmental agencies) have been met.

As a condition to this exemption, any employee adversely affected by the discontinuance of service shall be protected under *Oregon Short Line Railroad—Abandonment Portion Goshen Branch Between Firth & Ammon, in Bingham & Bonneville Counties, Idaho*, 360 I.C.C. 91 (1979). To address whether this condition adequately protects affected employees, a petition for partial revocation under 49 U.S.C. 10502(d) must be filed.

Provided no formal expression of intent to file an offer of financial assistance (OFA) to subsidize continued rail service has been received, this exemption will become effective on August 6, 2016, unless stayed pending reconsideration. Petitions to stay that do not involve environmental issues and formal expressions of intent to file an OFA to subsidize continued rail service under 49 CFR 1152.27(c)(2)² must be filed by July 18, 2016.³ Petitions to reopen must be filed by July 27, 2016, with the Surface Transportation Board, 395 E Street SW., Washington, DC 20423–0001.

A copy of any petition filed with the Board should be sent to Florida Central's representative: Audrey L. Brodrick, Fletcher & Sippel LLC, 29 North Wacker Drive, Suite 920, Chicago, IL 60606.

If the verified notice contains false or misleading information, the exemption is void ab initio.

Board decisions and notices are available on our Web site at “WWW.STB.DOT.GOV.”

Decided: June 30, 2016.

By the Board, Rachel D. Campbell,
Director, Office of Proceedings.

Tia Delano,

Clearance Clerk.

[FR Doc. 2016–16101 Filed 7–6–16; 8:45 am]

BILLING CODE 4915–01–P

¹ Florida Central is a Class III common carrier that operates approximately 64 miles of rail line in central Florida. Florida Central commenced operations after acquiring several lines, including the Line, from CSX Transportation, Inc. (CSXT). See *Fla. Cent. R.R.—Acquis. & Operation—Seaboard Sys. R.R.*, FD 30923 (ICC served Dec. 10, 1986). Florida Central states that, while it acquired the track assets comprising the Line from CSXT in 1986, CSXT retained ownership of the underlying right-of-way of the Line.

² Each OFA must be accompanied by the filing fee, which is currently set at \$1,600. See 49 CFR 1002.2(f)(25).

³ Because Florida Central is seeking to discontinue service, not to abandon the Line, trail use/rail banking and public use conditions are not appropriate. Because there will be environmental review during abandonment, this discontinuance does not require an environmental review.

¹⁴ 17 CFR 200.30–3(a)(12).