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FEDERAL REGISTER

Vol. 79 Wednesday,
No. 209 October 29, 2014

Pages 64297–64502

OFFICE OF THE FEDERAL REGISTER

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DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 1217

[Document Number AMS–FV–12–0023]

Softwood Lumber Research, Promotion, Consumer Education and Industry Information Order; Late Payment and Interest Charges on Past Due Assessments

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: This rule prescribes late payment and interest charges on past due assessments under the Softwood Lumber Research, Promotion, Consumer Education and Industry Information Order (Order). The Order is administered by the Softwood Lumber Board (Board) with oversight by the U.S. Department of Agriculture (USDA). Under the Order, assessments are collected from U.S. manufacturers (domestic) and importers and used for projects to promote softwood lumber within the United States. Softwood lumber is used in products like flooring, siding and framing. This rule implements authority contained in the Order that allows the Board to collect late payment and interest charges on past due assessments. This action will contribute to effective administration of the program.

DATES: *Effective date:* This rule is effective on January 1, 2015.

FOR FURTHER INFORMATION CONTACT: Maureen T. Pello, Marketing Specialist, Promotion and Economics Division, Fruit and Vegetable Program, AMS, USDA, P.O. Box 831, Beavercreek, Oregon, 97004; telephone: (503) 632–8848; facsimile (503) 632–8852; or electronic mail: *Maureen.Pello@ams.usda.gov.*

SUPPLEMENTARY INFORMATION: This rule is issued under the Order. (7 CFR part 1217). The Order is authorized under the Commodity Promotion, Research, and Information Act of 1996 (1996 Act) (7 U.S.C. 7411–7425).

Executive Order 12866 and Executive Order 13563

Executive Orders 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). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, reducing costs, harmonizing rules and promoting flexibility. This action has been designated as a ''non-significant regulatory action'' under section 3(f) of Executive Order 12866. Accordingly, the Office of Management and Budget has waived the review process.

Executive Order 13175

This action has been reviewed in accordance with the requirements of Executive Order 13175, Consultation and Coordination with Indian Tribal Governments. The review reveals that this regulation will not have substantial and direct effects on Tribal governments and will not have significant Tribal implications.

Executive Order 12988

This rule has been reviewed under Executive Order 12988, Civil Justice Reform. It is not intended to have retroactive effect. Section 524 of the 1996 Act (7 U.S.C. 7423) provides that it shall not affect or preempt any other Federal or State law authorizing promotion or research relating to an agricultural commodity.

Under section 519 of the 1996 Act (7 U.S.C. 7418), a person subject to an order may file a written petition with USDA stating that an order, any provision of an order, or any obligation imposed in connection with an order, is not established in accordance with the law, and request a modification of an order or an exemption from an order. Any petition filed challenging an order, any provision of an order, or any obligation imposed in connection with an order, shall be filed within two years after the effective date of an order, provision, or obligation subject to challenge in the petition. The petitioner will have the opportunity for a hearing on the petition. Thereafter, USDA will issue a ruling on the petition. The 1996 Act provides that the district court of the United States for any district in which the petitioner resides or conducts business shall have the jurisdiction to review a final ruling on the petition, if the petitioner files a complaint for that purpose not later than 20 days after the date of the entry of USDA's final ruling.

Background

This rule prescribes late payment and interest charges on past due assessments under the Order. The Order is administered by the Board with oversight by USDA. Under the Order, assessments are collected from domestic manufacturers and importers and used for projects to promote softwood lumber within the United States. Softwood lumber is used in products like flooring, siding and framing. This rule implements authority contained in the Order and the 1996 Act that allows the Board to collect late payment and interest charges on past due assessments. This action was unanimously recommended by the Board and will contribute to effective administration of the program.

Section 1217.52(a) of the Order specifies that the Board's programs and expenses shall be paid by assessments on domestic manufacturers and importers and other income or funds available to the Board. Paragraph (l) of that section specifies further that when a domestic manufacturer or importer fails to pay their assessments within 60 calendar days of when the assessment is due, the Board may impose a late payment charge and interest. The late payment and interest charges must be specified in regulations issued by the Secretary. All late assessments are subject to the late payment charge and interest.

The softwood lumber program was promulgated in 2011. Assessment collection began in January 2012. Assessments on softwood lumber domestic shipments and imports are due to the Board 30 calendar days after the end of each quarter. For example, assessments for softwood lumber shipped domestically or imported during the months of January, February

and March are due to the Board by April 30. Entities that domestically ship or import less than 15 million board feet annually are exempt from assessment. Additionally, assessed entities do not pay assessments on their first 15 million board feet domestically shipped or imported per year.

Assessment funds are used for promotion activities that are intended to benefit all industry members. Thus, it is important that all assessed entities pay their assessments in a timely manner. Entities who fail to pay their assessments on time would be able to reap the benefits of Board programs at the expense of others. In addition, they would be able to utilize funds for their own use that should otherwise be paid to the Board to finance Board programs.

Board Recommendation

Thus, the Board met on May 8, 2012, and unanimously recommended implementing the Order authority regarding late payment and interest charges. Specifically, the Board recommended that a late payment charge be imposed on any domestic manufacturer or importer who fails to make timely remittance to the Board of the total assessments for which such domestic manufacturer or importer is liable. Such late payment will be imposed on any assessments not received within 60 calendar days of the date they are due. This will be a one-time late payment charge equal to 10 percent of the assessments due before interest charges have accrued. The Board also recommended that 1½ percent per month interest on the outstanding balance, including any late payment and accrued interest, be added to any accounts for which payment has not been received within 60 calendar days after the assessments are due. Such interest will continue to accrue monthly until the outstanding balance is paid to the Board.

This action is expected to help facilitate program administration by providing an incentive for entities to remit their assessments in a timely manner, with the intent of creating a fair and equitable process among all assessed entities. Accordingly, a new Subpart C will be added to the Order for rules and regulations, and a new section 1217.520 will be added to Subpart C.

Final Regulatory Flexibility Act Analysis

In accordance with the Regulatory Flexibility Act (RFA) (5 U.S.C. 601–612), AMS is required to examine the impact of this rule on small entities. Accordingly, AMS has considered the economic impact of this action on small entities.

The purpose of the RFA is to fit regulatory actions to the scale of businesses subject to such actions so that small businesses will not be disproportionately burdened. The Small Business Administration defines, in 13 CFR Part 121, small agricultural producers as those having annual receipts of no more than $750,000 and small agricultural service firms (domestic manufacturers and importers) as those having annual receipts of no more than $7.0 million.

According to the Board, it is estimated that there are currently 385 domestic manufacturers of softwood lumber in the United States. This number represents separate business entities; one business entity may include multiple sawmills. Using an average price of $384 per thousand board feet,[1] a domestic manufacturer who ships less than about 18 million board feet per year would be considered a small entity. Using 2013 data, it is estimated that 210 domestic manufacturers, or 54 percent, ship less than 18 million board feet annually.

Likewise, based on Customs and Board data, it is estimated there are currently 795 importers of softwood lumber. Using 2013 Customs data, about 710 importers, or about 89 percent, import less than $7.0 million worth of softwood lumber annually. Thus, for purposes of the RFA, the majority of domestic manufacturers and importers of softwood lumber would be considered small entities.

Regarding value of the commodity, with domestic production averaging about 40 billion board feet in 2013, and using an average price of $384 per thousand board feet, the average annual domestic value for softwood lumber is about $15.4 billion. According to Customs data, the average annual value for softwood lumber imports for 2013 is about $4.8 billion.

This rule prescribes late payment and interest charges on past due assessments under the Order. The Order is administered by the Board with oversight by USDA. Under the Order, assessments are collected from domestic manufacturers and importers and used for projects to promote softwood lumber within the United States. Softwood lumber is used in products like flooring, siding and framing. This rule adds a new section 1217.520 that specifies a late payment charge of 10 percent of the assessments due and interest at a rate of 1½ percent per month on the outstanding balance, including any late payment and accrued interest. This section will be included in a new Subpart C—Rules and Regulations. This action was unanimously recommended by the Board and is authorized under section 1217.52(l) of the Order and section 517(e) of the 1996 Act.

Regarding the economic impact of this rule on affected entities, this action imposes no costs on domestic manufacturers and importers who pay their assessments on time. It merely provides an incentive for entities to remit their assessments in a timely manner. For all entities who are delinquent in paying assessments, both large and small, the charges will be applied the same. As for the impact on the industry as a whole, this action will help facilitate program administration by providing an incentive for entities to remit their assessments in a timely manner, with the intent of creating a fair and equitable process among all assessed entities.

Additionally, as previously mentioned, the Order provides for an exemption for entities that domestically ship or import less than 15 million board feet annually. It is estimated that, of the current 385 domestic manufacturers, 200, or 52 percent, ship less than 15 million board feet per year and are thus exempt from paying assessments under the Order. Of the current 795 importers, it is estimated that 730, or 92 percent, import less than 15 million board feet per year and are also exempt from paying assessments. Thus, about 185 current domestic manufacturers and 65 current importers pay assessments under the Order.

Regarding alternatives, one option to the action is to maintain the status quo and not prescribe late payment and interest charges for past due assessments. However, the Board determined that implementing such charges will help facilitate program administration by encouraging entities to pay their assessments in a timely manner. The Board reviewed rates of late payment and interest charges prescribed in other research and promotion programs and concluded that a 10 percent late payment charge and interest at a rate of 1½ percent per month on the outstanding balance is appropriate.

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the information collection and recordkeeping requirements that are imposed by the Order have been approved previously under OMB control number 0581–0093. This rule

[1] Price data was obtained from Random Lengths Publications, Inc., and is a framing composite price that is designed as a broad measure of price movement in the lumber market (*www.randomlengths.com*).

results in no changes to the information collection and recordkeeping requirements previously approved and imposes no additional reporting and recordkeeping burden on domestic manufacturers and importers of softwood lumber.

As with all Federal promotion programs, reports and forms are periodically reviewed to reduce information requirements and duplication by industry and public sector agencies. Finally, USDA has not identified any relevant Federal rules that duplicate, overlap, or conflict with this rule.

AMS is committed to complying with the E-Government Act, to promote the use of the Internet and other information technologies to provide increased opportunities for citizen access to Government information and services, and for other purposes.

Regarding outreach efforts, this action was discussed by the Board at its first meeting held in November 2011 and at six committee meetings held via teleconference during the first six months of 2012. The Board met in May 2012 and unanimously made its recommendation. All of the Board's meetings, including meetings held via teleconference, are open to the public and interested persons are invited to participate and express their views.

A proposed rule concerning this action was published in the **Federal Register** on May 13, 2014 (92 FR 27212). The Board distributed copies of the rule via email to domestic manufacturers and importers. Finally, the proposal was made available through the Internet by USDA and the Office of the Federal Register. A 60-day comment period ending July 14, 2014, was provided to allow interested persons to comment. No comments were received.

After consideration of all relevant matters presented, including the information and recommendation submitted by the Board and other available information, it is hereby found that this rule, as hereinafter set forth, is consistent with and will effectuate the purposes of the 1996 Act.

List of Subjects in 7 CFR Part 1217

Administrative practice and procedure, Advertising, Consumer information, Marketing agreements, Softwood Lumber promotion, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, 7 CFR part 1217 is amended as follows:

PART 1217—SOFTWOOD LUMBER RESEARCH, PROMOTION, CONSUMER EDUCATION AND INDUSTRY INFORMATION ORDER

■ 1. The authority citation for 7 CFR part 1217 continues to read as follows:

Authority: 7 U.S.C. 7411–7425; 7 U.S.C. 7401.

■ 2. Subpart C, consisting of § 1217.520, is added to read as follows:

Subpart C—Rules and Regulations

§ 1217.520 Late payment and interest charges for past due assessments.

(a) A late payment charge shall be imposed on any domestic manufacturer or importer who fails to make timely remittance to the Board of the total assessments for which they are liable. The late payment will be imposed on any assessments not received within 60 calendar days of the date they are due. This one-time late payment charge shall be 10 percent of the assessments due before interest charges have accrued.

(b) In addition to the late payment charge, 1½ percent per month interest on the outstanding balance, including any late payment and accrued interest, will be added to any accounts for which payment has not been received by the Board within 60 calendar days after the day assessments are due. Interest will continue to accrue monthly until the outstanding balance is paid to the Board.

Dated: October 23, 2014.

Rex A. Barnes,

Associate Administrator.

[FR Doc. 2014–25657 Filed 10–28–14; 8:45 am]

BILLING CODE 3410–02–P

DEPARTMENT OF HOMELAND SECURITY

8 CFR Part 103

[CIS No. 2517–11; Docket No. USCIS–2012–0006]

RIN 1615–AC01

Notices of Decisions and Documents Evidencing Lawful Status

AGENCY: U.S. Citizenship and Immigration Services, DHS.

ACTION: Final rule; request for comments.

SUMMARY: The Department of Homeland Security (DHS) is amending its regulations governing when U.S. Citizenship and Immigration Services (USCIS) will issue correspondence, notices of decisions, and documents evidencing lawful status in the United States to an applicant, petitioner, attorney, or accredited representative. Specifically, this final rule explains how USCIS will issue requests, notices, cards, and original documents to applicants, petitioners, and their attorneys or accredited representatives of record. This final rule also amends the regulations to allow represented applicants to specifically consent to and request that any notices, decisions, and secure identity documents be sent solely to the official business address of the applicants' attorney or accredited representative, as reflected on a properly executed Notice of Entry of Appearance as Attorney or Accredited Representative. Further, through this final rule, DHS clarifies USCIS notification practices relating to represented parties. These changes will conform USCIS notice procedures to account for the full range of stakeholder norms, including industry preferences, in response to stakeholder comments.

DATES: *Effective Date:* This final rule is effective on January 27, 2015.

Comment Date: Written comments on the final rule must be submitted on or before December 29, 2014. Written comments on the Paperwork Reduction Act (PRA) section of this final rule (regarding the revisions to the Form G–28, Notice of Entry of Appearance as Attorney or Accredited Representative and Form G–28I, Notice of Entry of Appearance as Attorney in Matters Outside the Geographic Confines of the United States) must be submitted on or before November 28, 2014.

ADDRESSES: You may submit comments, identified by DHS docket number USCIS–2012–0006 by one of the following methods:

- *Federal eRulemaking Portal: http://www.regulations.gov.* Follow the instructions for submitting comments.
- *Email:* You may submit comments directly to USCIS by email at *uscisfrcomment@uscis.dhs.gov.* Include DHS docket number USCIS–2012–0006 in the subject line of the message.
- *Mail:* Comments may be submitted to: DHS, USCIS, Office of Policy and Strategy, Chief, Regulatory Coordination Division, 20 Massachusetts Avenue NW., Washington, DC 20529–2140. To ensure proper handling, please reference DHS docket number USCIS–2012–0006 on your correspondence. This mailing address may be used for paper, disk, or CD–ROM submissions.
- *Hand Delivery/Courier:* Laura Dawkins, Chief, Regulatory Coordination Division, U.S. Citizenship and Immigration Services, Department of Homeland Security, 20 Massachusetts Avenue NW., Washington, DC 20529–

2140. Contact Telephone Number is (202) 272–8377.

• Please refer to the PRA section of this final rule for instructions on how to submit comments regarding the revisions to Form G–28, Notice of Entry of Appearance as Attorney or Accredited Representative and Form G–28I, Notice of Entry of Appearance as Attorney in Matters Outside the Geographic Confines of the United States).

FOR FURTHER INFORMATION CONTACT:

Minas Khoudaghoulian, Chief, Adjustment and Naturalization Branch, Service Center Operations Directorate, Washington, DC, 20 Massachusetts Ave. NW., Washington, DC 20529. Email: *Minas.Khoudaghoulian@uscis.dhs.gov.* Telephone: (202) 272–1785.

SUPPLEMENTARY INFORMATION:

I. Public Participation

All interested parties are invited to participate in this rulemaking by submitting written data, views, or arguments on all aspects of this final rule. DHS and U.S. Citizenship and Immigration Services (USCIS) also invite comments that relate to the economic, environmental, or federalism effects that might result from this final rule. Comments that will provide the most assistance to USCIS in implementing these changes will reference a specific portion of the final rule, explain the reason for any recommended change, and include data, information, or authority that supports a recommended change.

Instructions: All submissions must include the agency name and DHS Docket No. USCIS–2012–0006 for this rulemaking. Regardless of the method used for submitting comments or material, all submissions will be posted, without change, to the Federal eRulemaking Portal at *http://www.regulations.gov,* and will include any personal information you provide. Therefore, submitting this information makes it public. You may wish to consider limiting the amount of personal information that you provide in any voluntary public comment submission you make to DHS. DHS may withhold information provided in comments from public viewing that it determines may impact the privacy of an individual or is offensive. For additional information, please read the Privacy Act notice that is available via the link in the footer of *http://www.regulations.gov.*

Docket: For access to the docket to read background documents or comments received, go to *http://www.regulations.gov.*

II. Background

USCIS generally sends original notices and documents to the applicant or petitioner who requested the immigration benefit. *See* 8 CFR 103.2(b)(19). Under certain limited circumstances, notices to an unrepresented applicant or petitioner may be sent to a location or person designated by the applicant or petitioner. Examples of such situations would include a Violence Against Women Act self-petitioner who provides a ''safe'' address for mail or an applicant who is subject to legal guardianship. If the applicant or petitioner is represented by an attorney or accredited representative (collectively referred to as representatives), USCIS also will send a courtesy copy of such notices and documents to the representative. *See* 8 CFR 103.2(a)(3), 292.5(a). In this rule, DHS updates and clarifies how applicants, petitioners, and their representatives will be notified of actions taken on their immigration benefit requests.

Prior to 1994, the Immigration and Naturalization Service (INS),[1] generally mailed two copies of every approval and denial notice in cases in which the applicant or petitioner was represented—one to the representative and one to the applicant or petitioner. *See Changes in Processing Procedures for Certain Applications and Petitions for Immigration Benefits,* 59 FR 1455, 1463 (Jan. 11, 1994). In 1991, as part of a broader rule designed to simplify and streamline filing and processing of immigration benefits, INS proposed new notice procedures. *See Changes in Processing Procedures for Certain Applications and Petitions for Immigration Benefits,* 56 FR 61201, 61207 (Dec. 2, 1991). Specifically, INS proposed that, where an applicant or petitioner is represented, all notices, cards and documents issued at approval would be sent to that representative. Documents produced after an approval notice was sent out, however, would be mailed directly to the applicant, with no confirmation to the representative. *Id.* Commenters on that proposed rule pointed to past problems with attorneys and accredited representatives receiving courtesy copies and argued that INS should continue to issue separate notices as a safeguard. *See* 59 FR 1455. INS agreed with the commenters and in the final rule required that separate notices would be sent to the applicant or petitioner and his or her authorized representative. *Id.* at 1463.

III. Reason for This Change

On August 29, 2011, DHS published a final rule addressing USCIS's transformation initiative—a program to change USCIS business processes from a paper-based process to an electronic environment. *Immigration Benefits Business Transformation, Increment I,* 76 FR 53764 (Aug. 29, 2011) (August 2011 final rule). The August 2011 final rule removed references to form numbers, form titles, expired regulatory provisions, and descriptions of internal procedures, many of which will change as USCIS transitions from paper forms to its electronic immigration system USCIS Electronic Immigration System, also known as USCIS ELIS. DHS did not alter substantive provisions of the regulations but updated language in the regulations to facilitate filing and adjudication in an electronic environment. Among the provisions amended in the August 2011 final rule was 8 CFR 103.2(b)(19), which governs how USCIS will notify applicants, petitioners, and their representatives of actions taken on their immigration benefit requests. *See* 76 FR at 53780. Before the August 2011 rule, 8 CFR 103.2(b)(19) provided that notices and secure documents would go directly to the applicant or petitioner, where the applicant and petitioner were unrepresented. The rule also provided that when applicants or petitioners were represented, USCIS would also send notices to the attorney of record or accredited representative. In the August 2011 final rule, DHS revised 8 CFR 103.2(b)(19). *See* 76 FR at 53781.

In response to the August 2011 final rule, many USCIS stakeholders, including several large employers, colleges, universities, and law firms, asked USCIS to clarify its notification process. Some stakeholders noted that it is a common business practice for employers to have their representatives receive and distribute documents to their international workforce. They also noted that USCIS has routinely sent original notices to attorneys or accredited representatives. The stakeholders asked USCIS to clarify that the August 2011 final rule did not change this practice and urged that USCIS maintain its current practice.

DHS agrees that a clarification is needed. DHS has been informed by stakeholders that large corporations,

[1] The Homeland Security Act of 2002 transferred primary authority for the administration and enforcement of the immigration and naturalization laws to the Secretary of Homeland Security. *See* Public Law 107–296, section 1102(2), 116 Stat. 2135 (Nov. 25, 2002), as amended by Pub. L. 108–7, section 105(a)(1), 117 Stat. 11 (Feb. 20, 2003) (codified at 8 U.S.C. 1103(a)); *see also* 6 U.S.C. 271(b) (transfer of INS immigration benefits adjudication functions to USCIS).

universities, and employers of foreign workers prefer having notices or decisions regarding petitions they have filed on behalf of their employees sent to one centralized location, such as the corporation's in house counsel, the employer's legal representative, or the company's human resources department. As previously stated, USCIS will continue its prior practice of sending original notices for benefit requests to attorneys or accredited representatives. Nevertheless, DHS does not believe that the current regulations are sufficiently clear on this point.

Consequently, in this final rule, DHS will amend its regulations in several ways. First, USCIS will clarify that it will send notices only to the applicant or petitioner when the applicant or petitioner is unrepresented. *See* new 8 CFR 103.2(b)(19)(i). Second, if USCIS has been properly notified that the person or entity filing the benefit request is represented by an attorney or accredited representative recognized by the Department of Justice, Board of Immigration Appeals, USCIS will send notices to the applicant or petitioner who filed the benefit request *and* to their attorney or accredited representative of record. *See* new 8 CFR 103.2(b)(19)(ii)(A). Third, if provided for in the applicable form, form instructions, or regulations for a specific benefit request, an applicant or petitioner may request that USCIS send original notices and documents *only* to the official business address of their attorney or accredited representative, as reflected on a properly executed Notice of Entry of Appearance as Attorney or Accredited Representative, with a courtesy copy being sent to the applicant or petitioner for their records. *See id.* Fourth, for applications or petitions filed electronically, USCIS will notify both the applicant or petitioner and the authorized attorney or accredited representative electronically of any notices or decisions. Electronic notification will not be provided, however, if the applicant or petitioner specifically requests to receive paper notices or decisions by mail, or if USCIS determines that issuing a paper notice or decision for an electronically-filed application or petition is warranted. *See* new 8 CFR 103.2(b)(19)(ii)(B). Fifth, USCIS has codified its current practice of sending Form I–797, Notice of Action, as an approval notice with a tear-off I–94, Arrival-Departure Record, to the applicant's or petitioner's attorney or accredited representative. Currently, applicants who are approved for an extension of stay or change of status receive a Form I–797, Notice of Action that has a tear-off I–94, which the applicant can use as evidence of his or her current lawful status. For applicants or petitioners who are represented, USCIS will continue to send these notices *only* to the official business address of their attorneys or accredited representatives, as reflected on a properly executed Notice of Entry of Appearance as Attorney or Accredited Representative, unless the applicant or petitioner specifically request that USCIS instead send it to his or her mailing address. Finally, USCIS will continue to send original secure identification documents, such as Permanent Resident Cards and Employment Authorization Documents, *only* to the applicant or petitioner (when the alien is a self-petitioner), unless the applicant or self-petitioner specifically consents to having the secure identification document sent to his or her attorney of record or accredited representative. The Notice of Entry of Appearance as Attorney or Accredited Representative or the online representative account profile in USCIS's electronic immigration system must reflect the official business address of the attorney or accredited representative in the address section. *See* new 8 CFR 103.2(b)(19)(iii). These changes will conform USCIS's notice procedures with industry norms in response to stakeholder comments.

IV. Statutory and Regulatory Requirements

A. Administrative Procedure Act

The Administrative Procedure Act (APA) requires DHS to provide public notice and seek public comment on substantive regulations. *See* 5 U.S.C. 553. The APA, however, provides limited exceptions to this requirement for notice and public comment, including for ''rules of agency organization, procedure or practice.'' 5 U.S.C. 553(b)(A).

This final rule addresses requirements that are procedural in nature and does not alter the substantive rights of individuals. In this final rule, DHS clarifies policies for sending notices, copies, and originals of correspondence, decisions, and secure identification documents to applicants, petitioners, attorneys and accredited representatives. These minor changes to USCIS mailing procedures do not alter a substantive right. Therefore, since this final rule is procedural, notice and opportunity for public comment are not required. *See* 5 U.S.C. 553(b)(A). DHS nevertheless invites comments on this final rule and will consider all timely comments submitted during the public comment period as described in the ''Addresses'' section.

B. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA) mandates that DHS conduct a regulatory flexibility analysis when it publishes any general notice of proposed rulemaking. 5 U.S.C. 603(a). RFA analysis is not required when a rule is exempt from notice-and-comment rulemaking. DHS has determined that this rule is exempt from the notice-and-comment requirements in 5 U.S.C. 553, and, therefore, a regulatory flexibility analysis is not required.

C. Unfunded Mandates Reform Act of 1995

This final rule will not result in the expenditure by state, local, and tribal governments, in the aggregate, or by the private sector, of $100 million or more in any one year, and it will not significantly or uniquely affect small governments. Therefore, no actions were deemed necessary under the provisions of the Unfunded Mandates Reform Act of 1995.

D. Small Business Regulatory Enforcement Fairness Act of 1996

This final rule is not a major rule as defined by section 804 of the Small Business Regulatory Enforcement Fairness Act of 1996. This rule will not result in an annual effect on the economy of $100 million or more; a major increase in costs or prices; or significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of U.S.-based companies to compete with foreign-based companies in domestic and export markets.

E. Executive Order 12866 and Executive Order 13563

DHS does not consider this final rule to be a ''significant regulatory action'' under Executive Order 12866, section 3(f), Regulatory Planning and Review, as supplemented by Executive Order 13563. Based on DHS's preliminary analysis, this final rule is cost neutral as it imposes no costs and does not result in discernible monetary benefits. Accordingly, this final rule has not been submitted to the Office of Management and Budget (OMB) for review.

DHS is pursuing this regulatory action to accord its regulations with industry norms and stakeholder requests. This final rule makes two clarifications and one change. First, the regulation will clarify that USCIS will send original notices and documents only to the applicant or petitioner if he or she is not represented by an attorney or accredited

representative, recognized by the BIA, who has filed a Form G–28, Notice of Entry of Appearance as Attorney or Accredited Representative or a Form G–28I, Notice of Entry of Appearance as Attorney in Matters Outside the Geographic Confines of the United States. *See* 8 CFR 292.4(a), 292.5(a). Second, if the applicant or petitioner is represented, USCIS generally will send original notices and documents both to the applicant or petitioner *and* to their attorney or accredited representative.

This regulation will allow applicants and petitioners to choose to have USCIS mail original notices and documents only to their attorneys or accredited representatives if USCIS indicates that this option is available through the USCIS online application system, applicable forms, form instructions, or regulations for a specific benefit request. As stated earlier in this preamble, some stakeholders noted that it is a common business practice for employers to have their representatives receive and distribute documents to their international workforce. Because this final rule provides that option for the employer, employers will benefit from not being required to adjust their internal processes to match USCIS notice practices. DHS may amend a form in the course of regular program administration to expand the options for the mailing of notices at its discretion, but will incur no cost as a direct result of this final rule. Employers generally prefer that original notices and documents from USCIS are sent only to their representatives, thus DHS expects no cost to result from indicating to which address applicants or petitioners want notices sent. In addition, attorneys or representatives already transmit documents to the aliens and petitioners they represent based on where the alien or petitioner needs or desires to maintain the original, so this rule should impose no additional record keeping burden.

DHS also is revising the regulation to provide that two originals will be sent in the case of represented parties instead of the current practice of sending one original and one courtesy copy. This will not result in any additional costs because the costs for issuing an original of a USCIS notice, such as printing and mailing, would be similar to the costs for issuing a copy. Finally, the quantity of notices and documents sent will not change, only where and how they are sent. Therefore, DHS estimates that these two clarifications and change will not result in a direct cost to USCIS or to an applicant or petitioner, though applicants and petitioners may benefit from the clarifications.

F. Executive Order 13132

This final rule will not have substantial direct effects on the States, on the relationship between the Federal Government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with section 6 of Executive Order 13132, DHS has determined that this rule does not have sufficient Federalism implications to warrant the preparation of a Federalism summary impact statement.

G. Executive Order 12988: Civil Justice Reform

This final rule meets the applicable standards set forth in sections 3(a) and 3(b)(2) of Executive Order 12988.

H. Paperwork Reduction Act

Under the PRA, 44 U.S.C. chapter 35, all Departments are required to submit to OMB, for review and approval, any reporting requirements inherent in a rule. USCIS [2] is revising the Notice of Entry of Appearance as Attorney or Accredited Representative (Form G–28) and the Notice of Entry of Appearance as Attorney In Matters Outside the Geographical Confines of the United States (Form G–28I), and their associated form instructions to prepare the forms for filing availability in USCIS ELIS, to add a foreign address and foreign phone number field, and to make plain language changes. In addition Forms G–28 and G–28I are revised to add check-boxes that will implement the changes this final rule makes to 8 CFR 103.2(b)(19). Specifically, USCIS is revising the forms to provide that, for represented parties, DHS will send all original notices regarding any application or petition filed with DHS to *both* the applicants or petitioners and the attorney of record or accredited representative either through the mail or electronic delivery. However, on the Form G–28 and Form G–28I, unless otherwise provided in the applicable regulations or form instructions, the applicant or petitioner may instruct USCIS to send any original notice regarding an application or petition that he or she has filed with USCIS, including Requests for Evidence and notices of decision, to the official business address of their attorney of record or accredited representative as listed in the form. USCIS is also revising the G–28/28I to provide that, for represented parties, DHS will only send Form I–94, Arrival-Departure Record or any secure identity document, such as a Permanent Resident Card or Employment Authorization Document, for which he or she is approved, to the applicant or petitioner (where the individual is a self-petitioner/beneficiary), unless the applicant or self-petitioner/beneficiary instructs USCIS to send the secure identity document to the official business address of his or her attorney of record or accredited representative. *See* new 8 CFR 103.2(b)(19)(i)–(iii).

The revised Forms G–28 and G–28I have been submitted to the Office of Management Budget (OMB) for review and approval under procedures covered under the PRA. USCIS is requesting comments on this information collection for 30-days until November 28, 2014. USCIS previously published a notice in the **Federal Register** in connection with this information collection on May 19, 2014 at 79 FR 28757.[3] DHS received 8 comments in connection with this notice during the 60-day comment period. Public comments were submitted by 7 individuals and one organization. All of the comments are summarized and addressed as follows.

Two commenters requested that USCIS reprogram the Form G–28/28I that may be completed on a computer (''fillable form'') to permit more alphabetic characters than it currently permits attorneys to insert. Both of these commenters also requested that the fillable data fields permit the insertion of non-textual and special characters in addition to alphabetic characters. In response, USCIS cannot expand the number of characters permitted in the form's data fields or permit symbols and special characters. The technology used for the bar coding of the forms and the upload of the forms incorporates data standards that are intended to insure the integrity of the data that is captured and facilitate the flow of the data into information collection, storage and reporting systems. The form data standards impose limits on the size of fields and the use of special characters based on what past results and research

[2] DHS is the authoritative regulatory actor that is carrying out this rulemaking. USCIS is the component of DHS that manages its forms and publishes **Federal Register** notices under the Paperwork Reduction Act. Thus, USCIS is referenced as the actor in the Paperwork Reduction Act section of this preamble with regard to the form revisions.

[3] See *Agency Information Collection Activities: Notice of Entry of Appearance as Attorney or Accredited Representative; Notice of Entry of Appearance as Attorney In Matters Outside the Geographical Confines of the United States, Form G–28; G–28I; Revision of a Currently Approved Collection,* 79 FR 28757 (May 19, 2014).

show are the parameters that provide the best results while still serving the needs of respondents and DHS. As such, the data fields cannot permit an unlimited number or type of characters. Nevertheless, USCIS believes the data elements can accommodate the requirements of most attorneys and accredited representatives. USCIS also provides a new Part 6. Additional Information section in the form to allow respondents to add or address any additional responses that may exceed the current field limits.

One commenter requested that USCIS add a space on the Form G–28/28I to indicate who is an authorized signatory for represented entities that are filing the related immigration benefit request. USCIS understands that who is an authorized signatory for an entity is not defined on all USCIS forms or by regulations and it may not always be clear. Nevertheless, Form G–28/28I is not the proper form for entities to use to designate an authorized signatory because it is used only to identify the petitioner/applicant's attorney or accredited representative of record to DHS. DHS and USCIS will explore whether this issue needs to be addressed in a future rulemaking, field office guidance, form instructions, or other policy instruments. Meanwhile, all benefit requests require the person signing the request to possess the authority to file the request on the applicant or petitioner's behalf. Where USCIS has reason to doubt the person's authority to sign, we may send a request for evidence as necessary to establish that the person has the requisite authority.

One commenter requested that USCIS move all signature blocks to the same place at bottom of the page. USCIS is uncertain what the commenter is requesting. The signature of the applicant, petitioner, or respondent precedes the signature of the attorney or accredited representative on the final page of the Form G–28/28I, and they are followed only by a section of the form which permits necessary additional information. The commenter is invited to submit clarifying comments in response to this notice.

One commenter complained that USCIS regularly fails to associate a new Form G–28/28I with the case when the form is filed to indicate that a pending, previously unrepresented filer, now has representation, or when the filer of the benefit request submits a new Form G–28/28I to indicate that it has a new representative. USCIS endeavors to make sure that each case reflects that it is subject to representation when a valid Form G–28/28I is filed. Nonetheless, USCIS processes millions of immigration benefit requests per year and much of the adjudication continues to be a paper-reliant process. As cases are adjudicated, files proceed through a number of steps, including intake, receipting, background and security checks, and routing to the proper office for further processing. As a result, immediately associating a subsequently filed Form G–28/28I with the client's case is not always possible. Nonetheless, USCIS appreciates the commenter's views and will strive to improve the precision of its process and service to its customers. If any attorney or accredited representative is concerned that his or her G–28/G–28I has not reached the appropriate USCIS office, we encourage you to contact the National Customer Service Line for information on how to the notify the appropriate USCIS office handling your client's case of your authorized representation.

One commenter has asked USCIS to revise the fillable form to allow the attorney to write in the state two-letter abbreviations without requiring that they search through an alphabetical listing of all state abbreviations in a drop-down menu. USCIS agrees with this comment. Thus, we will adopt the suggestion when we revise the form.

One commenter requested that the form permit a period to be placed in the address data element so, for example, addresses such as North Main Street may be N. Main, Court may be Ct., and Boulevard can be Blvd. As stated previously, USCIS follows standards in form development that insure the integrity of the data collected and uploaded into its systems. In addition, guidance from the U.S. Postal Service about addressing mail states: ''Avoid commas, periods, or other punctuation—it helps your mailpiece speed through our processing equipment.'' *See https://www.usps.com/ship/addressing-tips.htm.* Thus, the commenter's suggestion is not adopted.

In the notice, USCIS requested comments on the new features of Form G–28/G–28I regarding the USCIS notification practices relating to represented parties that DHS is promulgating in this final rule. One commenter suggested that DHS should send all original correspondence, including notices, Permanent Resident Cards, and Employment Authorization Documents, to the attorney of record when USCIS has been informed that the filer is represented. The commenter suggested that only courtesy copies be sent to the represented party, because their clients often move and the mail may not make it to them at their new address.

DHS and USCIS understand and appreciate the commenters view. As stated elsewhere in this preamble, however, INS proposed in 1991 that all notices, cards and documents be sent to the representative as the commenter suggests. Commenters largely opposed the proposal and argued that INS should continue to issue separate notices. *See* 59 FR 1455. INS agreed with the commenters and in the final rule required separate notices to be sent to the applicant or petitioner and his or her authorized representative. *Id.* at 1463. One commenter on this notice requested this change. The commenter's suggestion will not be adopted and the represented client will be permitted to choose where notices and secure identity documents are sent.

One commenter requested that USCIS add a column for Department of State filings in Part 3, section 1, of the Form G–28/28I. The comment did not expand on that request. Part 3 of the form is the Eligibility Information for the Attorney. USCIS knows of no edit to that section that would convey that the representation involves a filing at a U.S. consulate or embassy. In addition, while several USCIS immigration benefit requests permit filing at a U.S. consulate or embassy, the commenter did not provide a reason why such a distinction is necessary or helpful on Form G–28/28I and USCIS knows of none. Thus the suggestion is not adopted. USCIS welcomes a comment on this notice from the commenter clarifying the suggestion.

One commenter also requested that the Form G–28/28I be revised to permit the attorney to enter a foreign state and province in Section 3, parts 6d and 6e. Neither Form G–28 nor Form G–28I includes a Section 3, nor do they include a part 6d or 6e. Perhaps USCIS has misunderstood the comment, because both forms already permit inclusion of foreign states and provinces. Thus no changes are made in response to this comment. DHS invites the commenter to submit a scanned pen and ink markup of his suggested edits in response to this 30-day notice that shows the changes the commenter had in mind.

One commenter requested that USCIS add Internet hyperlinks to the form and docket in addition to the docket number in all **Federal Register** notices published for a form revision as required by the PRA. USCIS appreciates how much more convenient it is to click on an Internet hyperlink that takes you directly to the form or part of a Web site upon which you wish to comment

instead of being required to use one's intuition to navigate through the parts of a Web site to find a desired document. We would adopt this comment if we could. The timing and process of a **Federal Register** notice, however, precludes USCIS from knowing the precise uniform resource locator (URL) for viewing the forms until after it has been published. In addition, for ease in handling comments, and maintaining the docket, DHS wants to utilize the Federal Docket Management System docket at *http://www.regulations.gov* for the official versions of the forms and all comments received on each information collection request. If a form cannot be found on the Internet, a copy will be provided upon request as indicated in the **Federal Register** notice.

One commenter requests that USCIS change question 9 on the Form G–28/28I to ask for the telephone number at which the individual can best be reached, and not ask for a mobile number. USCIS understands the comment and agrees that there should be a field to capture the daytime telephone number for the applicant or petitioner as the primary contact number. USCIS, however, will not delete the mobile telephone number as a data element. USCIS asks for the mobile telephone number in Item Number 9 to facilitate USCIS text message updates to the applicant and petitioner or represented party. For clarification, USCIS will add the words ''(if any)'' after the words ''Mobile Telephone Number'' to avoid any implication that a mobile telephone number is mandatory.

One commenter asked USCIS to specify what notices and documents the client will receive and what notices and documents the attorney will receive if no box is checked on Form G–28/28I, if only box 2a is checked, if only box 2b is checked, or if both boxes are checked on the form. The commenter did not indicate where or in what manner they are suggesting USCIS provide that information. Nevertheless, this final rule explains what type of notices, documents, and situations to which these changes apply much more in depth than what we provide in the instructions for Form G–28/28I or the **Federal Register** notice. USCIS believes the additional explanation in this final rule will clarify this issue for the commenter. No additional changes will be made in response to the comment.

One commenter requested that USCIS change the Form G–28/G–28I signature requirements to conform to that of U.S. Immigration and Customs Enforcement (ICE). The commenter stated that ICE does not require represented parties to sign Form G–28 when they are in ICE custody or detention. DHS regulations at 8 CFR 103.2(a)(3) and 8 CFR 292.4(a) require individuals to sign Form G–28/28I. The regulations provide no exemption for individuals who are in the custody of law enforcement. Thus, USCIS cannot adopt the commenter's suggestion.

Finally, two commenters expressed general and strong support for the changes that USCIS proposed to make to the Form G–28. No commenters opposed the proposed changes.

When submitting comments on this information collection, your comments should address one or more of the following four points.

(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 the agency's 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, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

Overview of Information Collection

(1) *Type of information collection:* Revised information collection.

(2) *Abstract:* This information collection is used by DHS to determine eligibility of the individual to appear as an authorized attorney or accredited representative. Form G–28 is used by attorneys admitted to practice in the United States and accredited representatives of charitable organizations recognized by the Executive Office for Immigration Review, Board of Immigration Appeals. Form G–28I is used by attorneys admitted to the practice of law in countries other than the United States and applies only to representation in matters in DHS offices outside the geographical confines of the United States. If the representative is eligible, the form is filed with the case and the information is entered into DHS systems for whatever type of application or petition it may be.

(3) *Title of Form/Collection:* Notice of Entry of Appearance as Attorney or Accredited Representative and the Notice of Entry of Appearance as Attorney in Matters Outside the Geographical Confines of the United States.

(4) *Agency form number, if any, and the applicable component of the Department of Homeland Security sponsoring the collection:* Form G–28 and Form G–28I.

(5) *Affected public who will be asked or required to respond:* Business or other for-profit. The information collected on Form G–28 and Form G–28I allows an attorney to identify his or her representation of a person in matters either within the geographical confines of the United States, or outside of the geographical confines of the United States respectively.

(6) *An estimate of the total number of annual respondents:* For the paper Form G–28, 2,223,700 respondents with an average response time of .833 hour (50 minutes); for the USCIS ELIS-filed Form G–28, 281,950 respondents with and average response time of .667 hour (40 minutes); for the paper Form G–28I, 25,057 respondents with an average response time of .833 hour (50 minutes).

(7) *An estimate of the total public burden (in hours) associated with the collection:* 2,057,943 annual burden hours.

Written comments and/or suggestions regarding the estimated public burden and associated response time should be directed to DHS and to the OMB USCIS Desk Officer. Comments may be submitted to DHS as provided in the **ADDRESSES** section of this preamble and to the OMB USCIS Desk Officer via facsimile at 202–395–5806 or via email at *oira_submission@omb.eop.gov.* When submitting comments by email, please make sure to add OMB Control Number 1615–0026 in the subject box. All submissions received must include the agency name, OMB Control Number and Docket ID.

List of Subjects in 8 CFR Part 103

Administrative practice and procedure, Authority delegations (Government agencies), Freedom of information, Immigration, Privacy, Reporting and recordkeeping requirements, Surety bonds.

Accordingly, DHS is amending part 103 of chapter I of title 8 of the Code of Federal Regulations to read as follows:

PART 103—IMMIGRANT BENEFITS; BIOMETRIC REQUIREMENTS: AVAILABILITY OF RECORDS

■ 1. The authority citation for part 103 continues to read as follows:

Authority: 5 U.S.C. 301, 552, 552a; 8 U.S.C. 1101, 1103, 1304, 1356, 1356b; 31 U.S.C. 9701; Public Law 107–296, 116 Stat. 2135 (6 U.S.C. 1 *et seq.*); E.O. 12356, 47 FR 14874, 15557, 3 CFR, 1982 Comp., p. 166; 8 CFR part 2; Pub. L. 112–54.

Subpart A—Applying for Benefits, Surety Bonds, Fees

■ 2. Section 103.2(b)(19) is revised to read as follows:

§ 103.2 Submission and adjudication of benefit requests.

* * * * *

(b) * * *

(19) *Notification.* (i) *Unrepresented applicants or petitioners.* USCIS will only send original notices and documents evidencing lawful status based on the approval of a benefit request directly to the applicant or petitioner if the applicant or petitioner is not represented.

(ii) *Represented applicants or petitioners.* (A) *Notices.* When an applicant or petitioner is represented, USCIS will send original notices both to the applicant or petitioner and his or her authorized attorney or accredited representative. If provided in this title, on the applicable form, or on form instructions, an applicant or petitioner filing a paper application or petition may request that all original notices, such as requests for evidence and notices of decision, only be sent to the official business address of the applicant's or petitioner's authorized attorney or accredited representative, as reflected on a properly executed Notice of Entry of Appearance as Attorney or Accredited Representative. In such instances, a courtesy copy of the original notice will be sent to the applicant or petitioner.

(B) *Electronic notices.* For applications or petitions filed electronically, USCIS will notify both the applicant or petitioner and the authorized attorney or accredited representative electronically of any notices or decisions. Except as provided in paragraph (b)(19)(ii)(C) of this section, USCIS will not issue paper notices or decisions for electronically-filed applications or petitions, unless:

(*1*) The option exists for the applicant or petitioner to request to receive paper notices or decisions by mail through the U.S. Postal Service, by indicating this preference in his or her electronic online account profile in USCIS's electronic immigration system; or

(*2*) USCIS, in its discretion, determines that issuing a paper notice or decision for an electronically-filed application or petition is warranted.

(C) *Approval notices with attached Arrival-Departure Records.* USCIS will send an original paper approval notice with an attached Arrival-Departure Record, reflecting USCIS's approval of an applicant's request for an extension of stay or change of status, to the official business address of the applicant's or petitioner's attorney or accredited representative, as reflected on a properly executed Notice of Entry of Appearance as Attorney or Accredited Representative or in the address section of the online representative account profile in USCIS's electronic immigration system, unless the applicant specifically requests that the original approval notice with an attached Arrival-Departure Record be sent directly to his or her mailing address.

(iii) *Secure identity documents.* USCIS will send secure identification documents, such as a Permanent Resident Card or Employment Authorization Document, only to the applicant or self-petitioner unless the applicant or self-petitioner specifically consents to having his or her secure identification document sent to the official business address of the applicant's or self-petitioner's attorney of record or accredited representative, as reflected on a properly executed Notice of Entry of Appearance as Attorney or Accredited Representative or in the address section of the online representative account profile in USCIS's electronic immigration system.

* * * * *

Jeh Charles Johnson,

Secretary.

[FR Doc. 2014–25622 Filed 10–28–14; 8:45 am]

BILLING CODE 9111–97–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2014–0285; Directorate Identifier 2014–NM–035–AD; Amendment 39–17990; AD 2012–26–15 R1]

RIN 2120–AA64

Airworthiness Directives; Honeywell International Inc. Air Data Pressure Transducers

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

ACTION: Final rule; removal.

SUMMARY: We are removing Airworthiness Directive (AD) 2012–26–15, which applied to certain Honeywell International Inc. air data pressure transducers as installed on various aircraft. AD 2012–26–15 required doing various tests or checks of equipment having certain air data pressure transducers, removing equipment if necessary, and reporting the results of the tests or checks. As an option to the tests or checks, AD 2012–26–15 allowed removal of affected equipment having certain air data pressure transducers. We issued AD 2012–26–15 to detect and correct inaccuracies of the pressure sensors, which could result in altitude, computed airspeed, true airspeed, and Mach computation errors. AD 2012–26–15 reported that these errors could reduce the ability of the flightcrew to maintain the safe flight of the aircraft and could result in consequent loss of control of the aircraft. Since we issued AD 2012–26–15, we have received new data indicating that the safety risk is lower than originally estimated.

DATES: This AD becomes effective December 3, 2014.

ADDRESSES: You may examine the AD docket on the Internet at *http://www.regulations.gov/#!docketDetail;D=FAA-2014-0285;* 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 FURTHER INFORMATION CONTACT: Sreekant Sarma, Aerospace Engineer, Systems and Equipment Branch, ANM–130L, FAA, Los Angeles Aircraft Certification Office, 3960 Paramount Boulevard, Lakewood, CA 90712–4137; phone: 562–627–5351; fax: 562–627–5210; email: *sreekant.sarma@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 Honeywell International Inc. air data pressure transducers as installed on various aircraft. The NPRM published in the **Federal Register** on May 28, 2014 (79 FR 30498). The NPRM was prompted by new data indicating that the safety risk is lower than originally estimated. The NPRM proposed to remove AD 2012–26–15, Amendment 39–17310 (78 FR 1735, January 9, 2013).

Comments

We gave the public the opportunity to participate in developing this AD. We considered the comment received.

Boeing concurred with the NPRM (79 FR 30498, May 28, 2014).

Conclusion

We reviewed the available data, including 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 30498, May 28, 2014); and

• Do not add any additional burden upon the public than was already proposed in the NPRM (79 FR 30498, May 28, 2014).

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.

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-2014-0285;* 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, 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) 2012–26–15, Amendment 39–17310 (78 FR 1735, January 9, 2013), and adding the following new AD:

2012–26–15 R1 Honeywell International Inc.: Amendment 39–17990; Docket No. FAA–2014–0285; Directorate Identifier 2014–NM–035–AD.

(a) Effective Date

This AD becomes effective December 3, 2014.

(b) Affected ADs

This action rescinds AD 2012–26–15, Amendment 39–17310 (78 FR 1735, January 9, 2013).

(c) Applicability

This action applies to air data pressure transducers, as installed in air data computers (ADC), air data modules (ADM), air data attitude heading reference systems (ADAHRS), and digital air data computers (DADC) having the part numbers and serial numbers identified in Honeywell Alert Service Bulletin ADM/ADC/ADAHRS–34–A01, dated November 6, 2012. This appliance is installed on, but not limited to, the aircraft specified in paragraphs (c)(1) through (c)(16) of this AD.

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

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

(3) Airbus Model A320–111, –211, –212, –214, –231, –232, and –233 airplanes.

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

(5) Airbus Model A330–223F, –243F, –201, –202, –203, –223, –243, –301, –302, –303, –321, –322, –323, –341, –342, and –343 airplanes.

(6) Airbus Model A340–211, –212, –213, –311, –312, –313, –541, and –642 airplanes.

(7) AGUSTA S.p.A. Model AW139 helicopters.

(8) Bell Helicopter Textron Canada Limited Model 429 helicopters.

(9) The Boeing Company Model 767–200, –300, –300F, and –400ER series airplanes; and Model 777–200, –200LR, –300, –300ER, and 777F series airplanes.

(10) Cessna Aircraft Company Model 560XL (560 Excel and 560 XLS) airplanes.

(11) Dassault Aviation Model MYSTERE–FALCON 900 airplanes and Model FALCON 2000 airplanes.

(12) Empresa Brasileira de Aeronautica S.A. (EMBRAER) Model EMB–135BJ airplanes.

(13) Gulfstream Aerospace Corporation Model GIV–X and GV–SP airplanes.

(14) Learjet Inc. Model 45 airplanes.

(15) PILATUS AIRCRAFT LTD. Model PC–12/47E airplanes.

(16) Viking Air Limited (Type Certificate previously held by Bombardier Inc.; de Havilland, Inc.) Model (Twin Otter) DHC–6–400 airplanes.

(d) Subject

Air Transport Association (ATA) of America Code 34, Navigation.

Issued in Renton, Washington, on September 23, 2014.

Dionne Palermo,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2014–24558 Filed 10–28–14; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2014–0431; Directorate Identifier 2013–NM–041–AD; Amendment 39–18003; AD 2014–21–09]

RIN 2120–AA64

Airworthiness Directives; The Boeing Company Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: We are superseding Airworthiness Directive (AD) 2005–14–07 for certain The Boeing Company Model 727, 727C, 727–100, 727–100C, 727–200, and 727–200F series airplanes. AD 2005–14–07 required repetitive inspections of the carriage attach fittings on the inboard and outboard foreflaps of each wing for cracking and other discrepancies, and corrective actions if necessary. This new AD requires reducing certain repetitive inspection intervals for the inboard and outboard

carriage attach fittings for the outboard foreflaps, requires previously optional terminating actions which install improved outboard foreflap carriage attach fittings, and adds new initial and repetitive inspections of those fittings and corrective actions if necessary. This AD was prompted by a report of broken inboard and outboard carriage attach fittings of the outboard foreflaps found during an inspection. We are issuing this AD to detect and correct fatigue cracking of the attach fittings of the foreflap carriage of the wings, which could result in partial or complete loss of the foreflap and consequent loss of controllability of the airplane.

DATES: This AD is effective December 3, 2014.

The Director of the Federal Register approved the incorporation by reference of a certain publication listed in this AD as of December 3, 2014.

The Director of the Federal Register approved the incorporation by reference of certain other publications listed in this AD as of August 15, 2005 (70 FR 39647, July 11, 2005).

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 Aircraft 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–2014–0431; 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, 3960 Paramount Boulevard, Lakewood, CA 90712–4137; phone: 562–627–5239; fax: 562–627–5210; email *chandraduth.ramdoss@faa.gov.*

SUPPLEMENTARY INFORMATION:

Discussion

We issued a notice of proposed rulemaking (NPRM) to amend 14 CFR part 39 to supersede AD 2005–14–07, Amendment 39–14184 (70 FR 39647, July 11, 2005). AD 2005–14–07 applied to certain The Boeing Company Model 727, 727C, 727–100, 727–100C, 727–200, and 727–200F series airplanes. The NPRM published in the **Federal Register** on July 9, 2014 (79 FR 38801). The NPRM was prompted by a report of broken inboard and outboard carriage attach fittings of the outboard foreflaps found during an inspection required by AD 2005–14–07. The airplane had 47,125 flight cycles. Boeing stated that the metallurgical analysis determined that the cause of the broken fittings is a suspected static overload condition. The NPRM proposed to continue to require repetitive inspections of the carriage attach fittings on the inboard and outboard foreflaps of each wing for cracking and other discrepancies, and corrective actions if necessary. The NPRM also proposed to require reducing certain repetitive inspection intervals for the inboard and outboard carriage attach fittings for the outboard foreflaps, requiring previously optional terminating actions which install improved outboard foreflap carriage attach fittings, and adding new initial and repetitive inspections of those fittings and corrective actions if necessary. We are issuing this AD to detect and correct fatigue cracking of the attach fittings of the foreflap carriage of the wings, which could result in partial or complete loss of the foreflap and consequent loss of controllability of the airplane.

Comments

We gave the public the opportunity to participate in developing this AD. We have considered the comment received. Boeing supported the NPRM (79 FR 38801, July 9, 2014).

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 38801, July 9, 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 38801, July 9, 2014).

Costs of Compliance

We estimate that this AD affects 98 airplanes of U.S. registry.

We estimate the following costs to comply with this AD:

RETAINED ESTIMATED COSTS

Retained action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Inspections of the carriage attach fittings for all airplanes [retained actions from AD 2005–14–07, Amendment 39-14184 (70 FR 39647, July 11, 2005)].	4 work-hours × $85 per hour = $340.	None	$340 per airplane, per inspection cycle.	$33,320, per inspection cycle.
Installation of guide blocks for certain airplanes [retained actions from AD 2005–14–07, Amendment 39–14184 (70 FR 39647, July 11, 2005)].	32 work-hours × $85 per hour = $2,720.	$0	$2,720 per airplane	Up to $266,560.
Inspection of foreflap airload roller travel for certain airplanes [retained actions from AD 2005–14–07, Amendment 39–14184 (70 FR 39647, July 11, 2005)].	4 work-hours × $85 per hour = $340.	None	$340 per airplane	Up to $33,320.

RETAINED ESTIMATED COSTS—Continued

Retained action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Modification of the inboard jackscrews on the outboard flap for certain airplanes [retained actions from AD 2005–14–07, Amendment 39–14184 (70 FR 39647, July 11, 2005)].	4 work-hours × $85 per hour = $340.	$0	$340 per airplane	Up to $33,320.
Inspection of the entire track and of the track rib faces for certain airplanes [retained actions from AD 2005–14–07, Amendment 39–14184 (70 FR 39647, July 11, 2005)].	12 work-hours × $85 per hour = $1,020.	None	$1,020 per airplane	Up to $99,960.

ESTIMATED COSTS FOR NEW ACTIONS

Retained action	Labor cost	Parts cost	Cost per product	Cost on U.S. operators
Inspection and functional check of outboard foreflap installation for all airplanes [new action].	3 work-hours × $85 per hour = $255 per inspection cycle.	None	$255, per inspection cycle.	$24,990, per inspection cycle.
Replacement of carriage attach fitting on outboard foreflap for certain airplanes [new action].	2 work-hours × $85 per hour = $170.	$18,000	$18,170 per airplane	Up to $1,780,660.

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 these replacements:

ON-CONDITION COSTS

Action	Labor cost	Parts cost	Cost per product
Replacement of sequence carriage slider or sidewall rubstrips.	2 work-hours × $85 per hour = $170.	Up to $175	Up to $345.

Authority for This Rulemaking

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

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

Regulatory Findings

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

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

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

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

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

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

List of Subjects in 14 CFR Part 39

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

Adoption of the Amendment

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

PART 39—AIRWORTHINESS DIRECTIVES

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

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

§ 39.13 [Amended]

■ 2. The FAA amends § 39.13 by removing Airworthiness Directive (AD) 2005–14–07, Amendment 39–14184 (70 FR 39647, July 11, 2005), and adding the following new AD:

2014–21–09 The Boeing Company: Amendment 39–18003; Docket No. FAA–2014–0431; Directorate Identifier 2013–NM–041–AD.

(a) Effective Date

This AD is effective December 3, 2014.

(b) Affected ADs

This AD replaces AD 2005–14–07, Amendment 39–14184 (70 FR 39647, July 11, 2005).

(c) Applicability

This AD applies to Boeing Model 727, 727C, 727–100, 727–100C, 727–200, and 727–200F series airplanes, certificated in any category, as listed in Boeing Alert Service Bulletin 727–57A0135, Revision 3, dated June 27, 2002.

(d) Subject

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

(e) Unsafe Condition

This AD was prompted by a report of broken carriage attach fittings of the inboard and outboard foreflaps found during an inspection and an additional report of broken inboard and outboard carriage attach fittings of the outboard foreflaps found during an inspection. We are issuing this AD to detect and correct fatigue cracking of the attach fittings of the foreflap carriage of the wings, which could result in partial or complete loss of the foreflap and consequent loss of controllability of the airplane.

(f) Compliance

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

(g) Retained Inspections

This paragraph restates the requirements of paragraph (f) of AD 2005–14–07, Amendment 39–14184 (70 FR 39647, July 11, 2005), with revised service information and a new compliance time. Except as provided by paragraph (l) of this AD: Within 1,000 flight cycles after August 15, 2005 (the effective date of AD 2005–14–07) or within 6 months after the effective date of this AD, whichever occurs first, and thereafter at intervals not to exceed 1,000 flight cycles, except as required by paragraph (m) of this AD (for outboard foreflaps), inspect as specified in paragraphs (g)(1) and (g)(2) of this AD, in accordance with the Accomplishment Instructions of Boeing Alert Service Bulletin 727–57A0135, Revision 3, dated June 27, 2002; or Revision 4, dated September 26, 2012. As of the effective date of this AD, use only Boeing Alert Service Bulletin 727–57A0135, Revision 4, dated September 26, 2012. Accomplishing the actions of paragraph (m) or (o) of this AD terminates the inspections required by this paragraph for outboard foreflaps only.

(1) A detailed inspection to detect cracks and surface deviations on all edges, surfaces, and lug attachment fastener holes on the two carriage attach fittings on the inboard and outboard foreflaps of each wing.

(2) A high frequency eddy current (HFEC) inspection to detect cracks at the lug attachment fastener holes on the two carriage attach fittings on the inboard and outboard foreflaps of each wing.

(h) Retained Replacement

This paragraph restates the requirements of paragraph (g) of AD 2005–14–07, Amendment 39–14184 (70 FR 39647, July 11, 2005), with revised service information. If any crack is detected or if any surface deviation beyond the limits specified in Boeing Alert Service Bulletin 727–57A0135, Revision 3, dated June 27, 2002; or Revision 4, dated September 26, 2012; is detected during any inspection required by paragraph (g) or (m) of this AD, before further flight, replace the carriage attach fitting with a new, improved fitting or a new fitting having the same part number as the existing fitting, in accordance with the Accomplishment Instructions of Boeing Alert Service Bulletin 727–57A0135, Revision 3, dated June 27, 2002; or Revision 4, dated September 26, 2012. As of the effective date of this AD, use only Boeing Alert Service Bulletin 727–57A0135, Revision 4, dated September 26, 2012.

(i) Retained Measurement and Associated Corrective Action(s)

(1) This paragraph restates the requirements of paragraph (h) of AD 2005–14–07, Amendment 39–14184 (70 FR 39647, July 11, 2005), with revised service information. Within 3,500 flight cycles after August 15, 2005 (the effective date of AD 2005–14–07), inspect for interference between the carriage attach fitting and the carriage lug fitting, and do other related investigative actions by accomplishing all the actions specified in paragraph 3.C. and Figure 2 of the Accomplishment Instructions of Boeing Alert Service Bulletin 727–57A0135, Revision 3, dated June 27, 2002; or paragraph 3.B.3 and Figure 2 of the Accomplishment Instructions of Boeing Alert Service Bulletin 727–57A0135, Revision 4, dated September 26, 2012. Do the actions in accordance with Boeing Alert Service Bulletin 727–57A0135, Revision 3, dated June 27, 2002; or Revision 4, dated September 26, 2012. As of the effective date of this AD, use only Boeing Alert Service Bulletin 727–57A0135, Revision 4, dated September 26, 2012.

(2) Paragraphs (i)(2)(i) and (i)(2)(ii) of this AD restate the requirements of paragraph (i) of AD 2005–14–07, Amendment 39–14184 (70 FR 39647, July 11, 2005), with revised service information.

(i) If any discrepancy is found during any action required by paragraph (i)(1) of this AD, before further flight, accomplish applicable corrective action(s) (e.g., adding a shim or reworking the carriage attachment lug assembly), in accordance with paragraph 3.C. and Figure 2 or 3 of the Accomplishment Instructions of Boeing Alert Service Bulletin 727–57A0135, Revision 3, dated June 27, 2002; or paragraph 3.B.3. and Figure 3 of the Accomplishment Instructions of Boeing Alert Service Bulletin 727–57A0135, Revision 4, dated September 26, 2012; except as required by paragraph (i)(2)(ii) of this AD. As of the effective date of this AD, use only Boeing Alert Service Bulletin 727–57A0135, Revision 4, dated September 26, 2012.

(ii) Where Boeing Alert Service Bulletin 727–57A0135, Revision 3, dated June 27, 2002; or Revision 4, dated September 26, 2012; specify to contact the manufacturer if rework of the improved fitting is required: Before further flight, rework in accordance with a method approved by the Manager, Seattle Aircraft Certification Office (ACO), or Los Angeles ACO, FAA; or in accordance with data meeting the type certification basis of the airplane approved by an Authorized Representative (AR) for the Boeing Delegation Option Authorization (DOA) Organization who has been authorized by the FAA to make such findings; or using a method approved in accordance with the procedures specified in paragraph (s) of this AD. For a repair method to be approved, the repair must meet the certification basis of the airplane, and the approval must specifically reference this AD. As of the effective date of this AD, any new repair approval must be done using a method approved in accordance with the procedures specified in paragraph (s) of this AD.

(j) Retained Concurrent Requirements

(1) This paragraph restates the requirements of paragraph (j) of AD 2005–14–07, Amendment 39–14184 (70 FR 39647, July 11, 2005), with new paragraph reference. For Model 727 airplanes listed in Boeing 727 Service Bulletin 57–59, Revision 1, dated September 27, 1965: Before or at the same time with the requirements of paragraph (i) or (o) of this AD, install guide blocks and bushings in the midflap ribs in accordance with the Accomplishment Instructions of Boeing 727 Service Bulletin 57–59, Revision 1, dated September 27, 1965.

(2) This paragraph restates the requirements of paragraph (k) of AD 2005–14–07, Amendment 39–14184 (70 FR 39647, July 11, 2005), with new paragraph reference. For Model 727 airplanes listed in Boeing Service Bulletin 727–27–133, Revision 1, dated May 9, 1972: Before or at the same time with the requirements of paragraph (i) or (o) of this AD, do the actions specified in paragraphs (j)(2)(i) and (j)(2)(ii) of this AD, as applicable.

(i) For Groups I and II airplanes identified in Boeing Service Bulletin 727–27–133, Revision 1, dated May 9, 1972: Do a one-time inspection of the airload support roller for travel on the foreflap track, in accordance with Part I of the Accomplishment Instructions of Boeing Service Bulletin 727–27–133, Revision 1, dated May 9, 1972.

(A) If the airload support roller travels within the limits specified in Boeing Service Bulletin 727–27–133, Revision 1, dated May 9, 1972, modify the control drum of the inboard flap and inboard jackscrews of the outboard flap, in accordance with Part II of the Accomplishment Instructions of Boeing Service Bulletin 727–27–133, Revision 1, dated May 9, 1972.

(B) If the airload support roller travels beyond the limits specified in Boeing Service Bulletin 727–27–133, Revision 1, dated May 9, 1972, repair in accordance with a method approved by the Manager, Seattle ACO, or Los Angeles ACO, FAA; or in accordance with data meeting the type certification basis of the airplane approved by an AR for the Boeing DOA Organization who has been authorized by the FAA to make such findings; or using a method approved in accordance with the procedures specified in paragraph (s) of this AD. For a repair method to be approved, the repair must meet the certification basis of the airplane, and the approval must specifically reference this AD. As of the effective date of this AD, any new repair approval must be done using a method approved in accordance with the procedures specified in paragraph (s) of this AD.

(ii) For Group III airplanes identified in Boeing Service Bulletin 727–27–133, Revision 1, dated May 9, 1972: Modify the inboard jackscrews of the outboard flap (i.e., replacing the down stop at the inboard jackscrews of the outboard flap) in accordance with Part II of the

Accomplishment Instructions of Boeing Service Bulletin 727–27–133, Revision 1, dated May 9, 1972.

(3) This paragraph restates the requirements of paragraph (l) of AD 2005–14–07, Amendment 39–14184 (70 FR 39647, July 11, 2005), with new paragraph reference. For Model 727 airplanes listed in Boeing 727 Service Bulletin 57–72, dated September 21, 1966: Before or at the same time with the requirements of paragraph (i) or (o) of this AD, do the actions specified in paragraphs (j)(3)(i) through (j)(3)(iv) of this AD.

(i) Chamfer the upper and lower flanges at the aft end of the foreflap tracks in accordance with the Accomplishment Instructions of Boeing 727 Service Bulletin 57–72, dated September 21, 1966.

(ii) Do a standard magnetic particle inspection of the entire foreflap tracks for cracks in accordance with the Accomplishment Instructions of Boeing 727 Service Bulletin 57–72, dated September 21, 1966. If any crack is detected, before further flight, repair in accordance with a method approved by the Manager, Seattle ACO, or Los Angeles ACO, FAA; or in accordance with data meeting the type certification basis of the airplane approved by an AR for the Boeing DOA Organization who has been authorized by the FAA to make such findings; or using a method approved in accordance with the procedures specified in paragraph (s) of this AD. For a repair method to be approved, the repair must meet the certification basis of the airplane, and the approval must specifically reference this AD. As of the effective date of this AD, any new repair approval must be done using a method approved in accordance with the procedures specified in paragraph (s) of this AD.

(iii) Do a general visual inspection of the track rib faces at the front and rear spars to verify if the opening in the spars is flush with or clear of the plane of the rib faces, in accordance with the Accomplishment Instructions of Boeing 727 Service Bulletin 57–72, dated September 21, 1966. If the opening is not flush or clear with the plane, before further flight, rework the spar opening in accordance with the Accomplishment Instructions of Boeing 727 Service Bulletin 57–72, dated September 21, 1966.

(iv) Do a general visual inspection of the head or shank of bolts by securing the foreflap links to the foreflap tracks to verify if they protrude beyond the edge of the track flange in accordance with the Accomplishment Instructions of Boeing 727 Service Bulletin 57–72, dated September 21, 1966. If the head or shank of the bolts protrude beyond the edge of the track flange, before further flight, rework in accordance with the Accomplishment Instructions of Boeing 727 Service Bulletin 57–72, dated September 21, 1966.

(v) For the purposes of this AD, a general visual inspection is defined as: ''A visual examination of an interior or exterior area, installation, or assembly to detect obvious damage, failure, or irregularity. This level of inspection is made from within touching distance unless otherwise specified. A mirror may be necessary to enhance visual access to all exposed surfaces in the inspection area. This level of inspection is made under normally available lighting conditions such as daylight, hangar lighting, flashlight, or droplight and may require removal or opening of access panels or doors. Stands, ladders, or platforms may be required to gain proximity to the area being checked.''

(4) This paragraph restates the requirements of paragraph (m) of AD 2005–14–07, Amendment 39–14184 (70 FR 39647, July 11, 2005), with a new paragraph identifier. For airplanes other than those identified in the service information specified in paragraphs (j)(1) through (j)(3) of this AD: Before or at the same time with the requirements of paragraph (i) or (o) of this AD, do an inspection to verify if any of the parts listed in the ''Spares Affected'' paragraph of each service information referenced in paragraphs (j)(1) through (j)(3) of this AD are installed on the airplane. If any part identified in that paragraph is found installed, before further flight, do the applicable corrective and investigative action(s) specified in paragraphs (j)(1) through (j)(3) of this AD.

(k) Retained Optional Terminating Actions

This paragraph restates the requirements of paragraph (n) of AD 2005–14–07, Amendment 39–14184 (70 FR 39647, July 11, 2005), with no changes. Replacement of the two carriage attach fittings on the inboard and outboard foreflaps of each wing with new, improved fittings, in accordance with the Accomplishment Instructions of Boeing Alert Service Bulletin 727–57A0135, Revision 3, dated June 27, 2002; and accomplishment of the actions specified in paragraphs (j)(1) through (j)(4) of this AD, as applicable, before or concurrently with the replacement; constitutes terminating action for paragraphs (g) through (j) of this AD and paragraph (l) of this AD for those replaced fittings on the outboard and inboard foreflaps.

(l) Retained Optional Deferral of Inspection

This paragraph restates the optional deferral of paragraph (o) of AD 2005–14–07, Amendment 39–14184 (70 FR 39647, July 11, 2005), with no changes. Replacement of the two carriage attach fittings on the inboard and outboard foreflaps of each wing with new fittings having the same part number as the existing fittings, in accordance with the Accomplishment Instructions of Boeing Alert Service Bulletin 727–57A0135, Revision 3, dated June 27, 2002; and accomplishment of the actions specified in paragraphs (j)(1) through (j)(4) of this AD, as applicable, before or concurrently with the replacement; defers the next inspection required by paragraph (g) of this AD for 10,000 flight cycles after the replacement. Thereafter, repeat the inspections required by paragraph (g) of this AD at intervals not to exceed 1,000 flight cycles, except as required by paragraph (m) of this AD.

(m) New Detailed and HFEC Inspections of Outboard Foreflaps, With Reduced Repetitive Intervals

Within 1,000 flight cycles after the most recent accomplishment of the inspections required by paragraph (g) of this AD, do a detailed inspection to detect cracks and surface deviations on all edges, surfaces, and lug attachment fastener holes, and a HFEC inspection to detect cracks at the lug attachment fastener holes, on the two carriage attach fittings on the outboard foreflaps of each wing, in accordance with the Accomplishment Instructions of Boeing Alert Service Bulletin 727–57A0135, Revision 4, dated September 26, 2012, and do all applicable corrective actions required by paragraph (h) of this AD. Repeat the inspections thereafter at intervals not to exceed 200 flight cycles until the requirements of paragraph (o) of this AD is accomplished. Accomplishing the requirements of this paragraph terminates the requirements of paragraph (g) of this AD for the outboard foreflaps only.

(n) New Inspection and Check of Outboard Foreflap Installation and Corrective Action

Within 200 flight cycles or 6 months after the effective date of this AD, whichever occurs first, do a general visual inspection and function check for damage and incorrect operation of the outboard foreflap installations, and all applicable corrective actions, in accordance with the Accomplishment Instructions of Boeing Alert Service Bulletin 727–57A0135, Revision 4, dated September 26, 2012. Do the applicable corrective actions before further flight. Thereafter, repeat the inspection and check at intervals not to exceed 500 flight cycles.

(o) New Replacement of Previously Un-Replaced (or ''Original Configuration'') Carriage Attach Fittings on the Outboard Foreflap

For airplanes on which any production carriage attach fitting is still installed on the outboard foreflap: Within 3,000 flight cycles or 3 years after the effective date of this AD, whichever occurs first, replace all production carriage attach fittings with new, improved carriage attach fittings, in accordance with the Accomplishment Instructions of Boeing Alert Service Bulletin 727–57A0135, Revision 4, dated September 26, 2012, and do all applicable concurrent actions required by paragraph (k) of this AD. Accomplishing the requirements of this paragraph terminates the requirements of paragraphs (g) and (m) of this AD for outboard foreflaps only.

(p) New Inspection, Corrective Action and Replacement of Fittings Replaced in Accordance With Paragraph (l) of This AD

For airplanes on which a new carriage attach fitting with the original part number on the outboard foreflap was installed in accordance with paragraph (l) of this AD: Do the actions specified in paragraphs (p)(1) and (p)(2) of this AD.

(1) Within 1,000 flight cycles after the effective date of this AD, do a detailed inspection for cracks and surface deviation on all edges surfaces, and lug attachment fastener holes, and a HFEC inspection for cracks at the lug attachment fastener holes, on the carriage attach fittings for the outboard foreflaps, and do all applicable corrective actions, in accordance with the Accomplishment Instructions of Boeing Alert Service Bulletin 727–57A0135, Revision 4, dated September 26, 2012. Repeat the inspection at intervals not to exceed 200

flight cycles. Do all applicable corrective actions before further flight.

(2) Within 3,000 flight cycles or 3 years after the effective date of this AD, replace the fitting with a new, improved fitting in accordance with the Accomplishment Instructions of Boeing Alert Service Bulletin 727–57A0135, Revision 4, dated September 26, 2012. Accomplishing the requirements of this paragraph terminates the requirements of paragraphs (g), (m), and (p)(1) of this AD for that outboard foreflap only.

(q) New Inspection and Corrective Actions on Fittings Replaced According to Paragraph (k), (o), or (p) of This AD on Outboard Foreflaps

For airplanes on which a new, improved carriage attach fitting on the outboard foreflap was replaced in accordance with the requirements of paragraph (k), (o), or (p) of this AD: Within 20,000 flight cycles after installing that fitting, do a detailed inspection for cracks and surface deviation on all edges surfaces, and lug attachment fastener holes, and a HFEC inspection for cracks at the lug attachment fastener holes, on the carriage attach fittings for the outboard foreflaps, and do all applicable corrective actions, in accordance with the Accomplishment Instructions of Boeing Alert Service Bulletin 727–57A0135, Revision 4, dated September 26, 2012. Do all applicable corrective actions before further flight. Repeat the inspection thereafter at intervals not to exceed 1,400 flight cycles. Accomplishing the requirements of this paragraph terminates the requirements of paragraph (g) of this AD for outboard foreflaps only.

(r) Retained Credit for Previously Accomplished Service Bulletins

(1) This paragraph restates the credit provided by paragraph (p) of AD 2005–14–07, Amendment 39–14184 (70 FR 39647, July 11, 2005), with no changes. Installations accomplished before August 15, 2005 (the effective date of AD 2005–14–07), in accordance with Boeing 727 Service Bulletin 57–59, dated September 2, 1965, are acceptable for compliance with the requirements of paragraph (j)(1) of this AD.

(2) This paragraph restates the credit provided by paragraph (q) of AD 2005–14–07, Amendment 39–14184 (70 FR 39647, July 11, 2005), with no changes. Inspections and modifications accomplished before August 15, 2005 (the effective date of AD 2005–14–07), in accordance with Boeing Service Bulletin 727–27–133, dated October 7, 1971, are acceptable for compliance with the requirements of paragraph (j)(2) of this AD.

(s) 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 (t)(1) 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.

(4) AMOCs approved for AD 2005–14–07, Amendment 39–14184 (70 FR 39647, July 11, 2005), are approved as AMOCs for the corresponding provisions of this AD.

(t) Related Information

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

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

(u) 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 December 3, 2014.

(i) Boeing Alert Service Bulletin 727–57A0135, Revision 4, dated September 26, 2012.

(ii) Reserved.

(4) The following service information was approved for IBR on August 15, 2005 (70 FR 39647, July 11, 2005).

(i) Boeing Alert Service Bulletin 727–57A0135, Revision 3, dated June 27, 2002.

(ii) Boeing Service Bulletin 727–27–133, Revision 1, dated May 9, 1972. Pages 1, 12, 14 through 18, and 27 of this document are identified as Revision 1, dated May 9, 1972. Pages 2 through 11, 13, 19 through 26, and 28 are original, dated October 7, 1971.

(iii) Boeing 727 Service Bulletin 57–59, Revision 1, dated September 27, 1965. Pages 1, 4, and 6 of this document are identified as Revision 1, dated September 27, 1965. Pages 2, 3, and 5 are original, dated September 2, 1965.

(iv) Boeing 727 Service Bulletin 57–72, dated September 21, 1966.

(5) 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.*

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

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

Issued in Renton, Washington, on October 15, 2014.

Michael Kaszycki,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2014–25419 Filed 10–28–14; 8:45 am]

BILLING CODE 4910–13–P

SECURITIES AND EXCHANGE COMMISSION

17 CFR Part 232

[Release Nos. 33–9668; 34–73390; 39–2498; IC–31294]

Adoption of Updated EDGAR Filer Manual

AGENCY: Securities and Exchange Commission.

ACTION: Final rule.

SUMMARY: The Securities and Exchange Commission (the Commission) is adopting revisions to the Electronic Data Gathering, Analysis, and Retrieval System (EDGAR) Filer Manual and related rules to reflect updates to the EDGAR system. The updates are being made primarily to support the revision of the disclosure, reporting and offering process for asset-backed securities (ABS) to enhance transparency and better protect investors in the securitization market; system upgrade to be compatible with Internet Explorer (IE) version 8.0; revision of the N–SAR system requirements. The EDGAR system is scheduled to be upgraded to support this functionality on October 20, 2014.

DATES: Effective October 29, 2014. The incorporation by reference of the EDGAR Filer Manual is approved by the Director of the Federal Register as of October 29, 2014.

FOR FURTHER INFORMATION CONTACT: In the Division of Corporation Finance, for questions concerning the revisions for asset-backed securities contact Heather Mackintosh at (202) 551–3600; and in the Office of Information Technology, contact Tammy Borkowski at (202) 551–7208.

SUPPLEMENTARY INFORMATION: We are adopting an updated EDGAR Filer

Manual, Volume I, Volume II, and Volume III. The Filer Manual describes the technical formatting requirements for the preparation and submission of electronic filings through the EDGAR system.[1] It also describes the requirements for filing using EDGARLink Online and the Online Forms/XML Web site.

The revisions to the Filer Manual reflect changes within Volume I entitled EDGAR Filer Manual, Volume I: ''General Information,'' Version 18 (October 2014), Volume II entitled EDGAR Filer Manual, Volume II: ''EDGAR Filing,'' Version 28 (October 2014), and Volume III entitled EDGAR Filer Manual, Volume III: ''N–SAR Supplement,'' Version 4 (October 2014). The updated manual will be incorporated by reference into the Code of Federal Regulations.

The Filer Manual contains all the technical specifications for filers to submit filings using the EDGAR system. Filers must comply with the applicable provisions of the Filer Manual in order to assure the timely acceptance and processing of filings made in electronic format.[2] Filers may consult the Filer Manual in conjunction with our rules governing mandated electronic filing when preparing documents for electronic submission.[3]

The EDGAR system will be upgraded to Release 14.2 on October 20, 2014 and will introduce the following changes.

EDGAR will be updated to add new submission form types SF–1, SF–1/A, SF–3, SF–3/A, SF–3MEF, 424H, 424H/A, ABS–EE, and ABS–EE/A to the EDGAR Filing Web site. These submission form types can be accessed by selecting the 'EDGARLink Online Form Submission' link on the EDGAR Filing Web site. Additionally, filers may construct XML submissions for these submission form types by following the ''EDGARLink Online XML Technical Specification'' document.

New exhibits EX–102 (Asset Data File) and EX–103 (Asset Related Document) will be available on EDGARLink Online for submission form types ABS–EE and ABS–EE/A. Filers must construct an XML Asset-Backed Security (ABS) Asset Data File by following the new ''EDGAR ABS XML Technical Specification'' document. Each element listed in the Element/Attribute Name column in section 3.4 (Mapping of ABS Schemas to Asset Data Types) of the ''EDGAR ABS XML Technical Specification'' document corresponds to an Item number of Schedule AL—Asset-Level Information (17 CFR 229.1125). Schedule AL contains the complete title and description of each of the disclosure requirements and filers should refer to Schedule AL for a full description of the information that must be provided in any ABS Asset Data File.

Form 8–K Item 6.06 (Static Pool) will be available on EDGARLink Online for submission form types 8–K, 8–K/A, 8–K12B, 8–K12B/A, 8–K12G3, 8–K12G3/A, 8–K15D5, and 8–K15D5/A.

Exhibit EX–106 (Static Pool) will be available on EDGARLink Online and can be included with the following submission form types: S–1, S–1/A, S–1MEF, S–3, S–3/A, S–3ASR, S–3D, S–3DPOS, S–3MEF, SF–1, SF–1/A, SF–3, SF–3/A, and SF–3MEF. In addition, Exhibit EX–106 can also be included with the following submission form types if Item 6.06 is selected: 8–K, 8–K/A, 8–K12B, 8–K12B/A, 8–K12G3, 8–K12G3/A, 8–K15D5, and 8–K15D5/A.

The Login and Frequently Asked Questions (FAQ) screens for all EDGAR Web sites, the EDGAR Portal, and the EDGAR Company Database will be updated to specify Internet Explorer 8.0 as the recommended browser and Firefox 24.x as an additionally compatible browser.

EDGAR Filer Manual Volume I (General Information) and EDGAR Filer Manual Volume II (EDGAR Filing) will be updated to remove all references to leased line filings, as EDGAR no longer supports the leased line filing method.

Along with the adoption of the Filer Manual, we are amending Rule 301 of Regulation S–T to provide for the incorporation by reference into the Code of Federal Regulations of today's revisions. This incorporation by reference was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR Part 51.

The updated EDGAR Filer Manual will be available for Web site viewing and printing; the address for the Filer Manual is *http://www.sec.gov/info/edgar.shtml*. You may also obtain paper copies of the EDGAR Filer Manual from the following address: Public Reference Room, U.S. Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m.

Since the Filer Manual and the corresponding rule changes relate solely to agency procedures or practice, publication for notice and comment is not required under the Administrative Procedure Act (APA).[4] It follows that the requirements of the Regulatory Flexibility Act[5] do not apply.

The effective date for the updated Filer Manual and the rule amendments is October 29, 2014. In accordance with the APA,[6] we find that there is good cause to establish an effective date less than 30 days after publication of these rules. The EDGAR system upgrade to Release 14.2 is scheduled to become available on October 20, 2014. The Commission believes that establishing an effective date less than 30 days after publication of these rules is necessary to coordinate the effectiveness of the updated Filer Manual with the system upgrade.

Statutory Basis

We are adopting the amendments to Regulation S–T under Sections 6, 7, 8, 10, and 19(a) of the Securities Act of 1933,[7] Sections 3, 12, 13, 14, 15, 23, and 35A of the Securities Exchange Act of 1934,[8] Section 319 of the Trust Indenture Act of 1939,[9] and Sections 8, 30, 31, and 38 of the Investment Company Act of 1940.[10]

List of Subjects in 17 CFR Part 232

Incorporation by reference, Reporting and recordkeeping requirements, Securities.

Text of the Amendment

In accordance with the foregoing, Title 17, Chapter II of the Code of Federal Regulations is amended as follows:

PART 232—REGULATION S–T—GENERAL RULES AND REGULATIONS FOR ELECTRONIC FILINGS

■ 1. The authority citation for part 232 continues to read in part as follows:

Authority: 15 U.S.C. 77f, 77g, 77h, 77j, 77s(a), 77z–3, 77sss(a), 78c(b), 78*l,* 78m, 78n, 78o(d), 78w(a), 78*ll,* 80a–6(c), 80a–8, 80a–29, 80a–30, 80a–37, and 7201 *et seq.;* and 18 U.S.C. 1350.

* * * * *

■ 2. Section 232.301 is revised to read as follows:

[1] We originally adopted the Filer Manual on April 1, 1993, with an effective date of April 26, 1993. Release No. 33–6986 (April 1, 1993) [58 FR 18638]. We implemented the most recent update to the Filer Manual on June 20, 2014. *See* Release No. 33–9600 (June 20, 2014) [79 FR 35280].

[2] *See* Rule 301 of Regulation S–T (17 CFR 232.301).

[3] *See* Release No. 33–9600 in which we implemented EDGAR Release 14.1. For additional history of Filer Manual rules, please see the cites therein.

[4] 5 U.S.C. 553(b).

[5] 5 U.S.C. 601–612.

[6] 5 U.S.C. 553(d)(3).

[7] 15 U.S.C. 77f, 77g, 77h, 77j, and 77s(a).

[8] 15 U.S.C. 78c, 78*l,* 78m, 78n, 78o, 78w, and 78*ll.*

[9] 15 U.S.C. 77sss.

[10] 15 U.S.C. 80a–8, 80a–29, 80a–30, and 80a–37.

§ 232.301 EDGAR Filer Manual.

Filers must prepare electronic filings in the manner prescribed by the EDGAR Filer Manual, promulgated by the Commission, which sets out the technical formatting requirements for electronic submissions. The requirements for becoming an EDGAR Filer and updating company data are set forth in the updated EDGAR Filer Manual, Volume I: ''General Information,'' Version 18 (October 2014). The requirements for filing on EDGAR are set forth in the updated EDGAR Filer Manual, Volume II: ''EDGAR Filing,'' Version 28 (October 2014). Additional provisions applicable to Form N–SAR filers are set forth in the EDGAR Filer Manual, Volume III: ''N–SAR Supplement,'' Version 4 (October 2014). All of these provisions have been incorporated by reference into the Code of Federal Regulations, which action was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR Part 51. You must comply with these requirements in order for documents to be timely received and accepted. The EDGAR Filer Manual is available for Web site viewing and printing; the address for the Filer Manual is *http://www.sec.gov/info/edgar.shtml*. You can obtain paper copies of the EDGAR Filer Manual from the following address: Public Reference Room, U.S. Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. You can also inspect the document 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/code_of_federal_regulations/ibr_locations.html*.

By the Commission.

Dated: October 20, 2014.

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–25536 Filed 10–28–14; 8:45 am]

BILLING CODE 8011–01–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 41

[TD 9698]

RIN 1545–BG63; RIN 1545–BK35

Highway Use Tax; Sold Vehicles and Electronic Filing; Taxable Period Beginning July 1, 2011

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final regulations and removal of temporary regulations.

SUMMARY: This document contains final regulations that provide guidance on the mandatory electronic filing of Form 2290, ''Heavy Highway Vehicle Use Tax Return,'' for 25 or more vehicles; credits or refunds for sold, destroyed, or stolen vehicles; and the tax liability and computation of tax on the use of certain second-hand vehicles. The regulations affect owners and operators of highway motor vehicles with a taxable gross weight of 55,000 pounds or more. These final regulations also remove the temporary regulations that provide guidance on the filing of Form 2290 and payment of the associated highway use tax for the taxable period beginning July 1, 2011.

DATES: *Effective Date:* These regulations are effective on July 1, 2015.

Applicability Date: For dates of applicability, see §§ 41.4481–1(e), 41.4481–2(c), 41.6001–2(e), 41.6011(a)–1(d), 41.6071(a)–1(d), and 41.6151(a)–1(b).

FOR FURTHER INFORMATION CONTACT: Natalie Payne, (202) 317–5262 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background and Explanation of Provisions

This document amends the Highway Use Tax Regulations (26 CFR Part 41) under sections 4481, 4483, 6001, 6071, and 6151 of the Internal Revenue Code (Code).

Section 4481(a) of the Code imposes an annual tax on the use of highway vehicles with a taxable gross weight of 55,000 pounds or more. Under paragraphs (c)(2) and (c)(4) of section 4482, the taxable period generally runs from July 1 through the following June 30.

Section 867 of the American Jobs Creation Act of 2004, Public Law 108–357 (118 Stat. 1418 (2004)), (1) added new section 4481(e), which requires electronic filing of a return reporting tax on the use of 25 or more highway motor vehicles, (2) modified section 4481(c)(2) to allow a proration of the tax for vehicles that are sold, and (3) repealed section 6156, eliminating the ability to pay the tax in installments.

On January 16, 2009, the IRS and the Treasury Department published a notice of proposed rulemaking (REG–116699–07, 74 FR 2910) (NPRM 1) in the **Federal Register**. The NPRM 1 provides proposed guidance on mandatory electronic filing of Form 2290, ''Heavy Highway Vehicle Use Tax Return,'' for 25 or more vehicles. Specifically, NPRM 1 provides that submitting a Form 2290 on paper for 25 or more vehicles constitutes a failure to file for purposes of the penalty under section 6651. In addition, NPRM 1 provides that if a taxpayer is required to file Form 2290 electronically and fails to do so, the IRS will not return to the taxpayer a receipted Schedule 1 (Form 2290), which is necessary to register the vehicle with a State.

The NPRM 1 also revises existing regulations to administer the credits and refunds resulting from a statutory overpayment of tax upon the sale of a vehicle, and it clarifies that the triggering event for overpayments is the sale, destruction, or theft of a vehicle. In addition, NPRM 1 clarifies the tax liability and computation of tax upon the first taxable use of a second-hand vehicle for which there was a prior taxable use during the tax period.

The IRS and the Treasury Department received one written comment in response to NPRM 1. No public hearing was requested or held.

On July 20, 2011, the IRS and the Treasury Department published final and temporary regulations (TD 9537, 76 FR 43121) (the Temporary Regulations) in the **Federal Register**. The same day, the IRS and the Treasury Department published a notice of proposed rulemaking (REG–122813–11, 76 FR 43225) (NPRM 2) by cross-reference to the Temporary Regulations in the **Federal Register**. At the time the IRS and the Treasury Department published NPRM 2, the highway use tax was scheduled to expire at the close of September 30, 2011, which would have resulted in a short taxable period for the taxable period beginning on July 1, 2011 (the effective date of the tax has since been statutorily extended through September 30, 2017). The Temporary Regulations provide guidance on the filing of Form 2290 and the payment of the associated highway use tax for the taxable period beginning July 1, 2011. Specifically, the Temporary Regulations postponed the deadline by which a taxpayer must file a Form 2290 return for taxable uses during the taxable

period beginning July 1, 2011, to November 30, 2011. Further, the Temporary Regulations discouraged the filing of a Form 2290, or submission of associated payment, before November 1, 2011, for taxable uses during the taxable period beginning July 1, 2011. No comments were received in response to NPRM 2, and no public hearing was requested or held.

These final regulations adopt NPRM 1 with two substantive changes (described in the next paragraph). In addition, the IRS and the Treasury Department have made certain nonsubstantive changes to the regulatory text, including minor wording changes, to improve the clarity and readability of the final regulations.

To reduce the burden on small business, the final regulations remove the proposals in NPRM 1 related to the effect of a failure to file a Form 2290 electronically for 25 or more vehicles. Thus, under the final regulations, the filing of a Form 2290 on paper for 25 or more vehicles does not constitute a failure to file for purposes of the penalty under section 6651, and the IRS will not withhold from the taxpayer a receipted Schedule 1 (Form 2290). The IRS and the Treasury Department continue to consider ways to ensure compliance with the electronic filing requirement in section 4481(e). Accordingly, the IRS and the Treasury Department request comments on how to enforce the electronic filing requirement in a manner that does not unduly burden taxpayers. Comments on this issue should be submitted in writing and can be mailed to the Office of Associate Chief Counsel (Passthroughs and Special Industries), Re: REG–116699–07, CC:PSI:B7, Room 5314, 1111 Constitution Avenue NW., Washington, DC 20224. All comments received will be available for public inspection at *http://www.regulations.gov* (IRS REG–116699–07).

These final regulations do not adopt NPRM 2 because the period to which NPRM 2 applies has ended. In addition, these final regulations remove the Temporary Regulations.

Summary of Comment

The comment received in response to NPRM 1 suggested that the IRS modify its rule under § 41.6001–2(b)(2)(ii) relating to the registration of highway motor vehicles. Under § 41.6001–2(b)(2)(ii), a State that registers vehicles other than on the basis of gross weight must require proof of payment in order to register a highway motor vehicle, unless the State receives a written statement providing that during the taxable period that includes the date on which the State receives the application for registration, the vehicle had a taxable gross weight of less than 55,000 pounds. The commenter noted that many highway motor vehicles in the gross weight range of 8,000 to 54,999 pounds are used in the same manner each year and never reach a gross weight of 55,000 pounds. The commenter suggested that owners of vehicles in the 8,000 to 54,999 pound range be allowed to declare at the initial vehicle registration that the gross weight of the highway motor vehicle is not expected to ever reach 55,000 pounds, provided the owner also certifies that if the gross weight of the vehicle ever reaches a gross weight of 55,000 pounds or more the owner will make timely payments of any highway vehicle use tax due.

The final regulations do not adopt the change proposed by the commenter. The IRS and the Treasury Department have determined that the written statement required by § 41.6001–2(b)(2)(ii) provides information that is essential to the effective and efficient administration of the tax under section 4481 without unduly burdening taxpayers.

Special Analyses

It has been determined that this Treasury decision 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 has also been determined that section 553(b) of the Administrative Procedure Act (5 U.S.C. chapter 5) does not apply to these regulations. Pursuant to the Regulatory Flexibility Act (5 U.S.C. chapter 6), it is hereby certified that this regulation will not have a significant economic impact on a substantial number of small entities. The regulations affect owners and operators of highway motor vehicles with a taxable gross weight of 55,000 pounds or more, some of which may be small entities. Although a substantial number of small entities may be subject to the requirements of this rule, any economic impact is minimal. The regulations provide guidance for claiming a refund or credit when a vehicle is sold during the tax year. Specifically, the regulations provide that the claim must be made on Form 2290 or Form 8849, ''Claim for Refund of Excise Taxes.'' The information to complete these forms is readily available to the taxpayer and the forms take little time to complete. Without the claim information, the IRS could not determine taxpayer eligibility or determine the accuracy of the claim. Accordingly, these regulations do not impose a collection of information on small entities within the meaning of the Regulatory Flexibility Act and a regulatory flexibility analysis is not required.

Pursuant to section 7805(f) of the Code, NPRM 1 and NPRM 2 were submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on their impact on small entities. No comments were received.

Drafting Information

The principal author of these regulations is Natalie Payne, Office of the Associate Chief Counsel (Passthroughs and Special Industries). However, other personnel from the IRS and the Treasury Department participated in their development.

List of Subjects in 26 CFR Part 41

Excise taxes, Motor vehicles, Reporting and recordkeeping requirements.

Adoption of Amendments to the Regulations

Accordingly, 26 CFR part 41 is amended as follows:

PART 41—EXCISE TAX ON USE OF CERTAIN HIGHWAY MOTOR VEHICLES

■ **Paragraph 1.** The authority citation for part 41 is revised to read as follows:

Authority: 26 U.S.C. 7805.

Section 41.4482(b)–1 also issued under 26 U.S.C. 4482(b).

Section 41.4483–1 also issued under 26 U.S.C. 4483(a).

Section 41.4483–2 also issued under 26 U.S.C. 4483(c).

Section 41.4483–3 also issued under 26 U.S.C. 4483(d).

Section 41.6001–1 also issued under 26 U.S.C. 6001.

Section 41.6001–2 also issued under 26 U.S.C. 6001.

Section 41.6001–3 also issued under sec. 507, Public Law 100–17 (101 Stat. 260).

Section 41.6011(a)–1 also issued under 26 U.S.C. 6011(a).

Section 41.6060–1 also issued under 26 U.S.C. 6060(a).

Section 41.6071(a)–1 also issued under 26 U.S.C. 6071 (a).

Section 41.6091–1 also issued under 26 U.S.C. 6091(a).

Section 41.6101–1 also issued under 26 U.S.C. 6101.

Section 41.6109–1 also issued under 26 U.S.C. 6109(a).

Section 41.6109–2 also issued under 26 U.S.C. 6109(a).

Section 41.6151(a)–1 also issued under 26 U.S.C. 6151(a).

Section 41.6695–1 also issued under 26 U.S.C. 6695(b).

■ **Par. 2.** Section 41.4481–1 is amended by:

■ 1. Revising the section heading.

■ 2. Removing the third sentence from paragraph (b).

■ 3. Adding headings to paragraphs (c)(1), (c)(2), and (c)(3).

■ 4. In the introductory text of paragraph (c)(1), removing the language ''Except as provided in paragraph (c)(2) of this section'' and adding in its place ''Except as otherwise provided in this paragraph (c)''.

■ 5. Revising paragraphs (c)(4) and (c)(5).

■ 6. Removing paragraphs (c)(6) and (d).

■ 7. Redesignating paragraph (e) as paragraph (d) and revising the introductory text in newly-redesignated paragraph (d).

■ 8. In newly-redesignated paragraph (d), revising *Example* (3) and adding *Example* (4).

■ 9. Adding new paragraph (e).

The revisions and additions read as follows:

§ 41.4481–1 Imposition and computation of tax.

* * * * *

(c) * * *

(1) *In general.* * * *

* * * * *

(2) *Certain prorated taxable periods.* * * *

(3) *Increase in taxable gross weight during the taxable period.* * * *

(4) *Prorated taxable period for sold, destroyed, or stolen vehicles*—(i) *In general.* The tax on a taxpayer's use of a highway vehicle for a taxable period is determined under paragraph (c)(4)(ii) of this section if—

(A) The vehicle is destroyed or stolen before the first day of the last month in the taxable period and is not later used by the taxpayer during the period; or

(B) The taxpayer sells the vehicle before the first day of the last month in the taxable period and does not later use the vehicle during the period.

(ii) *Computation of tax.* If the tax on a taxpayer's use of a highway vehicle for a taxable period is determined under this paragraph (c)(4)(ii), the tax is computed by multiplying the amount of tax that would be due for a full taxable period, as computed under paragraph (c)(1) of this section, by a fraction. The fraction has as its numerator the number of months in the period from the first day of the month in the period in which the first taxable use of the highway motor vehicle occurs to and including the last day of the month in which the highway motor vehicle was sold, destroyed, or stolen, and as its denominator the number of months in the entire taxable period. (See paragraph (d) *Example* (3)(i) of this section.)

(iii) *Overpayment.* If a taxpayer's liability for the tax on the use of a highway vehicle for a taxable period is determined under paragraph (c)(4)(ii) of this section, any tax the taxpayer paid under section 4481(a) on the use of the vehicle for such period in excess of the tax calculated under paragraph (c)(4)(ii) of this section is an overpayment of tax.

(iv) *Definition of destroyed vehicle.* For purposes of this paragraph (c)(4), a highway motor vehicle is destroyed if the vehicle is damaged due to an accident or other casualty to such an extent that it is not economical to rebuild.

(v) *Form and content of claim.* A claim for refund of an overpayment described in paragraph (c)(4)(iii) of this section must be made on Form 8849, ''Claim for Refund of Excise Taxes'' (or such other form as the Commissioner may designate) in accordance with the instructions for that form. A claim for a credit must be made on Form 2290, ''Heavy Highway Vehicle Use Tax Return'' (or such other form as the Commissioner may designate) in accordance with the instructions for that form. A claim for refund or credit for any vehicle must include—

(A) The vehicle identification number and taxable gross weight of the vehicle;

(B) The date of the sale, destruction, or theft of the vehicle; and

(C) If the vehicle was sold, the name and address of the purchaser of the vehicle.

(vi) *Tax on buyer's use of second-hand vehicles.* If a vehicle is sold during the taxable period and a credit or refund of the tax imposed by section 4481 is allowable upon the sale under paragraph (c)(4)(iii) of this section, tax is imposed on the use of the vehicle after the sale and before the end of the taxable period. (See paragraph (c)(4)(vii) of this section for the rules regarding the computation of tax after the sale and before the end of the taxable period.)

(vii) *Computation of tax on second-hand vehicles.* The tax under paragraph (c)(4)(vi) of this section on the use of a vehicle after a sale upon which a credit or refund is allowable is computed by multiplying the amount of tax that would be due for a full taxable period as computed under paragraph (c)(1) of this section by a fraction. The fraction has as its numerator the number of months in the period from the first day of the month in which the first taxable use of the vehicle after the sale occurs (the first day of the month after such month if the first taxable use after the sale occurs in the month of the sale) through the end of the taxable period, and as its denominator the number of months in the entire taxable period. (See paragraph (d) *Example* (3)(ii) of this section.)

(5) *Decrease in taxable gross weight, discontinued use, or converted use.* The computation of the tax is not affected, and no right to a credit or refund of any tax paid under section 4481 arises, if in any taxable period—

(i) The taxable gross weight of a highway motor vehicle is decreased;

(ii) The use of a highway motor vehicle is discontinued (for reasons other than sale, destruction, or theft as described in paragraph (c)(4) of this section); or

(iii) The highway motor vehicle is converted to a use that is exempt from the tax imposed by section 4481(a).

(d) *Examples.* The application of §§ 41.4481–1, 41.4481–2, and 41.4482(c)–1(c) may be illustrated by the following examples:

* * * * *

Example (3). (i) In July, X uses a vehicle that is registered in X's name and has a taxable gross weight of 70,000 pounds. The vehicle is not a logging vehicle. X pays the $430 of tax imposed by section 4481 for the taxable period. On September 2 of the same calendar year, X sells the vehicle to Y. X's tax is calculated under paragraph (c)(4)(ii) by multiplying the amount of tax that would be due for a full taxable period by a fraction that has as its numerator the number of months in the period from the first day of the month in which X's first taxable use of the highway motor vehicle occurs to and including the last day of the month in which the vehicle was sold, and as its denominator the number of months in the entire taxable period. Thus, X's tax for the period is $107.50 (3/12 of $430), and X may claim a credit or refund of $322.50 ($430.00 − $107.50) in accordance with § 41.4481–1(c)(4)(v) after X sells the vehicle.

(ii) On September 23, Y uses the vehicle. Y is liable for tax on the use of the vehicle during the taxable period ending June 30 of the following calendar year. Y's tax is calculated under paragraph (c)(4)(vii) by multiplying the amount of tax that would be due for a full taxable period by a fraction that has as its numerator the number of months in the period from the first day of the month in which Y's first taxable use of the vehicle after the sale occurs (the first day of the month after such month if the first taxable use after the sale occurs in the month of the sale) through the end of the taxable period, and as its denominator the number of months in the entire taxable period. Y's first use of the vehicle occurs in the month of the sale. Accordingly, Y's tax is based on the number of months in the period from the first day of October (the month following the month of the first taxable use) through the end of June, and Y owes a section 4481 tax of $322.50 (9/12 of $430) for the taxable period.

Example (4). Assume the same facts as in *Example* (3)(i), except that on September 2, X sells the vehicle to Dealer, a dealer in highway motor vehicles. X may claim a credit or refund of $322.50. Dealer operates

the vehicle exclusively for the purpose of demonstration, which is not a ''use'' of the vehicle under § 41.4482(c)–1(c). On May 2 of the following calendar year, Dealer sells the vehicle to Y. Dealer does not owe a section 4481 tax and may not claim a refund. Y's first taxable use of the vehicle occurs on May 3. Y's first taxable use of the vehicle does not occur in the month of a sale upon which a credit or refund is allowable. Accordingly, Y's tax is calculated under paragraph (c)(2) by multiplying the amount of tax that would be due for a full taxable period by a fraction which has as its numerator the number of months in the taxable period beginning with the month of first taxable use and as its denominator the number of months in the entire taxable period. The numerator is the number of months in the period from the first day of May (the month of Y's first taxable use after the sale) through the end of June, and Y owes a section 4481 tax of $71.67 (2/12 of $430) for the taxable period.

(e) *Effective/applicability date.* This section applies on and after July 1, 2015. For rules applicable before that date, see 26 CFR 41.4481–1 (revised as of April 1, 2014).

■ **Par. 3.** Section 41.4481–2 is amended by:

■ 1. Removing the language ''or any installment payment of the tax'' in paragraph (a)(1)(i)(D).

■ 2. Revising paragraph (a)(2) and adding paragraph (a)(3).

■ 3. Adding a sentence at the end of paragraph (b).

■ 4. Revising paragraph (c).

The revisions and additions read as follows:

§ 41.4481–2 Persons liable for tax.

(a) * * *

(2) If a vehicle is sold during the taxable period and a credit or refund is allowable upon the sale under § 41.4481–1(c)(4)(iii), paragraph (a)(1) of this section is applied with the following modifications:

(i) For purposes of determining the person liable for the tax determined under § 41.4481–1(c)(4)(ii), each reference to a taxable period in paragraph (a)(1) of this section is treated as a reference to the period that begins on the first day of the taxable period in which the vehicle is sold and ends on the date of sale.

(ii) For purposes of determining the person liable for the tax determined under § 41.4481–1(c)(4)(vi), each reference to a taxable period in paragraph (a)(1) of this section is treated as a reference to the period that begins on the date of the sale and ends on the last day of the taxable period in which the vehicle is sold.

(3) The application of paragraph (a) of this section may be illustrated by *Examples* (3) and (4) in § 41.4481–1(d).

(b) * * * For provisions relating to penalties for aiding and abetting an understatement of tax liability, see section 6701 of the Internal Revenue Code.

(c) *Effective/applicability date.* This section applies on and after July 1, 2015. For rules applicable before that date, see 26 CFR 41.4481–2 (revised as of April 1, 2014).

■ **Par. 4.** Section 41.4483–3 is amended as follows:

■ 1. In the fourth sentence of paragraph (f), removing the language ''to the extent that the tax or an installment payment of the tax has'' and adding ''(determined in the case of a transfer described in § 41.4481–1(c)(4)(i) under § 41.4481–1(c)(4)(ii)) to the extent that the tax has'' in its place.

■ 2. Adding paragraph (i).

The addition reads as follows:

§ 41.4483–3 Exemption for trucks used for 5,000 or fewer miles and agricultural vehicles used for 7,500 or fewer miles on public highways.

* * * * *

(i) *Effective/applicability date.* This section applies on and after July 1, 2015. For rules applicable before that date, see 26 CFR 41.4483–3 (revised as of April 1, 2014).

§ 41.4483–7 [Removed]

■ **Par. 5.** Section 41.4483–7 is removed.

§ 41.6001–1 [Amended]

■ **Par. 6.** Section 41.6001–1 is amended as follows:

■ 1. In the first sentence of paragraph (a), the language ''district director'' is removed and ''Commissioner'' is added in its place.

■ 2. In paragraph (a)(3), the language ''In the case of any such vehicle acquired after June 30, 1956, the date'' is removed and ''The date'' is added in its place.

■ **Par. 7.** Section 41.6001–2 is amended by:

■ 1. Removing the third sentence of paragraph (a).

■ 2. In the last sentence of paragraph (a), removing the language ''an application for registration which is mailed will be considered to be received by a State on the date on which it was postmarked'' and adding in its place ''the rules of section 7502 and § 301.7502–1 of this chapter (relating to timely mailing treated as timely filing) determine when an application for registration is considered to be received by a State''.

■ 3. Redesignating paragraph (b)(1)(i) as paragraph (b)(1) and revising newly-redesignated paragraph (b)(1) heading.

■ 4. Removing and reserving paragraph (b)(1)(ii).

■ 5. Redesignating paragraph (b)(4)(i) as paragraph (b)(4) and revising newly-redesignated paragraph (b)(4) heading.

■ 6. Removing and reserving paragraph (b)(4)(ii).

■ 7. Revising paragraph (c).

■ 8. Adding paragraph (e).

The revisions and addition read as follows:

§ 41.6001–2 Proof of payment for State registration purposes.

* * * * *

(b) *Proof of payment required*—(1) *In general.* * * *

* * * * *

(4) *Registration during certain months* * * *

* * * * *

(c) *Proof of payment*—(1) *In general.* The proof of payment required in paragraph (b) of this section consists of a receipted Schedule 1 (Form 2290 ''Heavy Highway Vehicle Use Tax Return'') that is returned by the Internal Revenue Service, by mail or electronically, to a taxpayer that files a return of tax under section 4481(a), meets the requirements of § 41.6011(a)–1, and pays the amount of tax due with such return. A photocopy of such receipted Schedule 1 also serves as proof of payment. Such Schedule 1 serves as proof of suspension of such tax under § 41.4483–3 for the number of vehicles entered in that part of the Schedule 1 designated for vehicles for which tax has been suspended. The vehicle identification number of the vehicle being registered must appear on the Schedule 1 (or an attached page) in order for the Schedule 1 to be a valid proof of payment for such vehicle.

(2) *Acceptable substitute for receipted Schedule 1.* For purposes of this section, a State must accept as proof of payment a photocopy of the Form 2290 (with the Schedule 1 attached) that was filed with the Internal Revenue Service for the vehicle being registered with sufficient documentation of payment of tax due at the time the Form 2290 was filed (such as a photocopy of both sides of a cancelled check). This substitute proof of payment may be used to register a vehicle when, for example, the receipted Schedule 1 has been lost, or when at the time required for registration of a vehicle, a receipted Schedule 1 has not been received by a taxpayer who has filed a Form 2290 with respect to such vehicle.

* * * * *

(e) *Effective/applicability date.* Paragraph (c) of this section applies to registrations of highway motor vehicles pursuant to applications that are received by a State on or after July 1,

2015. The rules of section 7502 and § 301.7502–1 of this chapter (relating to timely mailing treated as timely filing) determine when an application for registration is considered to be received by a State. For rules applicable to applications before that date, see 26 CFR 41.6001–2 (revised as of April 1, 2014).

§ 41.6001–2T [Removed]

■ **Par. 8.** Section 41.6001–2T is removed.

■ **Par. 9.** Section 41.6011(a)–1 is amended by adding paragraphs (a)(4), (c) and (d) to read as follows:

§ 41.6011(a)–1 Returns.

(a) * * *

(4) A person that is liable for tax under § 41.4481–2(a)(1)(i)(A), (B), (C), or (D), after taking into account the modification required under § 41.4481–2(a)(2), is treated as liable for tax by the same provision of § 41.4481–2(a)(1)(i) for purposes of this section and must file a return.

* * * * *

(c) *Required use of electronic filing*—(1) *In general.* A person that files any return reporting 25 or more vehicles must file the return electronically, as prescribed by the Commissioner. For this purpose, the number of vehicles reported on a return is the total number of vehicles for which tax is reported and does not include vehicles for which a suspension of tax is claimed.

(2) *Examples.* The application of this paragraph (c) may be illustrated by the following examples:

Example 1. A has 100 vehicles registered in its name, all of which have a taxable gross weight in excess of 55,000 pounds. Seventy-five of the vehicles are in use on July 1. Twenty-five are in dead storage as described in § 41.4482(c)–1(c). The vehicles in dead storage are not in use and they are not listed on the Schedule 1. A files Form 2290 electronically for the 75 vehicles in use on July 1 and receives a receipted Schedule 1. On August 23 of the same calendar year, A uses the remaining 25 vehicles. A does not file Form 2290 electronically but uses a paper Form 2290. A has failed to meet the requirements of section 4481(e) for the remaining 25 vehicles.

Example 2. Assume the same facts as in *Example* 1 except that on August 23, A uses 15 of the vehicles that were not used in July. The remaining 10 vehicles are not used in August. A does not file Form 2290 electronically but uses a paper Form 2290. A has correctly filed a return as required by section 4481(e).

(d) *Effective/applicability date.* Paragraphs (a)(4) and (c) of this section apply to returns filed on and after July 1, 2015. For rules applicable before that date, see 26 CFR 41.6011(a)–1 (revised as of April 1, 2014).

■ **Par. 10.** Section 41.6071(a)–1 is amended as follows:

■ 1. In paragraph (a) introductory text, the language ''paragraph (b) or paragraph (c)'' is removed and ''paragraph (b)'' is added in its place.

■ 2. Revising paragraph (c).

■ 3. Adding paragraph (d).

The additions and revision read as follows:

§ 41.6071(a)–1 Time for filing returns.

* * * * *

(c) *Effect of sale during taxable period.* A person that is liable for tax under § 41.4481–2(a)(1)(i)(A), (B), (C), or (D) after taking into account the modification required under § 41.4481–2(a)(2) is treated as liable for tax under the same provision of § 41.4481–2(a)(1)(i) for purposes of this section.

(d) *Effective/applicability date.* Paragraph (c) of this section applies on and after July 1, 2015. For rules applicable before that date, see 26 CFR 41.6071(a)–1 (revised as of April 1, 2014).

§ 41.6071(a)–1T [Removed]

■ **Par. 11.** Section 41.6071(a)–1T is removed.

§ 41.6151(a)–1 [Revised]

■ **Par. 12.** Section 41.6151(a)–1 is revised to read as follows:

§ 41.6151(a)–1 Time and place for paying tax.

(a) *In general.* The tax must be paid at the time prescribed in § 41.6071(a)–1 for filing the return and at the place prescribed in § 41.6091–1 for filing the return.

(b) *Effective/applicability date.* This section applies on and after July 1, 2015. For rules applicable before that date, see 26 CFR 41.6151(a)–1 and 41.6151(a)–1T (revised as of April 1, 2014).

§ 41.6151(a)–1T [Removed]

■ **Par. 13.** Section 41.6151(a)–1T is removed.

§ 41.6156–1 [Removed]

■ **Par. 14.** Section 41.6156–1 is removed.

John Dalrymple,

Deputy Commissioner for Services and Enforcement.

Approved: September 9, 2014.

Mark J. Mazur,

Assistant Secretary of the Treasury (Tax Policy).

[FR Doc. 2014–25558 Filed 10–28–14; 8:45 am]

BILLING CODE 4830–01–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 180

[EPA–HQ–OPP–2013–0729; FRL–9917–15]

Paraquat Dichloride; Pesticide Tolerance

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: This regulation establishes a tolerance for residues of paraquat dichloride in or on the tuberous and corm vegetables subgroup 1C. Interregional Research Project Number 4 (IR–4) requested this tolerance under the Federal Food, Drug, and Cosmetic Act (FFDCA).

DATES: This regulation is effective October 29, 2014. Objections and requests for hearings must be received on or before December 29, 2014, and must be filed in accordance with the instructions provided in 40 CFR part 178 (see also Unit I.C. of the **SUPPLEMENTARY INFORMATION**).

ADDRESSES: The docket for this action, identified by docket identification (ID) number EPA–HQ–OPP–2013–0729, is available at *http://www.regulations.gov* or at the Office of Pesticide Programs Regulatory Public Docket (OPP Docket) in the Environmental Protection Agency Docket Center (EPA/DC), West William Jefferson Clinton Bldg., Rm. 3334, 1301 Constitution Ave. NW., Washington, DC 20460–0001. 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 OPP Docket is (703) 305–5805. Please review the visitor instructions and additional information about the docket available at *http://www.epa.gov/dockets.*

FOR FURTHER INFORMATION CONTACT: Susan Lewis, Registration Division (7505P), Office of Pesticide Programs, Environmental Protection Agency, 1200 Pennsylvania Ave. NW., Washington, DC 20460–0001; main telephone number: (703) 305–7090; email address: *RDFRNotices@epa.gov.*

SUPPLEMENTARY INFORMATION:

I. General Information

A. Does this action apply to me?

You may be potentially affected by this action if you are an agricultural producer, food manufacturer, or pesticide manufacturer. The following list of North American Industrial Classification System (NAICS) codes is not intended to be exhaustive, but rather

provides a guide to help readers determine whether this document applies to them. Potentially affected entities may include:

- Crop production (NAICS code 111).
- Animal production (NAICS code 112).
- Food manufacturing (NAICS code 311).
- Pesticide manufacturing (NAICS code 32532).

B. How can I get electronic access to other related information?

You may access a frequently updated electronic version of EPA's tolerance regulations at 40 CFR part 180 through the Government Printing Office's e-CFR site at *http://www.ecfr.gov/cgi-bin/text-idx?&c=ecfr&tpl=/ecfrbrowse/Title40/40tab_02.tpl.*

C. How can I file an objection or hearing request?

Under FFDCA section 408(g), 21 U.S.C. 346a, any person may file an objection to any aspect of this regulation and may also request a hearing on those objections. You must file your objection or request a hearing on this regulation in accordance with the instructions provided in 40 CFR part 178. To ensure proper receipt by EPA, you must identify docket ID number EPA–HQ–OPP–2013–0729 in the subject line on the first page of your submission. All objections and requests for a hearing must be in writing, and must be received by the Hearing Clerk on or before December 29, 2014. Addresses for mail and hand delivery of objections and hearing requests are provided in 40 CFR 178.25(b).

In addition to filing an objection or hearing request with the Hearing Clerk as described in 40 CFR part 178, please submit a copy of the filing (excluding any Confidential Business Information (CBI)) for inclusion in the public docket. Information not marked confidential pursuant to 40 CFR part 2 may be disclosed publicly by EPA without prior notice. Submit the non-CBI copy of your objection or hearing request, identified by docket ID number EPA–HQ–OPP–2013–0729, by one of the following methods:

- *Federal eRulemaking Portal: http://www.regulations.gov.* Follow the online instructions for submitting comments. Do not submit electronically any information you consider to be CBI or other information whose disclosure is restricted by statute.
- *Mail:* OPP Docket, Environmental Protection Agency Docket Center (EPA/DC), (28221T), 1200 Pennsylvania Ave. NW., Washington, DC 20460–0001.
- *Hand Delivery:* To make special arrangements for hand delivery or delivery of boxed information, please follow the instructions at *http://www.epa.gov/dockets/contacts.html.* Additional instructions on commenting or visiting the docket, along with more information about dockets generally, is available at *http://www.epa.gov/dockets.*

II. Summary of Petitioned-For Tolerance

In the **Federal Register** of December 30, 2013 (78 FR 79359) (FRL–9903–69), EPA issued a document pursuant to FFDCA section 408(d)(3), 21 U.S.C. 346a(d)(3), announcing the filing of a pesticide petition (PP 3E8201) by IR–4, 500 College Road East, Suite 201 W., Princeton, NJ 08540. The petition requested that 40 CFR 180.205 be amended by establishing tolerances for residues of the desiccant, defoliant, and herbicide paraquat dichloride (1,1′-dimethyl-4,4′-bipyridinium-ion) (hereafter in this document referred to solely as paraquat) derived from application of the dichloride salt (calculated as the cation) in or on tuberous and corm vegetables subgroup (Crop subgroup 1C) at 0.5 parts per million (ppm). That document referenced a summary of the petition prepared by Syngenta Crop Protection, the registrant, which is available in the docket, *http://www.regulations.gov.* There were no comments received in response to the notice of filing.

III. Aggregate Risk Assessment and Determination of Safety

Section 408(b)(2)(A)(i) of FFDCA allows EPA to establish a tolerance (the legal limit for a pesticide chemical residue in or on a food) only if EPA determines that the tolerance is ''safe.'' Section 408(b)(2)(A)(ii) of FFDCA defines ''safe'' to mean that ''there is a reasonable certainty that no harm will result from aggregate exposure to the pesticide chemical residue, including all anticipated dietary exposures and all other exposures for which there is reliable information.'' This includes exposure through drinking water and in residential settings, but does not include occupational exposure. Section 408(b)(2)(C) of FFDCA requires EPA to give special consideration to exposure of infants and children to the pesticide chemical residue in establishing a tolerance and to ''ensure that there is a reasonable certainty that no harm will result to infants and children from aggregate exposure to the pesticide chemical residue . . . .''

Consistent with FFDCA section 408(b)(2)(D), and the factors specified in FFDCA section 408(b)(2)(D), EPA has reviewed the available scientific data and other relevant information in support of this action. EPA has sufficient data to assess the hazards of and to make a determination on aggregate exposure for paraquat including exposure resulting from the tolerances established by this action. EPA's assessment of exposures and risks associated with paraquat follows.

A. Toxicological Profile

EPA has evaluated the available toxicity data and considered its validity, completeness, and reliability as well as the relationship of the results of the studies to human risk. EPA has also considered available information concerning the variability of the sensitivities of major identifiable subgroups of consumers, including infants and children.

The primary target organ of paraquat is the lung. Evidence of lung inflammation, scarring, and compromised lung function in response to paraquat are observed throughout the toxicity database (independent of route of exposure (oral, dermal, inhalation)) in different species (rats, mice, and dogs). Effects in the respiratory tract are observed after acute, subchronic, and chronic exposures regardless of the route of exposure (oral or inhalation). However, inhalation was a more sensitive route of exposure than the oral route. With increasing durations of exposure, effects of paraquat in other organ systems are observed. These effects include liver inflammation and necrosis in rats and inflammation and necrosis of the kidneys in rats and mice. Lenticular changes in the eyes of rats were also observed with increasing durations of exposure. Importantly, the lung effects occur at doses lower than effects in these other organs systems, and so protecting for lung effects protects for all other adverse effects of paraquat.

The effects of paraquat in lungs are considered systemic effects. There are no dermal toxicity studies suitable for evaluation of systemic lung effects in the toxicity database for paraquat. Therefore, the Agency is using a dermal absorption factor of 0.3%, which was derived from dermal absorption studies conducted in humans and monkeys and an oral endpoint for dermal risk assessments.

Paraquat does not cause reproductive toxicity. Developmental toxicity in response to paraquat, when observed, always occurred in the presence of maternal toxicity. Four developmental toxicity studies (two in rats and two in mice) are available. Since effects in the

offspring (e.g., reduced body weight/gain and delayed skeletal ossification), when present, were lesser in severity than those observed in maternal animals (e.g. respiratory distress, reduced body weight, lesions in the lungs and kidneys) and were also consistent with those commonly observed as secondary to maternal toxicity, the Agency has concluded that there was no evidence of qualitative susceptibility in the young.

No evidence of neurotoxicity was observed in acute and subchronic neurotoxicity studies conducted with paraquat up to the doses at which respiratory effects were observed (e.g. the maximum tolerated dose). There was also no evidence of immunotoxicity in response to paraquat.

Based on the lack of evidence of carcinogenicity in mice and rats, the Agency has concluded that there is no concern for the carcinogenic potential of paraquat. Paraquat was not mutagenic in the *Salmonella typhimurium* assay, was not genotoxic in the unscheduled DNA synthesis assay *in vitro* or *in vivo,* was negative for chromosomal aberration in the bone marrow test, and no evidence was found for suppressed fertility or dominant lethal mutagenicity in mice. Conversely, paraquat was found to be weakly positive in the mouse lymphoma assay and human lymphocyte cytogenetic assay, and was positive in the sister chromatid exchange assay.

Specific information on the studies received and the nature of the adverse effects caused by paraquat as well as the no-observed-adverse-effect-level (NOAEL) and the lowest-observed-adverse-effect-level (LOAEL) from the toxicity studies can be found at *http://www.regulations.gov* in document *''Paraquat Dichloride. HED Human Health Risk Assessment for the Expansion of Representative Commodity Use on Potato to Tuberous and Corm Vegetables Subgroup 1C''* on pages 28–32 in docket ID number EPA–HQ–OPP–2013–0729.

B. Toxicological Points of Departure/Levels of Concern

Once a pesticide's toxicological profile is determined, EPA identifies toxicological points of departure (POD) and levels of concern to use in evaluating the risk posed by human exposure to the pesticide. For hazards that have a threshold below which there is no appreciable risk, the toxicological POD is used as the basis for derivation of reference values for risk assessment. PODs are developed based on a careful analysis of the doses in each toxicological study to determine the dose at which no adverse effects are observed (the NOAEL) and the lowest dose at which adverse effects of concern are identified (the LOAEL). Uncertainty/safety factors are used in conjunction with the POD to calculate a safe exposure level—generally referred to as a population-adjusted dose (PAD) or a reference dose (RfD)—and a safe margin of exposure (MOE). For non-threshold risks, the Agency assumes that any amount of exposure will lead to some degree of risk. Thus, the Agency estimates risk in terms of the probability of an occurrence of the adverse effect expected in a lifetime. For more information on the general principles EPA uses in risk characterization and a complete description of the risk assessment process, see *http://www.epa.gov/pesticides/factsheets/riskassess.htm.*

A summary of the toxicological endpoints for paraquat used for human risk assessment is discussed in Unit B. of the final rule published in the **Federal Register** of August 9, 2012 (77 FR 47539) (FRL–9357–1).

C. Exposure Assessment

1. *Dietary exposure from food and feed uses.* In evaluating dietary exposure to paraquat, EPA considered exposure under the petitioned-for tolerances as well as all existing paraquat tolerances in 40 CFR 180.205. EPA assessed dietary exposures from paraquat in food as follows:

i. *Acute exposure.* Quantitative acute dietary exposure and risk assessments are performed for a food-use pesticide, if a toxicological study has indicated the possibility of an effect of concern occurring as a result of a 1-day or single exposure.

Such effects were identified for paraquat. In estimating acute dietary exposure, EPA used food consumption information from the U.S. Department of Agriculture's (USDA's) National Health and Nutrition Examination Survey, What We Eat in America, (NHANES/WWEIA). As to residue levels in food, the acute analysis assumed a distribution of residues based on tolerance level residues. Empirical and Dietary Exposure Evaluation Model (DEEM) default processing factors were used to modify the field trial data. Maximum screening-level percent crop treated (PCT) estimates were used for commodities for which data were available. If no percent crop treated data were available, 100 PCT was assumed.

ii. *Chronic exposure.* In conducting the chronic dietary exposure assessment EPA used the food consumption data from the USDA's NHANES/WWEIA. As to residue levels in food, EPA assumed tolerance level residues and average estimates of PCT.

iii. *Cancer.* Based on the data summarized in Unit III.A., EPA has concluded that paraquat does not pose a cancer risk to humans. Therefore, a dietary exposure assessment for the purpose of assessing cancer risk is unnecessary.

iv. *Anticipated residue and percent crop treated (PCT) information.* Section 408(b)(2)(F) of FFDCA states that the Agency may use data on the actual percent of food treated for assessing chronic dietary risk only if:

- Condition a: The data used are reliable and provide a valid basis to show what percentage of the food derived from such crop is likely to contain the pesticide residue.
- Condition b: The exposure estimate does not underestimate exposure for any significant subpopulation group.
- Condition c: Data are available on pesticide use and food consumption in a particular area, the exposure estimate does not understate exposure for the population in such area. In addition, the Agency must provide for periodic evaluation of any estimates used. To provide for the periodic evaluation of the estimate of PCT as required by FFDCA section 408(b)(2)(F), EPA may require registrants to submit data on PCT.

The Agency estimated the PCT in the acute dietary risk assessment for existing uses as follows:

Almond, 35%; apple, 30%; apricot, 30%; artichoke, 70%; asparagus, 20%; avocado, 5%; barley, 2.5%; green beans, 2.5%; blueberries, 20%; broccoli, 2.5%; cabbage, 10%; caneberries, 70%; cantaloupe, 10%; carrots, 2.5%; cauliflower, 2.5%; celery, 2.5%; cherry, 30%; corn, 2.5%; cotton, 40%; cucumber, 10%; dry beans/peas, 5%; figs, 5%; garlic, 2.5%; grapefruit, 15%; grapes, 30%; hazelnut, 70%; kiwifruit, 30%; lemon, 5%; lettuce, 2.5%; nectarine, 20%; olive, 2.5%; onion, 10%; orange, 15%; peach, 45%; peanut, 45%; pear, 20%; green peas, 2.5%; pecan, 10%; peppers, 15%; pistachio, 35%; plum/prune, 20%; potato, 10%; pumpkin, 10%; rice, 2.5%; sorghum, 2.5%; soybean, 2.5%; spinach, 5%; squash, 20%; strawberry, 20%; sugar beet, 2.5%; sugarcane, 10%; sunflower, 2.5%; sweet corn, 2.5%; tangelos, 10%; tangerine, 5%; tomato, 30%; walnut, 20%; watermelon, 15%; and wheat, 2.5%.

The Agency estimated the PCT in the chronic dietary risk assessment for existing uses as follows:

Almond, 25%; apple, 20%; apricot, 10%; artichoke, 30%; asparagus, 10%; avocado, 5%; barley, 1%; green beans, 1%; blueberries, 15%; broccoli, 1%; cabbage, 2.5%; caneberries, 45%;

cantaloupe, 5%; carrots, 1%; cauliflower, 1%; celery, 1%; cherry, 20%; corn, 2.5%; cotton, 20%; cucumber, 5%; dry beans/peas, 2.5%; figs, 5%; garlic, 1%; grapefruit, 5%; grapes, 15%; hazelnut, 55%; kiwifruit, 30%; lemon, 2.5%; lettuce, 1%; nectarine, 10%; olive, 2.5%; onion, 5%; orange, 5%; peach, 30%; peanut, 25%; pear, 10%; green peas, 1%; pecan, 5%; peppers, 10%; pistachio, 25%; plum/prune, 10%; potato, 5%; pumpkin, 5%; rice, 1%; sorghum, 1%; soybean, 1%; spinach, 2.5%; squash, 5%; strawberry, 5%; sugar beet, 1%; sugarcane, 5%; sunflower, 1%; sweet corn, 1%; tangelo, 10%; tangerine, 5%; tomato, 10%; walnut, 15%; watermelon, 5%; and wheat, 1%.

In most cases, EPA uses available data from United States Department of Agriculture/National Agricultural Statistics Service (USDA/NASS), proprietary market surveys, and the National Pesticide Use Database for the chemical/crop combination for the most recent 6–7 years. EPA uses an average PCT for chronic dietary risk analysis. The average PCT figure for each existing use is derived by combining available public and private market survey data for that use, averaging across all observations, and rounding to the nearest 5%, except for those situations in which the average PCT is less than one. In those cases, 1% is used as the average PCT and 2.5% is used as the maximum PCT. EPA uses a maximum PCT for acute dietary risk analysis. The maximum PCT figure is the highest observed maximum value reported within the recent 6 years of available public and private market survey data for the existing use and rounded up to the nearest multiple of 5%.

The Agency believes that the three conditions discussed in Unit III.C.1.iv. have been met. With respect to Condition a, PCT estimates are derived from Federal and private market survey data, which are reliable and have a valid basis. The Agency is reasonably certain that the percentage of the food treated is not likely to be an underestimation. As to Conditions b and c, regional consumption information and consumption information for significant subpopulations is taken into account through EPA's computer-based model for evaluating the exposure of significant subpopulations including several regional groups. Use of this consumption information in EPA's risk assessment process ensures that EPA's exposure estimate does not understate exposure for any significant subpopulation group and allows the Agency to be reasonably certain that no regional population is exposed to residue levels higher than those estimated by the Agency. Other than the data available through national food consumption surveys, EPA does not have available reliable information on the regional consumption of food to which paraquat may be applied in a particular area.

2. *Dietary exposure from drinking water.* In the past the EPA has concluded that though paraquat undergoes minimal degradation in the environment, and thus is very persistent (as parent), paraquat residues are not expected in surface or ground water. Paraquat has a very high propensity to bind to solids, particularly clay, which makes it very immobile. In addition, paraquat does not readily appear to desorb from clay. The greatest cause for concern is likely to be erosion of contaminated sediments off-site and subsequent redeposition onto non-target areas (especially surface water bodies). Because of its very low mobility and strong tendency to bind tightly to soils, paraquat contamination of drinking water supplies derived from groundwater is expected to be highly unlikely. In addition, the strong binding characteristics of paraquat dichloride are likely to render most residues in raw drinking water sources removable through sedimentation processes, which are typically included as part of standard drinking water treatments.

Because of its strong cation-exchange sorption to soils, modeling is not appropriate for paraquat. In most circumstances, the levels of paraquat residues in surface or ground water are expected to be insignificant. Because it should sorb to suspended sediment, coagulation and flocculation processes in drinking water treatment plants are likely to remove any paraquat dichloride residues present in the raw water. Residues of paraquat dichloride in drinking water derived from surface supplies can therefore be assumed to be negligible.

In order to determine the most appropriate and realistic drinking water numbers to use in the human health risk assessment, the Agency reviewed a non-guideline supplemental mobility study that was conducted to evaluate the effects of traditional water treatment processes on paraquat and to determine the mobility of paraquat through soil filtration column. ^{14}C-paraquat, spiked at around 30 parts per billion (ppb) into the raw surface water samples from five representative U.S community water supply facilities, was effectively removed by a combination of typical water treatment processes conducted on a laboratory-scale: The ''laboratory jar test'' (coagulation using alum with either lime or soda ash, flocculation and sedimentation), followed by duel media filtration (anthracite atop of filtering sand). The combination process was able to reduce the level of ^{14}C-paraquat to approximate or below the limit of detection of approximately 0.15 μg/L (ppb). The level of paraquat in the finished water of 0.15 ppb was used in both the acute and chronic assessments.

3. *From non-dietary exposure.* The term ''residential exposure'' is used in this document to refer to non-occupational, non-dietary exposure (e.g., for lawn and garden pest control, indoor pest control, termiticides, and flea and tick control on pets).

Paraquat is not registered for any specific use patterns that would result in residential exposure.

4. *Cumulative effects from substances with a common mechanism of toxicity.* Section 408(b)(2)(D)(v) of FFDCA requires that, when considering whether to establish, modify, or revoke a tolerance, the Agency consider ''available information'' concerning the cumulative effects of a particular pesticide's residues and ''other substances that have a common mechanism of toxicity.''

EPA has not found paraquat to share a common mechanism of toxicity with any other substances, and paraquat does not appear to produce a toxic metabolite produced by other substances. For the purposes of this tolerance action, therefore, EPA has assumed that paraquat does not have a common mechanism of toxicity with other substances. For information regarding EPA's efforts to determine which chemicals have a common mechanism of toxicity and to evaluate the cumulative effects of such chemicals, see EPA's Web site at *http://www.epa.gov/pesticides/cumulative.*

D. Safety Factor for Infants and Children

1. *In general.* Section 408(b)(2)(C) of FFDCA provides that EPA shall apply an additional tenfold (10X) margin of safety for infants and children in the case of threshold effects to account for prenatal and postnatal toxicity and the completeness of the database on toxicity and exposure unless EPA determines based on reliable data that a different margin of safety will be safe for infants and children. This additional margin of safety is commonly referred to as the Food Quality Protection Act Safety Factor (FQPA SF). In applying this provision, EPA either retains the default value of 10X, or uses a different additional safety factor when reliable data available to EPA support the choice of a different factor.

2. *Prenatal and postnatal sensitivity.* Prenatal developmental studies in rats and mice show that developmental effects only occur in the presence of maternal toxicity. No effect on reproduction was observed. Fetal effects were limited to delayed ossification and decreased body weights, which are considered lesser in severity than the effects observed in maternal animals. There was no indication from these studies that paraquat dichloride is involved in endocrine disruption.

3. *Conclusion.* EPA has determined that reliable data show the safety of infants and children would be adequately protected if the FQPA SF were reduced to 1X. That decision is based on the following findings:

i. The toxicity database for paraquat is complete.

ii. There is no indication that paraquat is a neurotoxic chemical and there is no need for a developmental neurotoxicity study or additional UFs to account for neurotoxicity.

iii. There is no evidence that paraquat results in increased susceptibility in *in utero* rats or rabbits in the prenatal developmental studies or in young rats in the 2-generation reproduction study.

iv. There are no residual uncertainties identified in the exposure databases. The acute dietary exposure analysis is based on tolerance level residues and maximum estimates of percent crop treated. The chronic analysis is based on tolerance level residues and average estimates of PCT. For estimating levels of paraquat in drinking water, the Agency relied on a study that evaluated the effects of traditional water treatment processes on paraquat. These assessments will not underestimate the exposure and risks posed by paraquat.

E. Aggregate Risks and Determination of Safety

EPA determines whether acute and chronic dietary pesticide exposures are safe by comparing aggregate exposure estimates to the acute PAD (aPAD) and chronic PAD (cPAD). For linear cancer risks, EPA calculates the lifetime probability of acquiring cancer given the estimated aggregate exposure. Short-, intermediate-, and chronic-term risks are evaluated by comparing the estimated aggregate food, water, and residential exposure to the appropriate PODs to ensure that an adequate MOE exists.

1. *Acute risk.* Using the exposure assumptions discussed in this unit for acute exposure, the acute dietary exposure from food and water to paraquat will occupy 75% of the aPAD for children 1–2 years old, the population group receiving the greatest exposure.

2. *Chronic risk.* Using the exposure assumptions described in this unit for chronic exposure, EPA has concluded that chronic exposure to paraquat from food and water will utilize 27% of the cPAD for children 1–2 years old, the population group receiving the greatest exposure. There are no residential uses for paraquat.

3. *Short- and Intermediate-term risk.* Short- and intermediate-term aggregate exposure takes into account short- and intermediate-term residential exposure plus chronic exposure to food and water (considered to be a background exposure level). A short- and intermediate-term adverse effect was identified; however, paraquat is not registered for any use patterns that would result in short- and/or intermediate-term residential exposure. Short- and intermediate-term risk is assessed based on short- and intermediate-term residential exposure plus chronic dietary exposure. Because there is no short- and intermediate-term residential exposure and chronic dietary exposure has already been assessed under the appropriately protective cPAD (which is at least as protective as the POD used to assess short- and intermediate-term risk), no further assessment of short- and intermediate-term risk is necessary, and EPA relies on the chronic dietary risk assessment for evaluating short- and intermediate-term risk for paraquat.

4. *Aggregate cancer risk for U.S. population.* Based on the lack of evidence of carcinogenicity in two adequate rodent carcinogenicity studies, paraquat is not expected to pose a cancer risk to humans.

5. *Determination of safety.* Based on these risk assessments, EPA concludes that there is a reasonable certainty that no harm will result to the general population, or to infants and children from aggregate exposure to paraquat residues.

IV. Other Considerations

A. Analytical Enforcement Methodology

An adequate spectrophotometric method, Method I of the Pesticide Analytical Manual (PAM) Vol. II, is available for enforcing tolerances for residues of paraquat in/on plant commodities.

B. International Residue Limits

In making its tolerance decisions, EPA seeks to harmonize U.S. tolerances with international standards whenever possible, consistent with U.S. food safety standards and agricultural practices. EPA considers the international maximum residue limits (MRLs) established by the Codex Alimentarius Commission (Codex), as required by FFDCA section 408(b)(4). The Codex Alimentarius is a joint United Nations Food and Agriculture Organization/World Health Organization food standards program, and it is recognized as an international food safety standards-setting organization in trade agreements to which the United States is a party. EPA may establish a tolerance that is different from a Codex MRL; however, FFDCA section 408(b)(4) requires that EPA explain the reasons for departing from the Codex level.

The Codex has established MRLs for paraquat in or on root and tuber vegetables at 0.05 ppm. These MRLs are different than the tolerance of 5.0 ppm that will be established for the tuberous and corm vegetables subgroup 1C for residues of paraquat in the United States. The Agency cannot harmonize with the Codex MRL because available residue data demonstrates that application of paraquat in accordance with approved label directions could result in residues that exceed 0.05 ppm.

V. Conclusion

Therefore, a tolerance is established for residues of paraquat, including its metabolites and degradates, in or on the tuberous and corm vegetables subgroup 1C at 0.50 ppm.

In addition, EPA is removing the separate tolerances for cassava, ginger, potato, tanier, and true yam tuber because those are subsumed within the new tolerance for subgroup 1C.

VI. Statutory and Executive Order Reviews

This final rule establishes tolerances under FFDCA section 408(d) in response to a petition submitted to the Agency. The Office of Management and Budget (OMB) has exempted these types of actions from review under Executive Order 12866, entitled ''Regulatory Planning and Review'' (58 FR 51735, October 4, 1993). Because this final rule has been exempted from review under Executive Order 12866, this final rule is not subject to Executive Order 13211, entitled ''Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use'' (66 FR 28355, May 22, 2001) or Executive Order 13045, entitled ''Protection of Children from Environmental Health Risks and Safety Risks'' (62 FR 19885, April 23, 1997). This final rule does not contain any information collections subject to OMB approval under the Paperwork Reduction Act (PRA) (44

U.S.C. 3501 *et seq.*), nor does it require any special considerations under Executive Order 12898, entitled ''Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations'' (59 FR 7629, February 16, 1994).

Since tolerances and exemptions that are established on the basis of a petition under FFDCA section 408(d), such as the tolerance in this final rule, do not require the issuance of a proposed rule, the requirements of the Regulatory Flexibility Act (RFA) (5 U.S.C. 601 *et seq.*), do not apply.

This final rule directly regulates growers, food processors, food handlers, and food retailers, not States or tribes, nor does this action alter the relationships or distribution of power and responsibilities established by Congress in the preemption provisions of FFDCA section 408(n)(4). As such, the Agency has determined that this action will not have a substantial direct effect on States or tribal governments, on the relationship between the national government and the States or tribal governments, or on the distribution of power and responsibilities among the various levels of government or between the Federal Government and Indian tribes. Thus, the Agency has determined that Executive Order 13132, entitled ''Federalism'' (64 FR 43255, August 10, 1999) and Executive Order 13175, entitled ''Consultation and Coordination with Indian Tribal Governments'' (65 FR 67249, November 9, 2000) do not apply to this final rule. In addition, this final rule does not impose any enforceable duty or contain any unfunded mandate as described under Title II of the Unfunded Mandates Reform Act of 1995 (UMRA) (2 U.S.C. 1501 *et seq.*).

This action does not involve any technical standards that would require Agency consideration of voluntary consensus standards pursuant to section 12(d) of the National Technology Transfer and Advancement Act of 1995 (NTTAA) (15 U.S.C. 272 note).

VII. Congressional Review Act

Pursuant to the Congressional Review Act (5 U.S.C. 801 *et seq.*), EPA will submit a report containing this rule and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States prior to publication of the rule in the **Federal Register**. This action is not a ''major rule'' as defined by 5 U.S.C. 804(2).

List of Subjects in 40 CFR Part 180

Environmental protection, Administrative practice and procedure, Agricultural commodities, Pesticides and pests, Reporting and recordkeeping requirements.

Dated: October 16, 2014.

Daniel J. Rosenblatt,

Acting Director, Registration Division, Office of Pesticide Programs.

Therefore, 40 CFR chapter I is amended as follows:

PART 180—[AMENDED]

■ 1. The authority citation for part 180 continues to read as follows:

Authority: 21 U.S.C. 321(q), 346a and 371.

■ 2. In § 180.205:

■ a. In the table for paragraph (a), remove the entries for ''Ginger'' and ''Potato'' and add alphabetically the entry ''Vegetable, tuberous and corm, subgroup 1C'';

■ b. In the table for paragraph (c), remove the entries for and ''Cassava,'' ''Tanier,'' and ''Yam, true, tuber''.

The addition reads as follows:

§ 180.205 Paraquat; tolerances for residues.

(a) * * *

Commodity	Parts per million
* * * * *	
Vegetable, tuberous and corm, subgroup 1C	0.50
* * * * *	

* * * * *

[FR Doc. 2014–25592 Filed 10–28–14; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 180

[EPA–HQ–OPP–2013–0659; FRL–9917–30]

Prallethrin; Pesticide Tolerances

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: This regulation establishes tolerances for residues of the insecticide prallethrin, including its metabolites and degradates, in or on all food commodities from use of prallethrin in food handling establishments where food and food products are held, processed, prepared and/or served, or as a wide-area mosquito adulticide at 1.0 part per million (ppm). McLaughlin Gormley King Company requested these tolerances under the Federal Food, Drug and Cosmetic Act (FFDCA).

DATES: This regulation is effective October 29, 2014. Objections and requests for hearings must be received on or before December 29, 2014, and must be filed in accordance with the instructions provided in 40 CFR part 178 (see also Unit I.C. of the **SUPPLEMENTARY INFORMATION**).

ADDRESSES: The docket for this action, identified by docket identification (ID) number EPA–HQ–OPP–2013–0659, is available at *http://www.regulations.gov* or at the Office of Pesticide Programs Regulatory Public Docket (OPP Docket) in the Environmental Protection Agency Docket Center (EPA/DC), West William Jefferson Clinton Bldg., Rm. 3334, 1301 Constitution Ave. NW., Washington, DC 20460–0001. 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 OPP Docket is (703) 305–5805. Please review the visitor instructions and additional information about the docket available at *http://www.epa.gov/dockets.*

FOR FURTHER INFORMATION CONTACT: Daniel J. Rosenblatt, Registration Division (RD) (7505P), Office of Pesticide Programs, Environmental Protection Agency, 1200 Pennsylvania Ave. NW., Washington, DC 20460–0001; telephone number: (703) 305–7090; email address: *RDFRNotices@epa.gov.*

SUPPLEMENTARY INFORMATION:

I. General Information

A. Does this action apply to me?

You may be potentially affected by this action if you are an agricultural producer, food manufacturer, or pesticide manufacturer. The following list of North American Industrial Classification System (NAICS) codes is not intended to be exhaustive, but rather provides a guide to help readers determine whether this document applies to them. Potentially affected entities may include:

- Crop production (NAICS code 111).
- Animal production (NAICS code 112).
- Food manufacturing (NAICS code 311).
- Pesticide manufacturing (NAICS code 32532).

B. How can I get electronic access to other related information?

You may access a frequently updated electronic version of EPA's tolerance regulations at 40 CFR part 180 through the Government Printing Office's e-CFR site at *http://www.ecfr.gov/cgi-bin/text-idx?&c=ecfr&tpl=/ecfrbrowse/Title40/40tab_02.tpl.*

C. How can I file an objection or hearing request?

Under section 408(g) of FFDCA, 21 U.S.C. 346a, any person may file an objection to any aspect of this regulation and may also request a hearing on those objections. You must file your objection or request a hearing on this regulation in accordance with the instructions provided in 40 CFR part 178. To ensure proper receipt by EPA, you must identify docket ID number EPA–HQ–OPP–2013–0659 in the subject line on the first page of your submission. All objections and requests for a hearing must be in writing, and must be received by the Hearing Clerk on or before December 29, 2014. Addresses for mail and hand delivery of objections and hearing requests are provided in 40 CFR 178.25(b).

In addition to filing an objection or hearing request with the Hearing Clerk as described in 40 CFR part 178, please submit a copy of the filing (excluding any Confidential Business Information (CBI)) for inclusion in the public docket. Information not marked confidential pursuant to 40 CFR part 2 may be disclosed publicly by EPA without prior notice. Submit the non-CBI copy of your objection or hearing request, identified by docket ID number EPA–HQ–OPP–2013–0659, by one of the following methods:

- *Federal eRulemaking Portal: http://www.regulations.gov.* Follow the online instructions for submitting comments. Do not submit electronically any information you consider to be CBI or other information whose disclosure is restricted by statute.
- *Mail:* OPP Docket, Environmental Protection Agency Docket Center (EPA/DC), (28221T), 1200 Pennsylvania Ave. NW., Washington, DC 20460–0001.
- *Hand Delivery:* To make special arrangements for hand delivery or delivery of boxed information, please follow the instructions at *http://www.epa.gov/dockets/contacts.htm.* Additional instructions on commenting or visiting the docket, along with more information about dockets generally, is available at *http://www.epa.gov/dockets.*

II. Summary of Petitioned-For Tolerance

In the **Federal Register** of October 25, 2013 (78 FR 63938) (FRL–9901–96), EPA issued a document pursuant to section 408(d)(3) of FFDCA, 21 U.S.C. 346a(d)(3), announcing the filing of a pesticide petition (PP 2F8090) by McLaughlin Gormley King Company, 8810 Tenth Avenue, Minneapolis, MN 55427. The petition requested that 40 CFR 180.545 be amended by establishing a tolerance of 1.0 ppm for residues of the insecticide prallethrin, including its metabolites and degradates, in or on all raw agricultural commodities and processed food, and food products in food handling establishments where food and food products are held, processed, prepared and/or served, or as a wide-area mosquito adulticide. That document referenced a summary of the petition prepared by McLaughlin Gormley King Company, the registrant, which is available in the docket, *http://www.regulations.gov.* There were no comments received in response to the notice of filing.

III. Aggregate Risk Assessment and Determination of Safety

Section 408(b)(2)(A)(i) of FFDCA allows EPA to establish a tolerance (the legal limit for a pesticide chemical residue in or on a food) only if EPA determines that the tolerance is ''safe.'' Section 408(b)(2)(A)(ii) of FFDCA defines ''safe'' to mean that ''there is a reasonable certainty that no harm will result from aggregate exposure to the pesticide chemical residue, including all anticipated dietary exposures and all other exposures for which there is reliable information.'' This includes exposure through drinking water and in residential settings, but does not include occupational exposure. Section 408(b)(2)(C) of FFDCA requires EPA to give special consideration to exposure of infants and children to the pesticide chemical residue in establishing a tolerance and to ''ensure that there is a reasonable certainty that no harm will result to infants and children from aggregate exposure to the pesticide chemical residue. . . .''

Consistent with section 408(b)(2)(D) of FFDCA, and the factors specified in section 408(b)(2)(D) of FFDCA, EPA has reviewed the available scientific data and other relevant information in support of this action. EPA has sufficient data to assess the hazards of and to make a determination on aggregate exposure for prallethrin including exposure resulting from the tolerances established by this action. EPA's assessment of exposures and risks associated with prallethrin follows.

A. Toxicological Profile

EPA has evaluated the available toxicity data and considered its validity, completeness, and reliability as well as the relationship of the results of the studies to human risk. EPA has also considered available information concerning the variability of the sensitivities of major identifiable subgroups of consumers, including infants and children.

Prallethrin is a member of the pyrethroid class of insecticides. Pyrethroids have historically been classified into two groups, Type I and Type II, based upon chemical structure and neurotoxicological effect. Type I pyrethroids lack an alpha-cyano moiety and induce a syndrome consisting of aggressive sparring, altered sensitivity to external stimuli, and fine tremor progressing to whole-body tremor and prostration in rats. These Type I pyrethroid-specific behaviors are collectively described as the T-syndrome. Type II pyrethroids contain an alpha-cyano moiety and produce a syndrome that includes pawing, burrowing, salivation, and coarse tremors leading to choreoathetosis in rats. These Type II pyrethroid-specific behaviors are collectively described as the CS-syndrome (Verschoyle and Aldridge 1980; Lawrence and Casida 1982). Prallethrin is structurally similar to Type I pyrethroids. The adverse outcome pathway (AOP) shared by pyrethroids involves the ability to interact with voltage-gated sodium channels (VGSCs) in the central and peripheral nervous system, leading to changes in neuron firing, and ultimately neurotoxicity.

Prallethrin has been evaluated for a variety of toxic effects in experimental toxicity studies. Neurotoxicity was observed throughout the database and is the most sensitive endpoint. Effects were seen across species, sexes, and routes of administration. In the acute rat neurotoxicity study, decreased exploratory behavior was seen at the time of peak effect. Reduced motor activity and transient tremors were also observed in the study. In the subchronic rat neurotoxicity study, a higher arousal rate was observed in animals at the highest dose tested. Clinical signs of neurotoxicity were also observed in other toxicity studies (subchronic and chronic oral studies in dogs, developmental toxicity studies in the rat and rabbit, 21-day dermal and 28-day inhalation studies in rats). No neurotoxic effects were observed in rats in the chronic toxicity study.

Effects were also observed in the liver (rats, mice, and dogs), heart (dogs), and thyroid gland (rats). Some effects were also seen in the kidney (mice and rats). However, neurotoxicity was the most sensitive endpoint in the toxicology database, and other effects were generally seen in the presence of neurotoxicity and/or at higher doses. Liver effects observed included increased weight, elevated serum cholesterol and alkaline phosphatase

activity, centrilobular hepatocyte vacuolation, histiocytic infiltration, enlarged liver, and perilobular hepatocellular hypertrophy. In dogs, myocardial fiber degeneration was seen in females in the subchronic study at the highest dose tested. Heart effects were also seen in one mid-dose female in the chronic study (hemorrhage and red discoloration). However, there was no dose response for the observed heart lesions in the study. Thyroid effects were observed in rats and consisted of increases in the number of small follicles and follicular cell hypertrophy and hyperplasia. The thyroid effects were seen in short-term studies in the presence of liver effects. Kidney effects observed were increased weights and histopathology.

Developmental and reproduction studies are available for prallethrin. There was no evidence of increased quantitative or qualitative susceptibility in any of the studies. In the developmental studies, no toxic effects were noted in fetuses up to the highest doses tested. Maternal effects in the studies included tremors, salivation, exaggerated reflexes, and chromorhinorrhea. In the reproduction study, decreased pup body weights were seen during the lactation period. Effects seen in parental animals were decreased body weights and body weight gains, increased liver weights and microscopic findings in the liver, kidney, thyroid, and pituitary.

Prallethrin is classified as ''Not Likely to be Carcinogenic to Humans.'' No tumors were observed in rat and mouse carcinogenicity studies up to the highest doses tested. In both the rat and mouse studies, the animals could have tolerated higher dose levels; however, EPA determined that dose levels were adequate to assess potential carcinogenicity.

Prallethrin tested negative in the majority of the genotoxicity studies. It also tested negative in an *in vitro* chromosomal aberration study in Chinese Hamster Ovary (CHO K1) cells without metabolic activation, but tested positive at all doses with metabolic activation. However, clastogenicity was not clearly dose-related, was seen at nontoxic and slightly toxic doses, and was not expressed in *in vivo* studies and structure-activity comparisons with the other pyrethroids revealed no correlations with clastogenicity. Other gene mutation, chromosomal aberration, and unscheduled DNA synthesis (UDS) studies were negative; therefore, there is no concern for genotoxicity.

Acute lethality studies conducted with prallethrin indicate moderate acute toxicity via the oral and inhalation routes of administration (Category II) and low acute toxicity via the dermal route (Categories IV). It is not irritating to the skin (Category IV) but is minimally irritating to the eye (Category IV). It is not a dermal sensitizer. The weight of evidence from the available guideline, non-guideline, mechanism of action, and pharmacokinetics studies supports characterizing the toxicological profile of pyrethroids, including prallethrin, as being rapid in onset and associated with acute, peak exposures. Also, there is no apparent increase in hazard from repeated/chronic exposures to prallethrin.

Specific information on the studies received and the nature of the adverse effects caused by prallethrin as well as the no-observed-adverse-effect-level (NOAEL) and the lowest-observed-adverse-effect level (LOAEL) from the toxicity studies can be found in the document titled ''*Prallethrin: Human Health Risk Assessment for the Tolerance Petition to Amend the Section 3 Mosquito Adulticide Registration to Include Use of the Insecticide Over All Crops,*'' dated September 15, 2014, by going to *http://www.regulations.gov.* The referenced document is available in the docket established by this action, which is described under **ADDRESSES**. Locate and click on the hyperlink for docket ID number EPA–HQ–OPP–2013–0659. Double-click on the document to view the referenced information.

B. Toxicological Points of Departure/ Levels of Concern

Once a pesticide's toxicological profile is determined, EPA identifies toxicological points of departure (POD) and levels of concern (LOC) to use in evaluating the risk posed by human exposure to the pesticide. For hazards that have a threshold below which there is no appreciable risk, the toxicological POD is used as the basis for derivation of reference values for risk assessment. PODs are developed based on a careful analysis of the doses in each toxicological study to determine the dose at which no adverse effects are observed (the NOAEL) and the lowest dose at which adverse effects are identified (the LOAEL). Uncertainty/ safety factors are used in conjunction with the POD to calculate a safe exposure level—generally referred to as a population-adjusted dose (PAD) or a reference dose (RfD)—and a safe margin of exposure (MOE). For non-threshold risks, the Agency assumes that any amount of exposure will lead to some degree of risk. Thus, the Agency estimates risk in terms of the probability of an occurrence of the adverse effect expected in a lifetime. For more information on the general principles EPA uses in risk characterization and a complete description of the risk assessment process, see *http://www.epa.gov/pesticides/factsheets/riskassess.htm.*

A summary of the toxicological endpoints for prallethrin used for human risk assessment are shown in Tables 1 and 2 of this unit. Based on the proposed use patterns for prallethrin, endpoints and points of departure were selected for dietary (acute only), dermal, inhalation, and incidental oral exposures.

For oral exposures (acute dietary and incidental oral), the endpoint and POD were selected from a chronic dog study in which neurotoxicity was observed within 4 weeks of dosing and was considered to have potentially resulted from a single dose, based on a weight-of-the-evidence. For dermal assessment, the endpoint was selected from the route-specific 21-day dermal study in the rat, in which clinical signs were observed within 1 to 3 days of dosing. The endpoints being used to assess oral and dermal exposures are the same (neurotoxicity); therefore, risks from those routes of exposure were combined. Although the LOAEL for inhalation is also based on neurotoxicity, derivation of the human equivalent concentrations (HECs) used for inhalation risk assessment shows that assessing inhalation exposure based on the portal-of-entry effects is protective of the systemic endpoints, including neurotoxicity. As a result, inhalation exposure was not combined with either the dermal or the oral routes of exposure.

A chronic dietary risk assessment was not conducted for prallethrin. Given what is known about pyrethroid toxicokinetics/dynamics, in general, and as there is no apparent increase in hazard from repeated/chronic exposures to prallethrin, the acute dietary exposure assessment is protective of chronic dietary exposures. Based on the toxicity profile, intermediate- or long-term exposure assessments were not conducted for adults or children.

TABLE 1—SUMMARY OF TOXICOLOGICAL DOSES AND ENDPOINTS FOR PRALLETHRIN FOR USE IN DIETARY AND NON-OCCUPATIONAL HUMAN HEALTH RISK ASSESSMENTS

Exposure/scenario	Point of departure and uncertainty/ FQPA safety factors	RfD, PAD, LOC for risk assessment	Study and toxicological effects
Acute Dietary (Children ≥6 years old and Adults).	NOAEL = 2.5 mg/kg/day. UF_A = 10× UF_H = 10× FQPA SF = 1×	Acute RfD = 0.025 mg/kg/day. aPAD= 0.025 mg/kg/day.	Chronic dog study (capsule). LOAEL = 5 mg/kg/day based on clinical signs of neurotoxicity.
Acute Dietary (Children <6 years old).	NOAEL = 2.5 mg/kg/day. UF_A = 10× UF_H = 10× FQPA SF = 3×	Acute RfD = 0.025 mg/kg/day. aPAD= 0.008 mg/kg/day	
Incidental Oral Short-Term (1 to 30 days).	NOAEL = 2.5 mg/kg/day. UF_A = 10× UF_H = 10× FQPA SF = 3×	Residential LOC for MOE = 300.	
Dermal Short-term (1 to 30 days) (Children <6 years old).	Dermal NOAEL = 30 mg/kg/day. UF_A = 10× UF_H = 10× FQPA SF = 3×	Residential LOC for MOE = 300.	21-day Dermal Rat. LOAEL = 150 mg/kg/day based on observed clinical signs of toxicity (fixation, abnormal gait, tremors, sensitivity to external stimuli, vocalization, twitching and writhing spasms), all beginning between days 1 and 3 of a 21-day dermal study in rats.
Dermal Short-term (1 to 30 days) (Children ≥6 years old and Adults).	Dermal NOAEL = 30 mg/kg/day. UF_A = 10× UF_H = 10× FQPA SF = 1×	Residential LOC for MOE = 100.	
Inhalation Short-term (1 to 30 days) (Children <6 years old).	Inhalation NOAEL = 0.001 mg/L. UF_A = 3× UF_H = 10× FQPA SF = 3× HEC/HED calculations used for risk assessment (see below)	Residential LOC for MOE = 100.	28-Day Inhalation Rat. LOAEL = 0.0044 mg/L based on irregular respiration, decreased spontaneous activity, salivation, incontinence, and nasal discharge.
Inhalation Short-term (1 to 30 days) (Children ≥6 years old and Adults).	Inhalation NOAEL = 0.001 mg/L. UF_A = 3× UF_H = 10× FQPA SF = 1× HEC/HED calculations used for risk assessment	Residential LOC for MOE = 30.	

aPAD = acute population adjusted dose. FQPA SF = FQPA Safety Factor. HEC = human equivalent concentration. HED = human equivalent dose. LOAEL = lowest observed adverse effect level. LOC = level of concern. MOE = margin of exposure. NOAEL = no observed adverse effect level. Point of Departure (POD) = A data point or an estimated point that is derived from observed dose-response data and used to mark the beginning of extrapolation to determine risk associated with lower environmentally relevant human exposures. RfD = reference dose. UF = uncertainty factor. UF_A = extrapolation from animal to human (interspecies). UF_H = potential variation in sensitivity among members of the human population (intraspecies).

TABLE 2—SUMMARY OF TOXICOLOGICAL DOSES AND ENDPOINTS FOR PRALLETHRIN FOR USE IN DIETARY AND NON-OCCUPATIONAL HUMAN HEALTH RISK ASSESSMENTS

	Residential	HECs	HEDs
Residential HECs and HEDs	Handler/Outdoor Post-application.	0.00020 mg/L	0.006 mg/kg/day.
Residential LOC for MOE = 100 (Children <6 years old).	Indoor Post-application without air ventilation.	0.00014 mg/L	N/A.
Residential LOC for MOE = 30 (Children ≥6 years old and Adults).	Indoor Post-application with air ventilation.	Adults: 0.00004 mg/L Children: 0.00003 mg/L.	N/A.
	Bystander	0.00002 mg/L	N/A.

TABLE 2—SUMMARY OF TOXICOLOGICAL DOSES AND ENDPOINTS FOR PRALLETHRIN FOR USE IN DIETARY AND NON-OCCUPATIONAL HUMAN HEALTH RISK ASSESSMENTS—Continued

	Residential	HECs	HEDs
Cancer (Oral, dermal, inhalation).	Classification: "Not Likely to be Carcinogenic to Humans."		

HEC = human equivalent concentration. HED = human equivalent dose. Kg = kilogram. LOC = level of concern. L = Liter. Mg = milligram. MOE = margin of exposure. N/A = Not applicable.

C. Exposure Assessment

1. *Dietary exposure from food and feed uses.* In evaluating dietary exposure to prallethrin, EPA considered exposure under the petitioned-for tolerances as well as all existing prallethrin tolerances in 40 CFR 180.545. Acute and chronic aggregate dietary (food and drinking water) exposure assessments were conducted using the Dietary Exposure Evaluation Model software with the Food Commodity Intake Database (DEEM–FCID) Version 3.16. This software uses 2003–2008 food consumption data from the U.S. Department of Agriculture's (USDA's) National Health and Nutrition Examination Survey, What We Eat in America, (NHANES/WWEIA).

i. *Acute exposure.* The acute dietary risk assessment is partially refined, and is based on the assumption that as a result of potential use in food handling establishments (FHEs), most commodities will have residues at one-half the limit of quantification (LOQ) of the analytical method used in the FHE residue trials (0.05 ppm). It was also based on the assumptions that all flour food forms will contain residues at the highest level found in the FHE residue trials on flour, and that tree nuts and peanuts will contain residues at the highest level found in the FHE residue trials on peanuts. Based on residue data, the highest residue value (0.0045 ppm) was used for all crops as a result of treatment from the mosquito adulticide use.

The percent FHE value of 4.65% was applied to the FHE residue values, and the adulticide residues were incorporated at a level of 100% (i.e., all foods could potentially have residues resulting from the mosquito adulticide use). Residues from food handling (modified by the % FHE estimate) and mosquito adulticide treatments were combined.

ii. *Chronic exposure.* A chronic dietary risk assessment was not conducted. However, a chronic exposure assessment was conducted to determine background levels of dietary exposure for estimating aggregate risk. The exposure estimates are based on the highest residue value from the FHE residue trials for tree nuts, peanuts, and all flour food forms; and on the LOQ of the method used in the FHE trials (0.10 ppm). The data were treated in the same manner as the data in the acute dietary risk assessment, with the exception that the average residue value from the adulticide trials (0.0007 ppm) was used instead of the highest residue value (0.0045 ppm).

For the chronic exposure assessment, EPA applied a percent FHE value of 4.65% to the FHE residue values and assumed 100 percent crop treated (PCT) for the proposed mosquito adulticide use, just as we have done for the acute exposure assessment. This value is considered to be an overestimate of the potential for the mosquito adulticide to drift onto growing crops. Residues from the FHE and adulticide uses were then combined. Processing factors were not used because the assumption was made that foods in an FHE could be treated after processing.

iii. *Cancer.* Based on the data summarized in Unit III.A., EPA has concluded that prallethrin does not pose a cancer risk to humans. Therefore, a dietary exposure assessment for the purpose of assessing cancer risk is unnecessary.

iv. *Anticipated residue and percent crop treated (PCT) information.* Section 408(b)(2)(F) of FFDCA states that EPA to states that the Agency may use data on the actual percent of food treated for assessing chronic dietary risk only if:

- Condition a: The data used are reliable and provide a valid basis to show what percentage of the food derived from such crop is likely to contain the pesticide residue.
- Condition b: The exposure estimate does not underestimate exposure for any significant subpopulation group.
- Condition c: Data are available on pesticide use and food consumption in a particular area, the exposure estimate does not understate exposure for the population in such area. In addition, the Agency must provide for periodic evaluation of any estimates used. To provide for the periodic evaluation of the estimate of PCT as required by section 408(b)(2)(F) of FFDCA, EPA may require registrants to submit data on PCT.

In most cases, EPA uses available data from United States Department of Agriculture/National Agricultural Statistics Service (USDA/NASS), proprietary market surveys, and the National Pesticide Use Database for the chemical/crop combination for the most recent 6–7 years. EPA uses an average PCT for chronic dietary risk analysis. The average PCT figure for each existing use is derived by combining available public and private market survey data for that use, averaging across all observations, and rounding to the nearest 5%, except for those situations in which the average PCT is less than one. In those cases, 1% is used as the average PCT and 2.5% is used as the maximum PCT. EPA uses a maximum PCT for acute dietary risk analysis. The maximum PCT figure is the highest observed maximum value reported within the recent 6 years of available public and private market survey data for the existing use and rounded up to the nearest multiple of 5%.

The Agency estimates a maximum 4.65% probability that a food a person consumes contains residues as a result of treatment in an FHE at some point with any pesticide (i.e., it is not specific to prallethrin). This value was derived by taking into account the daily probability of treatment and the percent of expenditures resulting in potential residues in restaurants, commercial kitchens, food warehouses, and food processors. For both the acute and chronic assessments, this value was used for the FHE component of the residue for all commodities with the exception of drinking water.

The Agency believes that the three conditions discussed in Unit III.C.1.iv. have been met. With respect to Condition a, PCT estimates are derived from Federal and private market survey data, which are reliable and have a valid basis. The Agency is reasonably certain that the percentage of the food treated is not likely to be an underestimation. As to Conditions b and c, regional consumption information and consumption information for significant subpopulations is taken into account through EPA's computer-based model for evaluating the exposure of significant subpopulations including

several regional groups. Use of this consumption information in EPA's risk assessment process ensures that EPA's exposure estimate does not understate exposure for any significant subpopulation group and allows the Agency to be reasonably certain that no regional population is exposed to residue levels higher than those estimated by the Agency. Other than the data available through national food consumption surveys, EPA does not have available reliable information on the regional consumption of food to which prallethrin may be applied in a particular area.

Specific information on the methodology to estimate PCT can be found in the document entitled ''*Prallethrin: Upper Bound Estimate of the Likelihood of Insecticide Residues on Food Resulting from Treatment in Food Handling Establishments,*'' dated September 7, 2014, by going to *http://www.regulations.gov.*

2. *Dietary exposure from drinking water.* The Agency used screening level water exposure models in the dietary exposure analysis and risk assessment for prallethrin. These simulation models take into account data on the physical, chemical, and fate/transport characteristics of prallethrin. Further information regarding EPA drinking water models used in pesticide exposure assessment can be found at *http://www.epa.gov/oppefed1/models/water/index.htm.*

Based on the First Index Reservoir Screening Tool (FIRST), Tier II Pesticide Root Zone Model/Exposure Analysis Modeling System (PRZM/EXAMS), and the Pesticide Flooded Application Model (PFAM), the surface water estimated drinking water concentration (EDWC) value of 0.591 parts per billion (ppb) was used in the acute assessment and that the annual average surface water EDWC value of 0.0375 ppb was used in the chronic assessment.

3. *From non-dietary exposure.* The term ''residential exposure'' is used in this document to refer to non-occupational, non-dietary exposure (e.g., for lawn and garden pest control, indoor pest control, termiticides, and flea and tick control on pets).

Prallethrin is currently registered for the following uses that could result in residential exposures: A variety of residential pet, indoor and outdoor uses for pests found on turf, and in homes and commercial settings, including food handling establishments. However, for purposes of this assessment, only registered residential products and use sites with the highest application rates or percent active ingredient (a.i.) were assessed because they are representative of the worst case exposure scenarios for the exposed populations.

EPA assessed potential residential handler exposure scenarios resulting from mixing/loading/applying sprays to lawns using hose-end and backpack sprayers because exposure from treating lawns were higher than from other application methods and sites. A quantitative assessment was not required for handling of total release fogger products since the labels state that the room/house must be vacated immediately by the user once initiated.

EPA assessed post-application dermal exposure for adults and children as well as incidental oral (i.e., hand-to-mouth) exposure for children resulting from contact with residues deposited on turf and indoor surfaces following application with aerial and truck-mounted fogger mosquito vector control applications, hand-held spray applications on turf and lawn, and indoor aerosol foggers, respectively. Adult and child post-application inhalation exposure resulting from both aerial and truck-mounted mosquito vector control applications were also assessed. A quantitative post-application inhalation exposure assessment was not performed for turf or indoor aerosol foggers because inhalation exposure from these application methods is anticipated to be negligible. Further information regarding EPA standard assumptions and generic inputs for residential exposures may be found at *http://www.epa.gov/pesticides/trac/science/trac6a05.pdf.*

4. *Cumulative effects from substances with a common mechanism of toxicity.* Section 408(b)(2)(D)(v) of FFDCA requires that, when considering whether to establish, modify, or revoke a tolerance, the Agency consider: ''available information'' concerning the cumulative effects of a particular pesticide's residues and ''other substances that have a common mechanism of toxicity.''

The Agency has determined that the pyrethroids and pyrethrins share a common mechanism of toxicity (go to *http://www.regulations.gov* and search under document ID number EPA–HQ–OPP–2008–0489–0006). The members of this group share the ability to interact with voltage-gated sodium channels ultimately leading to neurotoxicity. The cumulative risk assessment for the pyrethroids/pyrethrins was published on November 9, 2011, and is available at *http://www.regulations.gov* under EPA–HQ–OPP–2011–0746. No cumulative risks of concern were identified, allowing the Agency to consider new uses for pyrethroids. For information regarding EPA's efforts to determine which chemicals have a common mechanism of toxicity, and to evaluate the cumulative effects of this class of chemicals, see EPA's Web site at *http://www.epa.gov/oppsrrd1/reevaluation/pyrethroids-pyrethrins.html.*

Prallethrin is included in the pyrethroids/pyrethrins cumulative risk assessment. No dietary, residential or aggregate risk estimates of concern have been identified in the single chemical assessment. In the cumulative assessment, residential exposure was the greatest contributor to the total exposure. An existing residential turf use for prallethrin was evaluated to determine the potential contribution it would have on the cumulative risk assessment. Although the turf use was considered the main contributor for residential exposure, the turf assessment indicated that exposure from turf would not impact the residential component of the cumulative risk estimates for the pyrethroids.

Therefore, since the proposed mosquito adulticide contributes far less exposure than the registered turf uses, there will be no impact on the residential component of the cumulative risk estimates.

Dietary exposures make a minor contribution to the total pyrethroid exposure. The dietary exposure assessment performed in support of the pyrethroid cumulative was much more highly refined than that performed for prallethrin. In addition, for the prallethrin risk assessment, the most sensitive apical endpoint in the prallethrin database was selected to derive the POD. Further, the POD selected for prallethrin is specific to prallethrin, whereas the POD selected for the cumulative assessment was based on common mechanism of action data that are appropriate for all 20 pyrethroids included in the cumulative assessment. Dietary exposure to prallethrin residues resulting from the proposed mosquito adulticide use over all crops will contribute very little to the dietary exposure to prallethrin alone; therefore, the proposed use will make an insignificant contribution to dietary risk to the pyrethroids as a whole.

D. Safety Factor for Infants and Children

1. *In general.* Section 408(b)(2)(C) of FFDCA provides that EPA shall apply an additional tenfold (10x) margin of safety for infants and children in the case of threshold effects to account for prenatal and postnatal toxicity and the completeness of the database on toxicity and exposure unless EPA determines,

based on reliable data, that a different margin of safety will be safe for infants and children. This additional margin of safety is commonly referred to as the Food Quality Protection Act Safety Factor (FQPA SF). In applying this provision, EPA either retains the default value of 10x, or uses a different additional safety factor when reliable data available to EPA support the choice of a different factor.

2. *Prenatal and postnatal sensitivity.* The prallethrin toxicity database includes developmental toxicity studies in the rat and rabbit, and a reproduction study in the rat. No evidence of increased qualitative or quantitative susceptibility was noted in any of these studies. This lack of susceptibility is consistent with the results of guideline developmental and reproduction studies with other pyrethroid pesticides.

High-dose studies assessing what dose results in lethality to 50% of the tested population (LD_{50}) in the scientific literature indicate that pyrethroid exposure can result in increased quantitative sensitivity in the young, specifically in the form of neurotoxicity. Examination of pharmacokinetic and pharmacodynamic data indicates that the sensitivity observed at high doses is related to pyrethroid age-dependent pharmacokinetics, which is the activity of enzymes associated with the metabolism of pyrethroids. With otherwise equivalent administered doses for adults and juveniles, predictive pharmacokinetic models indicate that the differential adult-juvenile pharmacokinetics will result in a 3x greater dose at the target organ in juveniles compared to adults. No evidence of increased quantitative or qualitative susceptibility was seen in the pyrethroid scientific literature related to pharmacodynamics (the effect of pyrethroids at the target tissue) both with regard to interspecies differences between rats and humans and to differences between juveniles and adults. Specifically, there are *in vitro* pharmacodynamic data and *in vivo* data indicating similar responses between adult and juvenile rats at low doses and data indicating that the rat is a conservative model compared to the human based on species-specific pharmacodynamics of homologous sodium channel isoforms in rats and humans.

3. *Conclusion.* EPA has determined that reliable data show the safety of infants and children would be adequately protected if the FQPA SF were reduced to 3x for infants and children less than 6 years of age. For the general population, including children greater than 6 years of age, EPA is reducing the FQPA SF to 1x. These decisions are based on the following findings:

i. The toxicology database for prallethrin is considered complete with respect to guideline toxicity studies for prallethrin; however, the Agency lacks additional information to fully characterize the potential for juvenile sensitivity to the neurotoxic effects of pyrethroids. In light of the literature studies indicating a possibility of increased sensitivity in juvenile rats at high doses, EPA identified a need, and requested proposals for, additional non-guideline studies to evaluate the potential for sensitivity in juvenile rats. A group of pyrethroid registrants is currently conducting those studies. Pending the results of those studies, however, the available toxicity studies for prallethrin can be used to characterize toxic effects including potential developmental and reproductive toxicity, as well as neurotoxicity. Acceptable developmental toxicity studies in rats and rabbits, reproduction studies in rats, neurotoxicity studies (acute, subchronic, and developmental) in rats are available. In addition, route-specific dermal and inhalation toxicity studies are available. The Immunotoxicity study has been waived. As discussed in Unit IV.D.2., EPA concludes that the 3x FQPA SF will be adequate for protecting infants and children less than 6 years old.

ii. After reviewing the extensive body of data and peer-reviewed literature on pyrethroids, the Agency has reached a number of conclusions regarding fetal and juvenile sensitivity for pyrethroids, including the following:

- Based on an evaluation of over 70 guideline toxicity studies for 24 pyrethroids submitted to the Agency, including prenatal developmental toxicity studies in rats and rabbits, and pre- and postnatal multi-generation reproduction toxicity studies and DNTs in rats in support of pyrethroid registrations, there is no evidence that pyrethroids directly impact developing fetuses. None of the studies show any indications of fetal toxicity at doses that do not cause maternal toxicity.
- Increased susceptibility was seen in offspring animals in the DNT study with the pyrethroid zeta-cypermethrin (decreased pup body weights) and DNT and reproduction studies with another pyrethroid beta-cyfluthrin (decreased body weights and tremors). However, the reductions in body weight and the other non-specific effects occur at higher doses than neurotoxicity, the effect of concern for pyrethroids. The available developmental and reproduction guideline studies in rats with zeta-cypermethrin did not show increased sensitivity in the young to neurotoxic effects. Overall, findings of increased sensitivity in juvenile animals in pyrethroid studies are rare. Therefore, the residual concern for the postnatal effects is reduced.
- High-dose LD_{50} studies (studies assessing what dose results in lethality to 50% of the tested population) in the scientific literature indicate that pyrethroids can result in increased quantitative sensitivity to juvenile animals. Examination of pharmacokinetic and pharmacodynamic data indicates that the sensitivity observed at high doses is related to pyrethroid age-dependent pharmacokinetics—the activity of enzymes associated with the metabolism of pyrethroids. Furthermore, a rat physiologically-based pharmacokinetic (PBPK) model predicts a 3-fold increase of pyrethroid concentration in juvenile brain compared to adults at high doses.
- *In vitro* pharmacodynamic data and *in vivo* data indicate that adult and juvenile rats have similar responses to pyrethroids at low doses and therefore juvenile sensitivity is not expected at relevant environmental exposures. Further, data also show that the rat is a conservative model compared to the human based on species-specific pharmacodynamics of homologous sodium channel isoforms.

iii. There are no residual uncertainties with regard to dietary exposure. The dietary exposure assessments are based on highly conservative residue levels for the mosquito adulticide use and for the FHE uses. Furthermore, conservative, upper-bound assumptions were used to determine exposure through drinking water and residential sources, such that these exposures have not been underestimated.

Taking all of this information into account, EPA has reduced the FQPA SF for women of child-bearing age because there is no evidence in the over 70 guideline toxicity studies submitted to the Agency that pyrethroids directly impact developing fetuses. In addition, none of the studies show any indications of fetal toxicity at doses that do not cause maternal toxicity. Because there remains some uncertainty as to juvenile sensitivity due to the findings in the high-dose LD_{50} studies, EPA is retaining a 3x FQPA SF for infants and children less than 6 years of age. By age 6, the metabolic system is expected to be at or near adult levels thus reducing concerns for potential age-dependent sensitivity related to pharmacokinetics; therefore for children over 6, a 1x factor

is appropriate. Although EPA is seeking additional data to further characterize the potential neurotoxicity for pyrethroids, EPA has reliable data that show that reducing the FQPA SF to 3x will protect the safety of infants and children less than 6 years old. These data include:

a. Data from developmental and reproductive toxicity guideline studies with prallethrin that show no sensitivity.

b. Data showing that the potential sensitivity at high doses is likely due to pharmacokinetics.

c. A rat PBPK model predicting a 3-fold increase of pyrethroid concentration in the juvenile brain compared to adults at high doses due to age-dependent pharmacokinetics.

d. Data indicating that the rat is a conservative model compared to the human based on species-specific pharmacodynamics of homologous sodium channel isoforms.

iv. Although EPA has required additional data on transferable residues from treated turf for prallethrin, EPA is confident that it has not underestimated turf exposure due to the conservativeness of the default turf transfer value and conservative assumptions in the short-term turf assessment procedures (e.g., assuming residues do not degrade over the thirty day assessment period and assuming high-end activities on turf for every day of the assessment period). The additional data on turf transferable residues have been required in case requirement of exposure assessments is needed on the future, and to further EPA's general understanding of the availability of pesticide residues on turf.

For several reasons, EPA has determined that reliable data show that a 3x factor is protective of the safety of infants and children less than 6 years of age. First, it is likely that the extensive guideline studies with pyrethroids, which indicate that increased sensitivity in juvenile animals in pyrethroid studies is rare, better characterize the potential sensitivity of juvenile animals than the LD_{50} studies. The high doses that produced juvenile sensitivity in the literature studies are well above normal dietary or residential exposure levels of pyrethroids to juveniles and lower levels of exposure anticipated from dietary and residential uses are not expected to overwhelm the juvenile's ability to metabolize pyrethroids, as occurred with the high doses used in the literature studies. The fact that a greater sensitivity to the neurotoxicity of pyrethroids is not found in guideline studies following in utero exposures (based on more than 70 studies for 24 pyrethroids) supports this conclusion, despite the relatively high doses used in the studies. Second, *in vitro* data indicate similar pharmacodynamic response to pyrethroids between juvenile and adult rats. Finally, as indicated, pharmacokinetic modeling only predicts a 3x difference between juveniles and adults. Therefore, the FQPA SF of 3x is protective of potential juvenile sensitivity.

Specific information about the reevaluation of the FQPA SF for pyrethroids may be found in document ID number EPA–HQ–OPP–2011–0746–0011.

E. Aggregate Risks and Determination of Safety

EPA determines whether acute and chronic dietary pesticide exposures are safe by comparing aggregate exposure estimates to the acute PAD (aPAD) and chronic PAD (cPAD). For linear cancer risks, EPA calculates the lifetime probability of acquiring cancer given the estimated aggregate exposure. Short-, intermediate-, and chronic-term risks are evaluated by comparing the estimated aggregate food, water, and residential exposure to the appropriate PODs to ensure that an adequate MOE exists.

1. *Acute risk.* An acute aggregate risk assessment takes into account acute exposure estimates from dietary consumption of food and drinking water. Acute aggregate risk from exposure to prallethrin results from exposure to residues in food and drinking water alone. The acute dietary exposure analysis included both food and drinking water; therefore, acute aggregate risk estimates are equivalent to the acute dietary risk estimates. The acute risk estimate for the general U.S. population is 10% of the aPAD. The population subgroup with the highest acute dietary risk estimate is children 1–2, which uses 76% of the aPAD. Acute aggregate risk is not of concern for the general U.S. population or any other population subgroup.

2. *Chronic risk.* Using the exposure assumptions described in this unit, there is no increase in hazard with increasing dose duration; therefore, the acute aggregate assessment is protective of potential chronic aggregate exposures.

3. *Short-term risk.* Short-term aggregate exposure takes into account short-term residential exposure plus chronic exposure to food and water (considered to be a background exposure level). The short-term aggregate risk assessments resulted in MOEs of 620 for children, and 1,600 for adult females and the general U.S. population. The adult and children's MOEs are greater than their respective LOCs of 100 and 300. As a result, the short-term aggregate risk estimates are not of concern for the general U.S. population or any population subgroup.

4. *Intermediate-term risk.* Intermediate-term aggregate exposure takes into account intermediate-term residential exposure plus chronic exposure to food and water (considered to be a background exposure level). Because no intermediate-term adverse effect was identified, prallethrin is not expected to pose an intermediate-term risk.

5. *Aggregate cancer risk for U.S. population.* Based on the data summarized in Units III.A. and III.C.1.iii., EPA has concluded that prallethrin is not expected to pose a cancer risk to humans.

6. *Determination of safety.* Based on these risk assessments, EPA concludes that there is a reasonable certainty that no harm will result to the general population, or to infants and children from aggregate exposure to prallethrin residues.

IV. Other Considerations

A. Analytical Enforcement Methodology

A method based on gas chromatography with electron capture detection (GC/ECD), ID #262, is adequate for the enforcement of tolerances for residues of prallethrin in or on crop commodities. The reported limits of quantitation (LOQs) are 0.01 to 0.10 ppm, depending on the commodity. The limits of detection (LODs) were reported to be 0.004 to 0.06 ppm, depending on the commodity. Multiresidue methods testing for prallethrin have not been conducted, and is not required, based on previous Agency discussions with the petitioner on November 3, 2010.

The method may be requested from: Chief, Analytical Chemistry Branch, Environmental Science Center, 701 Mapes Rd., Ft. Meade, MD 20755–5350; telephone number: (410) 305–2905; email address: *residuemethods@epa.gov*.

B. International Residue Limits

In making its tolerance decisions, EPA seeks to harmonize U.S. tolerances with international standards whenever possible, consistent with U.S. food safety standards and agricultural practices. EPA considers the international maximum residue limits (MRLs) established by the Codex Alimentarius Commission (Codex), as required by section 408(b)(4) of FFDCA. The Codex Alimentarius is a joint

United Nations Food and Agriculture Organization/World Health Organization food standards program, and it is recognized as an international food safety standards-setting organization in trade agreements to which the United States is a party. EPA may establish a tolerance that is different from a Codex MRL; however, section 408(b)(4) of FFDCA requires that EPA explain the reasons for departing from the Codex level. The Codex has not established a MRL for prallethrin.

V. Conclusion

Therefore, tolerances are established for residues of the insecticide prallethrin, including its metabolites and degradates, in or on all raw agricultural commodities and processed food from use of prallethrin in food handling establishments where food and food products are held, processed, prepared and/or served, or as a wide-area mosquito adulticide at 1.0 part per million (ppm). Compliance with the tolerance level specified is to be determined by measuring only prallethrin, 2-methyl-4-oxo-3-(2-propyn-1-yl)-2-cyclopenten-1-yl-2,2-dimethyl-3-(2-methyl-1-propen-1-yl)cyclopropanecarboxylate.

EPA is revising 40 CFR 180.545 to clarify the tolerance. EPA is merging paragraphs (a)(1) and (2) together into a new paragraph (a). EPA is removing paragraphs (a)(3) and (4) as they contain language that is more appropriately regulated under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) as use directions on the label.

VI. Statutory and Executive Order Reviews

This action establishes tolerances under section 408(d) of FFDCA in response to a petition submitted to the Agency. The Office of Management and Budget (OMB) has exempted these types of actions from review under Executive Order 12866, entitled ''Regulatory Planning and Review'' (58 FR 51735, October 4, 1993). Because this final rule has been exempted from review under Executive Order 12866, this final rule is not subject to Executive Order 13211, entitled ''Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use'' (66 FR 28355, May 22, 2001) or Executive Order 13045, entitled ''Protection of Children from Environmental Health Risks and Safety Risks'' (62 FR 19885, April 23, 1997). This final rule does not contain any information collections subject to OMB approval under the Paperwork Reduction Act (PRA) (44 U.S.C. 3501 *et seq.*), nor does it require any special considerations under Executive Order 12898, entitled ''Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations'' (59 FR 7629, February 16, 1994).

Since tolerances and exemptions that are established on the basis of a petition under section 408(d) of FFDCA, such as the tolerance in this final rule, do not require the issuance of a proposed rule, the requirements of the Regulatory Flexibility Act (RFA) (5 U.S.C. 601 *et seq.*), do not apply.

This action directly regulates growers, food processors, food handlers, and food retailers, not States or tribes, nor does this action alter the relationships or distribution of power and responsibilities established by Congress in the preemption provisions of section 408(n)(4) of FFDCA. As such, the Agency has determined that this action will not have a substantial direct effect on States or tribal governments, on the relationship between the national government and the States or tribal governments, or on the distribution of power and responsibilities among the various levels of government or between the Federal Government and Indian tribes. Thus, the Agency has determined that Executive Order 13132, entitled ''Federalism'' (64 FR 43255, August 10, 1999) and Executive Order 13175, entitled ''Consultation and Coordination with Indian Tribal Governments'' (65 FR 67249, November 9, 2000) do not apply to this final rule. In addition, this final rule does not impose any enforceable duty or contain any unfunded mandate as described under Title II of the Unfunded Mandates Reform Act of 1995 (UMRA) (2 U.S.C. 1501 *et seq.*).

This action does not involve any technical standards that would require Agency consideration of voluntary consensus standards pursuant to section 12(d) of the National Technology Transfer and Advancement Act of 1995 (NTTAA) (15 U.S.C. 272 note).

VII. Congressional Review Act

Pursuant to the Congressional Review Act (5 U.S.C. 801 *et seq.*), EPA will submit a report containing this rule and other required information to the U.S. Senate, the U.S. House of Representatives, and the Comptroller General of the United States prior to publication of the rule in the **Federal Register**. This action is not a ''major rule'' as defined by 5 U.S.C. 804(2).

List of Subjects in 40 CFR Part 180

Environmental protection, Administrative practice and procedure, Agricultural commodities, Pesticides and pests, Reporting and recordkeeping requirements.

Dated: October 17, 2014.

Daniel J. Rosenblatt,

Acting Director, Registration Division, Office of Pesticide Programs.

Therefore, 40 CFR chapter I is amended as follows:

PART 180—[AMENDED]

■ 1. The authority citation for part 180 continues to read as follows:

Authority: 21 U.S.C. 321(q), 346a and 371.

■ 2. Revise § 180.545 to read as follows:

§ 180.545 Prallethrin; tolerances for residues.

(a) *General.* Tolerances are established for residues of the insecticide prallethrin, including its metabolites and degradates, in or on all raw agricultural commodities and processed food from use of prallethrin in food handling establishments where food and food products are held, processed, prepared and/or served, or as a wide-area mosquito adulticide at 1.0 part per million (ppm). Compliance with the tolerance level specified is to be determined by measuring only prallethrin, 2-methyl-4-oxo-3-(2-propyn-1-yl)-2-cyclopenten-1-yl-2,2-dimethyl-3-(2-methyl-1-propen-1-yl)cyclopropanecarboxylate.

(b) *Section 18 emergency exemptions.* [Reserved]

(c) *Tolerances with regional registrations.* [Reserved]

(d) *Indirect or inadvertent residues.* [Reserved]

[FR Doc. 2014–25732 Filed 10–28–14; 8:45 am]

BILLING CODE 6560–50–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 648

[Docket No. 140822715–4882–02]

RIN 0648–BE37

Magnuson-Stevens Fishery Conservation and Management Act Provisions; Fisheries of the Northeastern United States; Tilefish Fishery; 2015–2017 Specifications

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Final rule.

SUMMARY: NMFS issues final specifications for the commercial

tilefish fishery for the 2015, 2016, and 2017 fishing years. This action establishes the acceptable biological catch, annual catch limit, total allowable landings, and harvest allocations for the individual fishing quota and incidental fishery components of the commercial tilefish fishery. The intent of this action is to establish allowable harvest levels and other management measures to prevent overfishing while allowing optimum yield, consistent with the Magnuson-Stevens Fishery Conservation and Management Act and the Tilefish Fishery Management Plan.

DATES: Effective November 1, 2014.

ADDRESSES: Copies of the specifications document, including the Environmental Assessment (EA) and Initial Regulatory Flexibility Analysis (IRFA) are available upon request from the Mid-Atlantic Fishery Management Council, 800 North State Street, Suite 201, Dover, DE 19901. The specifications document is also accessible via the Internet at: *www.greateratlantic.fisheries.noaa.gov.* The Final Regulatory Flexibility Analysis (FRFA) consists of the IRFA, public comments and responses contained in this final rule, and the summary of impacts and alternatives contained in this final rule. Copies of the small entity compliance guide are available from John K. Bullard, Regional Administrator, Greater Atlantic Region, National Marine Fisheries Service, 55 Great Republic Drive, Gloucester, MA 01930–2298.

FOR FURTHER INFORMATION CONTACT: Douglas Potts, Fishery Policy Analyst, 978–281–9341.

SUPPLEMENTARY INFORMATION:

Background

The tilefish fishery is managed by the Mid-Atlantic Fishery Management Council under the Tilefish Fishery Management Plan (FMP). The management unit specified in the Tilefish FMP is all tilefish (*Lopholatilus chamaeleonticeps*) under U.S. jurisdiction in the Atlantic Ocean north of the Virginia/North Carolina border. Regulations implementing the Tilefish FMP appear at 50 CFR part 648, subparts A and N. The FMP and its implementing regulations detail the Council's process for establishing specifications. Fishery specifications for tilefish include catch and landing limits for the commercial tilefish fishery. All requirements of the Magnuson-Stevens Fishery Conservation and Management Act, including the 10 national standards, also apply to specifications.

Detailed background information regarding the status of the tilefish stock and the development of the 2015–2017 specifications for this fishery was provided in the proposed rule to implement these specifications (September 3, 2014; 79 FR 52293). That information is not repeated here.

This action specifies the allowed harvest limits for the commercial tilefish fishery for the 2015, 2016, and 2017 fishing years. The total allowable landings (TAL) for the commercial fishery are divided between Individual Fishing Quota (IFQ) shareholders, which are allocated 95 percent of the TAL, and the incidental fishery, which receives 5 percent of the TAL. Table 1 contains the harvest quotas implemented by this action.

TABLE 1—SUMMARY OF 2015, 2016, AND 2017 HARVEST LIMITS FOR TILEFISH RELATIVE TO 2014 LIMITS

	2014	2015	2016	2017
Overfishing Limit (OFL)	NA	989 mt	1,063 mt	1,091 mt
Acceptable Biological Catch (ABC)	913 mt	801 mt	861 mt	861 mt
Annual Catch Limit (ACL)	913 mt	801 mt	861 mt	861 mt
Total Allowable Landings (TAL)	905 mt	796 mt	856 mt	856 mt
Individual Fishing Quota (IFQ) Fishery [1]	1,895,250 lb (859,671 kg)	1,667,136 lb (756,200 kg)	1,792,799 lb (813,200 kg)	1,792,799 lb (813,200 kg)
Incidental Fishery[1]	99,750 lb (45,246 kg)	87,744 lb (39,800 kg)	94,357 lb (42,800 kg)	94,357 lb (42,800 kg)

[1] Kg are converted from lb, and may not necessarily add exactly due to rounding.

The Council recommended the same quota for 2017 as for 2016, because, even though stock assessment projections indicate that the quota could be increased slightly, the Tilefish FMP has used a constant landings management strategy since it was implemented in 2001. The tilefish industry has been supportive of this approach, and stated that they benefit from the predictability that a stable quota provides. At the urging of the tilefish industry, and because the lower harvest in 2017 would likely support further growth in this stock, the Council decided that the value of quota stability between 2016 and 2017 outweighed the potential gain from the small amount of quota increase that could have been realized in 2017. As in previous years, no tilefish quota has been allocated for research set-aside. The Council has the opportunity to review updated information on the status of the tilefish fishery each year, and may choose to recommend changes to these specifications before the 2016 or 2017 fishing years.

The regulation at § 648.292(b)(1) specifies that the TAL for each fishing year will be 1.995 million lb (905,172 kg), unless modified by the specifications process. If not changed, this default value in the regulations may be confusing, because this action is establishing different TALs for 2015, 2016, and 2017 that would not appear in the regulations. To avoid confusion, this action revises the regulations to remove this reference to a specific TAL value.

Comments and Responses

The public comment period for the proposed rule ended on September 18, 2014. One comment was received on the proposed rule.

Comment: The commenter recommended a more drastic cut in harvest quotas and claimed widespread corruption and collusion between NMFS and the commercial fishing industry.

Response: The commenter presented no clear rationale or evidence supporting the claims. The most recent assessment determined that the tilefish stock is neither overfished, nor subject to overfishing. The Council's recommended harvest quotas were set below the potential harvest limit from the stock assessment in order to account for any scientific uncertainty. Therefore, there is no scientific basis for making changes to the quotas based on this comment. NMFS used the best scientific information available and is approving specifications for the tilefish fishery that are consistent with the FMP, all applicable legal requirements, and the recommendations of the Council.

Classification

Pursuant to section 304(b)(1)(A) of the Magnuson-Stevens Act, the Assistant Administrator for Fisheries, NOAA, has determined that this final rule is consistent with the Tilefish FMP, other provisions of the Magnuson-Stevens Act, and other applicable law.

There is good cause under 5 U.S.C. 553(d)(3) to establish an effective date less than 30 days after date of publication. Avoiding a delay in effectiveness past the start of the 2015 fishing year would avoid confusion and potential economic harm to the commercial tilefish industry. The 2015 tilefish fishing year starts on November 1, 2014. If new specifications are not effective on that date, the regulations at § 648.292(a) state the current harvest quotas would automatically continue into the new fishing year. Therefore, NMFS would be required to issue initial IFQ permits using the 2014 quota amount, and then reissue those permits using the lower 2015 quota once this rule became effective. Representatives of the commercial tilefish industry have been active participants in the Council's development of these specifications, and are anticipating the 2015 quota amount implemented by this action. Issuing two sets of permits based on different quota amounts in a short period of time could cause unnecessary confusion and paperwork for the commercial tilefish industry. If IFQ shareholders fished or leased their allocation in the interim, they could be responsible for a quota overage once the new 2015 quotas became effective. Under the regulations, such an overage would need to be paid back in the following fishing year, which would decrease fishing opportunities in 2016. Because the Council did not submit the EA until late June, NMFS was unable to prepare this rule earlier while still allowing for an appropriate comment period. However, NMFS must also consider the need of the tilefish industry to have adequate prior notice of changes in the harvest quota. As noted above, the commercial tilefish industry has been a participant in the Council's process of developing these specifications and is anticipating these measures. Therefore, the benefits of implementing these quota specifications on November 1, 2014, outweigh the benefit of the 30-day delay in effectiveness.

This final rule has been determined to be not significant for purposes of Executive Order 12866.

This final rule does not duplicate, conflict, or overlap with any existing Federal rules.

The FRFA included in this final rule was prepared pursuant to 5 U.S.C. 604(a), and incorporates the IRFA, a summary of the significant issues raised by the public comments in response to the IRFA, NMFS's responses to those comments, and a summary of the analyses completed to support the action. A copy of the EA/IRFA is analysis is available from the Council (see **ADDRESSES**).

The preamble to the proposed rule included a detailed summary of the analyses contained in the IRFA, and that discussion is not repeated here.

Final Regulatory Flexibility Analysis

Statement of Objective and Need

A description of the reasons why this action is being taken, and the objectives of and legal basis for this final rule are contained in the preambles to the proposed rule and this final rule and are not repeated here.

Summary of Significant Issues Raised in Public Comment

One comment was submitted on the proposed rule. However, it was not specific to the IRFA or to the economic impacts of the rule more generally. No changes were made from the proposed rule.

Description and Estimate of Number of Small Entities To Which the Rule Will Apply

The Small Business Administration (SBA) defines a small business in the commercial harvesting sector as a firm with receipts (gross revenues) of up to $20.5 million for finfish businesses. A small business in the recreational fishery (i.e., party or charter vessel operations) is a firm with receipts of up to $7.5 million. The 2015, 2016, and 2017 tilefish quotas could affect any vessel holding an active Federal permit for tilefish. Vessel permit data show that in 2013 there were 1,827 vessels that held a valid commercial tilefish permit and 393 vessels held a valid party/charter tilefish permit. However, not all of those vessels are active participants in the fishery. According to dealer-reported landings data, 141 vessels landed tilefish in fishing year 2013. In addition, according to vessel trip report data, 25 party/charter vessels reported catching tilefish in 2013. Changes in quotas under this action are not expected to affect the effort of vessels that land tilefish incidentally (e.g., otter trawl vessels) because the catch and/or landings of tilefish incidentally occur as these vessels target other species, and their fishing behavior is not expected to be driven by the level of the incidental tilefish quota.

Some of the vessels with tilefish permits may be considered to be part of the same firm because they may have the same owners. Firms are classified as finfish or for-hire firms based on the activity from which they derive the most revenue. All of the party/charter firms fall within the definition of a small business according to the 2010–2012 average revenues; however, some of these firms also landed tilefish commercially. If the contribution of tilefish commercial receipts is more than 50 percent of the total, the party/charter firm is considered a commercial operation. Using the $20.5 million cutoff for commercial finfish firms, there are 190 firms that are small and 4 that are large assuming average revenues for the 2010–2012 period. The majority of the permitted vessels readily fall within the definition of small business.

Description of Projected Reporting, Recordkeeping, and Other Compliance Requirements

No additional reporting, recordkeeping, or other compliance requirements are included in this final rule.

Description of the Steps Taken To Minimize Economic Impact on Small Entities

Specification of commercial quota is constrained by the conservation objectives of the FMP and the Magnuson-Stevens Act. The 2015 TAL contained in this final rule is 12 percent lower than the 2014 TAL, while the 2016 and 2017 TALs are 9 percent lower. However, this is the result of the Council's risk policy, which requires an appropriate buffer between the OFL and ABC that, in turn, lowers the TAL compared to 2014. Therefore, these lower catch levels in 2015 are consistent with the best available scientific information and intended to prevent overfishing from occurring.

As described in the proposed rule for this action, two other alternatives were considered that would have resulted in higher vessel revenue than these specifications. The status quo specifications (Alternative 2) were not consistent with the Council's risk policy. Alternative 3 would have increased the TAL in 2017. However, the tilefish industry preferred the same TALs in 2016 and 2017 under these final specifications to maintain stability in the fishery and promote future stock growth, which could lead to increased TALs and associated economic benefits in the future.

All affected IFQ shareholders will receive decreases in their tilefish 2015 IFQ allocations in comparison to their respective tilefish 2014 IFQ allocations. However, the magnitude of the decrease varies depending on the shareholder's relative percent in the total IFQ quota.

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 small entity compliance guide will be sent to all holders of Federal permits issued for the tilefish fishery. In addition, copies of this final rule and guide (i.e., permit holder letter) are available from NMFS (see **ADDRESSES**) and at the following Web site: *www.greateratlantic.fisheries.noaa.gov.*

List of Subjects in 50 CFR Part 648

Fisheries, Fishing, Reporting and recordkeeping requirements.

Dated: October 24, 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 § 648.292, revise paragraph (b) to read as follows:

§ 648.292 Tilefish specifications.

* * * * *

(b) *TAL.* (1) The TAL for each fishing year will be specified pursuant to paragraph (a) of this section.

(2) The sum of the TAL and the estimated discards shall be less than or equal to the ACT.

* * * * *

[FR Doc. 2014–25741 Filed 10–24–14; 4:15 pm]

BILLING CODE 3510–22–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 679

[Docket No. 130925836–4174–02]

RIN 0648–XD589

Fisheries of the Exclusive Economic Zone Off Alaska; Reallocation of Pacific Cod in the Western Regulatory Area of the Gulf of Alaska Management Area

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Temporary rule; reallocation.

SUMMARY: NMFS is reallocating the projected unused amount of Pacific cod from catcher vessels using trawl gear to catcher vessels using hook-and-line gear, vessels using pot gear, and vessels using jig gear in the Western Regulatory Area of the Gulf of Alaska management area (GOA). This action is necessary to allow the 2014 total allowable catch of Pacific cod in the Western Regulatory Area of the GOA to be harvested.

DATES: Effective October 24, 2014, through 2400 hours, Alaska local time (A.l.t.), December 31, 2014.

FOR FURTHER INFORMATION CONTACT: Obren Davis, 907–586–7228.

SUPPLEMENTARY INFORMATION: NMFS manages the groundfish fishery in the Gulf of Alaska exclusive economic zone according to the Fishery Management Plan for Groundfish of the Gulf of Alaska (FMP) prepared by the North Pacific Fishery Management Council under authority of the Magnuson-Stevens Fishery Conservation and Management Act. Regulations governing fishing by U.S. vessels in accordance with the FMP appear at subpart H of 50 CFR part 600 and 50 CFR part 679. Regulations governing sideboard protections for GOA groundfish fisheries appear at subpart B of 50 CFR part 680.

The 2014 Pacific cod total allowable catch (TAC) specified for catcher vessels using trawl gear in the Western Regulatory Area of the GOA is 8,582 metric tons (mt), as established by the final 2014 and 2015 harvest specifications for groundfish in the GOA (79 FR 12890, March 6, 2014). The Administrator, Alaska Region (Regional Administrator) has determined that catcher vessels using trawl gear will not be able to harvest 900 mt of the 2014 Pacific cod TAC allocated to those vessels under § 679.20(a)(12)(i)(A).

Therefore, in accordance with § 679.20(a)(12)(ii)(B), the Regional Administrator has also determined that catcher vessels using hook-and-line gear, vessels using pot gear, and vessels using jig gear currently have the capacity to harvest this excess allocation and reallocates 50 mt to catcher vessels using hook-and-line gear, 550 mt to vessels using pot gear, and 300 mt to vessels using jig gear.

The harvest specifications for Pacific cod in the Western Regulatory Area of the GOA included in the final 2014 harvest specifications for groundfish in the GOA (79 FR 12890, March 6, 2014) are revised as follows: 7,682 mt for catcher vessels using trawl gear, 363 mt for vessels using hook-and-line gear, 9,042 mt for vessels using pot gear, and 873 mt for vessels using jig gear.

Classification

This action responds to the best available information recently obtained from the fishery. The Assistant Administrator for Fisheries, NOAA (AA), finds good cause to waive the requirement to provide prior notice and opportunity for public comment pursuant to the authority set forth at 5 U.S.C. 553(b)(B) as such requirement is impracticable and contrary to the public interest. This requirement is impracticable and contrary to the public interest as it would prevent NMFS from responding to the most recent fisheries data in a timely fashion and would delay the reallocation of Pacific cod specified from catcher vessels using trawl gear to catcher vessels using hook-and-line gear, vessels using pot gear, and vessels using jig gear. Since the fishery is currently ongoing, it is important to immediately inform the industry as to the revised allocations. Immediate notification is necessary to allow for the orderly conduct and efficient operation of this fishery, to allow the industry to plan for the fishing season, and to avoid potential disruption to the fishing fleet as well as processors. NMFS was unable to publish a notice providing time for public comment because the most recent, relevant data only became available as of October 23, 2014.

The AA also finds good cause to waive the 30-day delay in the effective date of this action under 5 U.S.C. 553(d)(3). This finding is based upon the reasons provided above for waiver of prior notice and opportunity for public comment.

This action is required by § 679.20 and is exempt from review under Executive Order 12866.

Authority: 16 U.S.C. 1801 *et seq.*

Dated: October 24, 2014.

Emily H. Menashes,

Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service.

[FR Doc. 2014–25698 Filed 10–24–14; 4:15 pm]

BILLING CODE 3510–22–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 679

[Docket No. 130925836–4174–02]

RIN 0648–XD590

Fisheries of the Exclusive Economic Zone Off Alaska; Reallocation of Pacific Cod in the Central Regulatory Area of the Gulf of Alaska Management Area

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Temporary rule; reallocation.

SUMMARY: NMFS is reallocating the projected unused amount of Pacific cod from vessels using jig gear to vessels using pot gear in the Central Regulatory Area of the Gulf of Alaska management area (GOA). This action is necessary to allow the 2014 total allowable catch of Pacific cod in the Central Regulatory Area of the GOA to be harvested.

DATES: Effective October 24, 2014, through 2400 hours, Alaska local time (A.l.t.), December 31, 2014.

FOR FURTHER INFORMATION CONTACT: Obren Davis, 907–586–7228.

SUPPLEMENTARY INFORMATION: NMFS manages the groundfish fishery in the Gulf of Alaska exclusive economic zone according to the Fishery Management Plan for Groundfish of the Gulf of Alaska (FMP) prepared by the North Pacific Fishery Management Council under authority of the Magnuson-Stevens Fishery Conservation and Management Act. Regulations governing fishing by U.S. vessels in accordance with the FMP appear at subpart H of 50 CFR part 600 and 50 CFR part 679. Regulations governing sideboard protections for GOA groundfish fisheries appear at subpart B of 50 CFR part 680.

The 2014 Pacific cod total allowable catch (TAC) specified for vessels using jig gear in the Central Regulatory Area of the GOA is 797 metric tons (mt), as established by the final 2014 and 2015 harvest specifications for groundfish in the GOA (79 FR 12890, March 6, 2014). The Administrator, Alaska Region (Regional Administrator) has determined that vessels using jig gear will not be able to harvest 500 mt of the 2014 Pacific cod TAC allocated to those vessels under § 679.20(a)(12)(i)(A).

In accordance with § 679.20(a)(12)(ii)(B), the Regional Administrator has also determined that vessels using pot gear currently have the capacity to harvest this excess allocation and reallocates 500 mt to vessels using pot gear.

The harvest specifications for Pacific cod in the Central Regulatory Area of the GOA included in the final 2014 harvest specifications for groundfish in the GOA (79 FR 12890, March 6, 2014) are revised as follows: 297 mt for vessels using jig gear and 11,352 mt for vessels using pot gear.

Classification

This action responds to the best available information recently obtained from the fishery. The Assistant Administrator for Fisheries, NOAA (AA), finds good cause to waive the requirement to provide prior notice and opportunity for public comment pursuant to the authority set forth at 5 U.S.C. 553(b)(B) as such requirement is impracticable and contrary to the public interest. This requirement is impracticable and contrary to the public interest as it would prevent NMFS from responding to the most recent fisheries data in a timely fashion and would delay the reallocation of Pacific cod specified from vessels using jig gear to vessels using pot gear. Since the fishery is currently ongoing, it is important to immediately inform the industry as to the revised allocations. Immediate notification is necessary to allow for the orderly conduct and efficient operation of this fishery, to allow the industry to plan for the fishing season, and to avoid potential disruption to the fishing fleet as well as processors. NMFS was unable to publish a notice providing time for public comment because the most recent, relevant data only became available as of October 23, 2014.

The AA also finds good cause to waive the 30-day delay in the effective date of this action under 5 U.S.C. 553(d)(3). This finding is based upon the reasons provided above for waiver of prior notice and opportunity for public comment.

This action is required by § 679.20 and is exempt from review under Executive Order 12866.

Authority: 16 U.S.C. 1801 *et seq.*

Dated: October 24, 2014.

Emily H. Menashes,

Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service.

[FR Doc. 2014–25699 Filed 10–24–14; 4:15 pm]

BILLING CODE 3510–22–P

Proposed Rules

Federal Register
Vol. 79, No. 209
Wednesday, October 29, 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 AGRICULTURE

Agricultural Marketing Service

7 CFR Part 959

[Docket No. AMS–FV–14–0076; FV14–959–2 CR]

Onions Grown in South Texas; Continuance Referendum

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Referendum order.

SUMMARY: This document directs that a referendum be conducted among eligible producers of onions grown in South Texas to determine whether they favor continuance of the marketing order that regulates the handling of onions produced in the production area. This is the second referendum being conducted this year; the first was conducted in May 2014. The results of the first referendum revealed that the producer list used to mail ballots was not updated; consequently, USDA has determined that a second referendum should be conducted using an updated producer list to ensure all eligible producers have an opportunity to vote on whether to continue their Federal marketing order.

DATES: The referendum will be conducted from November 3 through November 17, 2014. To vote in this referendum, producers must have produced onions within the designated production area in Texas during the period of August 1, 2012, through July 31, 2013.

ADDRESSES: Copies of the marketing order may be obtained from the referendum agents at 1124 First Street South, Winter Haven, FL 33880, or the Office of the Docket Clerk, Marketing Order and Agreement Division, Fruit and Vegetable Program, AMS, USDA, 1400 Independence Avenue SW., STOP 0237, Washington, DC 20250–0237; Fax: (202) 720–8938; or Internet: *www.regulations.gov*.

FOR FURTHER INFORMATION CONTACT: Doris Jamieson, Marketing Specialist, or Christian D. Nissen, Regional Director, Southeast Marketing Field Office, Marketing Order and Agreement Division, Fruit and Vegetable Program, AMS, USDA, 1124 First Street South, Winter Haven, FL 33880; Telephone: (863) 324–3375, Fax: (863) 325–8793, or Email: *Doris.Jamieson@ams.usda.gov* or *Christian.Nissen@ams.usda.gov*.

SUPPLEMENTARY INFORMATION: Pursuant to Marketing Order No. 959, as amended (7 CFR Part 959), hereinafter referred to as the ''order,'' and the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), hereinafter referred to as the ''Act,'' it is hereby directed that a referendum be conducted to ascertain whether continuance of the order is favored by the producers. The referendum shall be conducted from November 3 through November 17, 2014, among onion producers in the production area. Only Texas onion producers that were engaged in the production of onions grown in South Texas during the period of August 1, 2012, through July 31, 2013, may participate in the continuance referendum.

Section 959.84 of the order requires USDA to conduct a continuance referendum every six years. The May 2014 referendum (79 FR 14440) was the first to be conducted since adding this requirement to the order on February 29, 2008. During the subsequent tabulation of the May 2014 referendum ballots, USDA learned that the producer list used to mail the ballots was not accurate. As a result, USDA has determined that a second referendum should be conducted using an updated producer list, thereby ensuring all eligible producers have an opportunity to vote on the future of the marketing order.

USDA has determined that continuance referenda are an effective means for determining whether producers favor the continuation of marketing order programs. USDA would consider termination of the order if fewer than two-thirds of the producers voting in the referendum and producers of less than two-thirds of the volume of onions grown in South Texas represented in the referendum favor continuance. In evaluating the merits of continuance versus termination, USDA will consider the results of the continuance referendum. USDA will also consider all other relevant information concerning the operation of the order and the relative benefits and disadvantages to producers, handlers, and consumers in determining whether continued operation of the order would tend to effectuate the declared policy of the Act.

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520), the ballot materials to be used in the referendum have been submitted to and approved by the Office of Management and Budget (OMB) and have been assigned OMB No. 0581–0178, Vegetable and Specialty Crop Marketing Orders. It has been estimated that it will take an average of 20 minutes for each of the approximately 55 producers of onions grown in South Texas to cast a ballot. Participation is voluntary. Ballots postmarked after November 17, 2014, will not be included in the vote tabulation.

Doris Jamieson and Christian D. Nissen of the Southeast Marketing Field Office, Fruit and Vegetable Program, AMS, USDA, are hereby designated as the referendum agents of the Secretary of Agriculture to conduct this referendum. The procedure applicable to the referendum shall be the ''Procedure for the Conduct of Referenda in Connection With Marketing Orders for Fruits, Vegetables, and Nuts Pursuant to the Agricultural Marketing Agreement Act of 1937, as Amended'' (7 CFR 900.400–900.407).

Ballots will be mailed to all producers of record and may also be obtained from the referendum agents, or from their appointees.

List of Subjects in 7 CFR Part 959

Marketing agreements, Onions, Reporting and recordkeeping requirements.

Authority: 7 U.S.C. 601–674.

Dated: October 23, 2014.

Rex A. Barnes,

Associate Administrator, Agricultural Marketing Service.

[FR Doc. 2014–25653 Filed 10–28–14; 8:45 am]

BILLING CODE P

BUREAU OF CONSUMER FINANCIAL PROTECTION

12 CFR Parts 1024 and 1026

[Docket No. CFPB–2014–0028]

RIN 3170–AA48

Amendments to the 2013 Integrated Mortgage Disclosures Rule Under the Real Estate Settlement Procedures Act (Regulation X) and Truth In Lending Act (Regulation Z) and the 2013 Loan Originator Rule Under the Truth in Lending Act (Regulation Z)

AGENCY: Bureau of Consumer Financial Protection.

ACTION: Proposed rule with request for public comment.

SUMMARY: The Bureau is proposing two modifications to the Truth in Lending Act and Real Estate Settlement Procedures Act Final Rule (TILA–RESPA Final Rule): An adjustment to the timing requirement for revised disclosures when the consumer locks a rate or extends a rate lock after the initial disclosures are provided; and an amendment to permit language related to new construction loans to be included on the Loan Estimate form. The Bureau also is proposing to amend the 2013 Loan Originator Final Rule to provide for placement of the Nationwide Mortgage Licensing System and Registry ID (NMLSR ID) on the integrated disclosures. Additionally, the Bureau is proposing technical corrections, including citation and cross-reference updates, and wording changes for clarification purposes to various provisions of Regulations X and Z as amended or adopted by the TILA–RESPA Final Rule.

DATES: Comments must be received on or before November 10, 2014.

ADDRESSES: You may submit comments, identified by Docket No. CFPB–2014–0028 or RIN 3170–AA48, by any of the following methods:

- *Electronic: http://www.regulations.gov*. Follow the instructions for submitting comments.
- *Mail:* Consumer Financial Protection Bureau, 1700 G Street NW., Washington, DC 20552.
- *Hand Delivery/Courier:* Monica Jackson, Office of the Executive Secretary, Consumer Financial Protection Bureau, 1275 First Street NE., Washington, DC 20002.

Instructions: All submissions should include the agency name and docket number or Regulatory Information Number (RIN) for this rulemaking. Because paper mail in the Washington, DC area and at the Bureau is subject to delay, commenters are encouraged to submit comments electronically. In general, all comments received will be posted without change to *http://www.regulations.gov*. In addition, comments will be available for public inspection and copying at 1275 First Street NE., Washington, DC 20002, on official business days between the hours of 10 a.m. and 5 p.m. Eastern Time. You can make an appointment to inspect the documents by telephoning (202) 435–7275.

All comments, including attachments and other supporting materials, will become part of the public record and subject to public disclosure. Sensitive personal information, such as account numbers or social security numbers, should not be included. Comments generally will not be edited to remove any identifying or contact information.

FOR FURTHER INFORMATION CONTACT: Jaydee DiGiovanni, Policy and Procedure Analyst; Richard Arculin and David Friend, Counsels; Office of Regulations, at (202) 435–7700.

SUPPLEMENTARY INFORMATION:

I. Summary of the Proposed Rule

In November 2013, pursuant to sections 1098 and 1100A of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act), the Bureau issued the Integrated Mortgage Disclosures under the Real Estate Settlement Procedures Act (Regulation X) and Truth in Lending Act (Regulation Z) (TILA–RESPA Final Rule),[1] combining certain disclosures that consumers receive in connection with applying for and closing on a mortgage loan.

This rule proposes two amendments to Regulation Z provisions adopted by the 2013 TILA–RESPA Final Rule. First, the Bureau is proposing to amend § 1026.19(e)(3)(iv)(D), which states that, in order to revise the estimated amounts used to determine good faith pursuant to § 1026.19(e)(1), creditors must redisclose interest rate dependent charges and loan terms on the date that the rate is locked. The Bureau is proposing to relax the timing requirement to state that creditors must provide a revised disclosure no later than the next business day after the date the rate is locked, instead of the same date. Second, the Bureau is proposing to amend § 1026.37(m) to provide for the placement of language relating to certain new construction loans on the Loan Estimate form that is required in order for creditors to redisclose estimated charges.

[1] 78 FR 79730 (Dec. 31, 2013).

The Bureau also is proposing several corrections, updates, and wording changes for clarification purposes that are non-substantive in nature, such as (1) technical corrections and corrected or updated citations and cross-references in the regulatory text and commentary adopted by the TILA–RESPA Final Rule; (2) minor wording changes throughout regulatory provisions and commentary adopted by the TILA–RESPA Final Rule for additional clarity; and (3) an amendment to § 1026.36(g)(2)(ii), adopted by the 2013 Loan Originator Final Rule, to provide for placement of the NMLSR ID on the integrated disclosures.

The Bureau is seeking comment on these amendments, with a 30-day comment period from the date of issuance of this proposed rule. The Bureau intends to finalize these proposed amendments quickly in order to provide industry adequate time to implement any changes that result from this proposal by the August 1, 2015 effective date.

II. Background

A. The Integrated Disclosures Rulemaking

In July 2010, the Dodd-Frank Act was enacted by Congress, which transferred rulemaking authority under both TILA and RESPA to the Bureau and, under sections 1032(f), 1098, and 1100A, mandated that the Bureau establish a single disclosure scheme under TILA and RESPA and propose for public comment rules and model disclosures that integrate the TILA and RESPA disclosures by July 21, 2012. 12 U.S.C. 2603(a), 5532(f); 15 U.S.C. 1604(b). In addition, the Dodd-Frank Act amended both statutes to mandate that the Bureau establish a single disclosure scheme for use by lenders or creditors in complying comprehensively with the disclosure requirements discussed above. Section 1098(2) of the Dodd-Frank Act amended RESPA section 4(a) to require that the Bureau publish a single, integrated disclosure for mortgage loan transactions ''which includes the disclosure requirements of this section and section 5, in conjunction with the disclosure requirements of [TILA] that, taken together, may apply to a transaction that is subject to both or either provisions of law.'' 12 U.S.C. 2603(a). Similarly, section 1100A(5) of the Dodd-Frank Act amended TILA section 105(b) to require that the Bureau publish a single, integrated disclosure for mortgage loan transactions which ''includes the disclosure requirements of this title in conjunction with the

disclosure requirements of [RESPA] that, taken together, may apply to a transaction that is subject to both or either provisions of law.'' 15 U.S.C. 1604(b).[2]

The Bureau issued proposed integrated disclosure forms and rules for public comment on July 9, 2012 (the TILA–RESPA Proposal or proposal).[3] On December 31, 2013, more than 17 years after Congress first directed the Board and HUD to integrate the disclosures under TILA and RESPA, the Bureau published the TILA–RESPA Final Rule.

B. Implementation Support

In early 2014, the Bureau initiated efforts to support industry implementation of the TILA–RESPA Integrated Disclosure Final Rule. These efforts include: (1) The publication of a plain-language compliance guide and guide to forms to help industry understand the new rules, including updates to the guides, as needed; (2) an ongoing series of webinars to address common interpretive questions; (3) roundtables with industry, including creditors, settlement service providers, and vendors, to discuss implementation; (4) participation in conferences and forums; and (5) close collaboration with other regulators, including state regulators, on implementation of the Final Rule, including coordination on consistent examination procedures. More information regarding the Bureau's TILA–RESPA implementation initiative can be found on the Bureau's regulatory implementation Web site at *www.consumerfinance.gov/regulatory-implementation*.

As part of the initiative to support ongoing implementation efforts, the Bureau has conducted extensive outreach to multiple stakeholders since publication of the Final Rule. Based on that extensive outreach, the Bureau believes these proposed amendments to be relatively straightforward and mostly technical in nature. Accordingly, the Bureau expects to be able to finalize this proposal in sufficient time for creditors and other stakeholders to be able to implement the final changes prior to the August 1, 2015 effective date.

III. Legal Authority

The Bureau is issuing this proposed rule pursuant to its authority under TILA, RESPA, and the Dodd-Frank Act. Section 1061 of the Dodd-Frank Act transferred to the Bureau the ''consumer financial protection functions'' previously vested in certain other Federal agencies, including the Board's consumer protection functions relating to TILA mortgage disclosures and the HUD Secretary's consumer protection functions relating to RESPA.[4] The term ''consumer financial protection function'' is defined to include ''all authority to prescribe rules or issue orders or guidelines pursuant to any Federal consumer financial law, including performing appropriate functions to promulgate and review such rules, orders, and guidelines.''[5] Title X of the Dodd-Frank Act, including section 1061 of the Dodd-Frank Act, along with TILA, RESPA, and certain subtitles and provisions of title XIV of the Dodd-Frank Act, are Federal consumer financial laws.[6] Accordingly, the Bureau has authority to issue regulations pursuant to TILA and RESPA, including the disclosure requirements added to those statutes by title XIV of the Dodd-Frank Act, as well as title X of the Dodd-Frank Act.

A. The Integrated Disclosure Mandate

Section 1032(f) of the Dodd-Frank Act requires that, ''[n]ot later than one year after the designated transfer date [of July 21, 2011], the Bureau shall propose for public comment rules and model disclosures that combine the disclosures required under [TILA] and sections 4 and 5 of [RESPA], into a single, integrated disclosure for mortgage loan transactions covered by those laws, unless the Bureau determines that any proposal issued by the [Board] and [HUD] carries out the same purpose.'' 12 U.S.C. 5532(f). In addition, the Dodd-Frank Act amended section 105(b) of TILA and section 4(a) of RESPA to require the integration of the TILA disclosures and the disclosures required by sections 4 and 5 of RESPA.[7] The purpose of the integrated disclosure is to facilitate compliance with the disclosure requirements of TILA and RESPA and to help the borrower understand the transaction by utilizing readily understandable language to simplify the technical nature of the disclosures. Dodd-Frank Act sections 1098, 1100A.

Although Congress imposed this integrated disclosure requirement, it did not harmonize the underlying statutes. In particular, TILA and RESPA establish different timing requirements for disclosing mortgage credit terms and costs to consumers and require that those disclosures be provided by different parties. TILA generally requires that, within three business days of receiving the consumer's application and at least seven business days before consummation of certain mortgage transactions, creditors must provide consumers a good faith estimate of the costs of credit.[8] TILA section 128(b)(2)(A); 15 U.S.C. 1638(b)(2)(A). If the annual percentage rate that was initially disclosed becomes inaccurate, TILA requires creditors to redisclose the information at least three business days before consummation. TILA section 128(b)(2)(D); 15 U.S.C. 1638(b)(2)(D). These disclosures must be provided in final form at consummation. TILA

[2] The amendments to RESPA and TILA mandating a ''single, integrated disclosure'' are among numerous conforming amendments to existing Federal laws found in subtitle H of the Consumer Financial Protection Act of 2010. Subtitle C of the Consumer Financial Protection Act, ''Specific Bureau Authorities,'' codified at 12 U.S.C. chapter 53, subchapter V, part C, contains a similar provision. Specifically, section 1032(f) of the Dodd-Frank Act provides that, by July 21, 2012, the Bureau ''shall propose for public comment rules and model disclosures that combine the disclosures required under [TILA] and sections 4 and 5 of [RESPA] into a single, integrated disclosure for mortgage loan transactions covered by those laws, unless the Bureau determines that any proposal issued by the [Board] and [HUD] carries out the same purpose.'' 12 U.S.C. 5532(f). The Bureau issued the TILA–RESPA Proposal pursuant to that mandate and the parallel mandates established by the conforming amendments to RESPA and TILA, discussed above.

[3] *See* the Bureau's press release *Consumer Financial Protection Bureau proposes ''Know Before You Owe'' mortgage forms* (July 9, 2012), available at *http://www.consumerfinance.gov/pressreleases/consumer-financial-protection-bureau-proposes-know-before-you-owe-mortgage-forms/*; the Bureau's blog post *Know Before You Owe: Introducing our proposed mortgage disclosure forms* (July 9, 2012), available at *http://www.consumerfinance.gov/blog/know-before-you-owe-introducing-our-proposed-mortgage-disclosure-forms/*.

[4] Public Law 111–203, 124 Stat. 1376, section 1061(b)(7); 12 U.S.C. 5581(b)(7).

[5] 12 U.S.C. 5581(a)(1).

[6] Dodd-Frank Act section 1002(14), 12 U.S.C. 5481(14) (defining ''Federal consumer financial law'' to include the ''enumerated consumer laws'' and the provisions of title X of the Dodd-Frank Act); Dodd-Frank Act section 1002(12), 12 U.S.C. 5481(12) (defining ''enumerated consumer laws'' to include TILA and RESPA); Dodd-Frank section 1400(b), 15 U.S.C. 1601 note (defining ''enumerated consumer laws'' to include certain subtitles and provisions of Title XIV).

[7] Section 1100A of the Dodd-Frank Act amended TILA section 105(b) to provide that the ''Bureau shall publish a single, integrated disclosure for mortgage loan transactions (including real estate settlement cost statements) which includes the disclosure requirements of this title in conjunction with the disclosure requirements of the Real Estate Settlement Procedures Act of 1974 that, taken together, may apply to a transaction that is subject to both or either provisions of law.'' 15 U.S.C. 1604(b). Section 1098 of the Dodd-Frank amended RESPA section 4(a) to require the Bureau to publish a ''single, integrated disclosure for mortgage loan transactions (including real estate settlement cost statements) which includes the disclosure requirements of this section and section 5, in conjunction with the disclosure requirements of the Truth in Lending Act that, taken together, may apply to a transaction that is subject to both or either provisions of law.'' 12 U.S.C. 2603(a).

[8] This requirement applies to extensions of credit that are both secured by a dwelling and subject to RESPA. TILA section 128(b)(2)(A); 15 U.S.C. 1638(b)(2)(A).

section 128(b)(2)(B)(ii); 15 U.S.C. 1638(b)(2)(B)(ii). RESPA also requires that the creditor or broker provide consumers with a good faith estimate of settlement charges no later than three business days after receiving the consumer's application. However, unlike TILA, RESPA requires that, at or before settlement, ''the person conducting the settlement'' (which may or may not be the creditor) provide the consumer with a statement that records all charges imposed upon the consumer in connection with the settlement. RESPA sections 4(b), 5(c); 12 U.S.C. 2603(b), 2604(c).

The Dodd-Frank Act did not reconcile these and other statutory differences. Therefore, to meet the Dodd-Frank Act's express requirement to integrate the disclosures required by TILA and RESPA, the Bureau was required to do so. Dodd-Frank Act section 1032(f), TILA section 105(b), and RESPA section 4(a) provide the Bureau with authority to issue regulations that reconcile certain provisions of TILA and RESPA to carry out Congress' mandate to integrate the statutory disclosure requirements.

B. Other Rulemaking and Exception Authorities

This proposed rule also relies on the rulemaking and exception authorities specifically granted to the Bureau by TILA, RESPA, and the Dodd-Frank Act, including the authorities discussed below.

Truth in Lending Act

TILA section 105(a). As amended by the Dodd-Frank Act, TILA section 105(a), 15 U.S.C. 1604(a), directs the Bureau to prescribe regulations to carry out the purposes of TILA and provides that such regulations may contain additional requirements, classifications, differentiations, or other provisions and may further provide for such adjustments and exceptions for all or any class of transactions that the Bureau judges are necessary or proper to effectuate the purposes of TILA, to prevent circumvention or evasion thereof, or to facilitate compliance therewith. A purpose of TILA is ''to assure a meaningful disclosure of credit terms so that the consumer will be able to compare more readily the various credit terms available to him and avoid the uninformed use of credit.'' TILA section 102(a); 15 U.S.C. 1601(a). This stated purpose is informed by Congress' finding that ''economic stabilization would be enhanced and the competition among the various financial institutions and other firms engaged in the extension of consumer credit would be strengthened by the informed use of credit[.]'' TILA section 102(a). Thus, strengthened competition among financial institutions is a goal of TILA, achieved through the effectuation of TILA's purposes.

Historically, TILA section 105(a) has served as a broad source of authority for rules that promote the informed use of credit through required disclosures and substantive regulation of certain practices. Dodd-Frank Act section 1100A clarified the Bureau's section 105(a) authority by amending that section to provide express authority to prescribe regulations that contain ''additional requirements'' that the Bureau finds are necessary or proper to effectuate the purposes of TILA, to prevent circumvention or evasion thereof, or to facilitate compliance. This amendment clarified the Bureau's authority to exercise TILA section 105(a) to prescribe requirements beyond those specifically listed in the statute that meet the standards outlined in section 105(a). The Dodd-Frank Act also clarified the Bureau's rulemaking authority over certain high-cost mortgages pursuant to section 105(a). As amended by the Dodd-Frank Act, TILA section 105(a) authority to make adjustments and exceptions to the requirements of TILA applies to all transactions subject to TILA, except with respect to the provisions of TILA section 129 [9] that apply to the high-cost mortgages referred to in TILA section 103(bb), 15 U.S.C. 1602(bb).

TILA section 129B(e). Dodd-Frank Act section 1405(a) amended TILA to add new section 129B(e), 15 U.S.C. 1639B(e). That section authorizes the Bureau to ''prohibit or condition terms, acts, or practices relating to residential mortgage loans that the Bureau finds to be abusive, unfair, deceptive, predatory, necessary, or proper to ensure that responsible, affordable mortgage credit remains available to consumers in a manner consistent with the purposes of this section and section 129C [of TILA], necessary or proper to effectuate the purposes of this section and section 129C [of TILA], to prevent circumvention or evasion thereof, or to facilitate compliance with such sections, or are not in the interest of the borrower.'' In developing rules under TILA section 129B(e), the Bureau has considered whether the rules are in the interest of the borrower, as required by the statute.

[9] 15 U.S.C. 1639. TILA section 129 contains requirements for certain high-cost mortgages, established by the Home Ownership and Equity Protection Act (HOEPA), which are commonly called HOEPA loans.

Real Estate Settlement Procedures Act

Section 19(a) of RESPA, 12 U.S.C. 2617(a), authorizes the Bureau to prescribe such rules and regulations and to make such interpretations and grant such reasonable exemptions for classes of transactions as may be necessary to achieve the purposes of RESPA. One purpose of RESPA is to effect certain changes in the settlement process for residential real estate that will result in more effective advance disclosure to home buyers and sellers of settlement costs. RESPA section 2(b); 12 U.S.C. 2601(b). In addition, in enacting RESPA, Congress found that consumers are entitled to be ''provided with greater and more timely information on the nature and costs of the settlement process and [to be] protected from unnecessarily high settlement charges caused by certain abusive practices in some areas of the country.'' RESPA section 2(a); 12 U.S.C. 2601(a). In the past, RESPA section 19(a) has served as a broad source of authority to prescribe disclosures and substantive requirements to carry out the purposes of RESPA.

In developing rules under RESPA section 19(a), the Bureau has considered the purposes of RESPA, including to effect certain changes in the settlement process that will result in more effective advance disclosure of settlement costs.

Dodd-Frank Act

Dodd-Frank Act section 1021. Section 1021(a) of the Dodd-Frank Act provides that the Bureau shall seek to implement and, where applicable, enforce Federal consumer financial law consistently for the purpose of ensuring that all consumers have access to markets for consumer financial services and that markets for consumer financial products and services are fair, transparent, and competitive. 12 U.S.C. 5511(a). In addition, section 1021(b) of the Dodd-Frank Act provides that the Bureau is authorized to exercise its authorities under Federal consumer financial law for the purposes of ensuring that, among other things, with respect to consumer financial products and services: (1) Consumers are provided with timely and understandable information to make responsible decisions about financial transactions; (2) consumers are protected from unfair, deceptive, or abusive acts and practices and from discrimination; (3) outdated, unnecessary, or unduly burdensome regulations are regularly identified and addressed in order to reduce unwarranted regulatory burdens; (4) Federal consumer financial law is enforced consistently, without regard to

the status of a person as a depository institution, in order to promote fair competition; and (5) markets for consumer financial products and services operate transparently and efficiently to facilitate access and innovation. 12 U.S.C. 5511(b). Accordingly, in developing this rulemaking, the Bureau has sought to ensure that it is consistent with the purposes of Dodd-Frank Act section 1021(a) and with the objectives of Dodd-Frank Act section 1021(b), specifically including Dodd-Frank Act section 1021(b)(1) and (3).

Dodd-Frank Act section 1022(b). Section 1022(b)(1) of the Dodd-Frank Act authorizes the Bureau to prescribe rules ''as may be necessary or appropriate to enable the Bureau to administer and carry out the purposes and objectives of the Federal consumer financial laws, and to prevent evasions thereof.'' 12 U.S.C. 5512(b)(1). Section 1022(b)(2) of the Dodd-Frank Act prescribes certain standards for rulemaking that the Bureau must follow in exercising its authority under section 1022(b)(1). 12 U.S.C. 5512(b)(2). As discussed above, TILA and RESPA are Federal consumer financial laws. Accordingly, in proposing this rule, the Bureau is exercising its authority under Dodd-Frank Act section 1022(b) to prescribe rules under TILA, RESPA, and Title X that carry out the purposes and objectives and prevent evasion of those laws. See part V for a discussion of the Bureau's standards for rulemaking under Dodd-Frank Act section 1022(b)(2).

Dodd-Frank Act section 1032. Section 1032(a) of the Dodd-Frank Act provides that the Bureau ''may prescribe rules to ensure that the features of any consumer financial product or service, both initially and over the term of the product or service, are fully, accurately, and effectively disclosed to consumers in a manner that permits consumers to understand the costs, benefits, and risks associated with the product or service, in light of the facts and circumstances.'' 12 U.S.C. 5532(a). The authority granted to the Bureau in section 1032(a) is broad and empowers the Bureau to prescribe rules regarding the disclosure of the ''features'' of consumer financial products and services generally. Accordingly, the Bureau may prescribe rules containing disclosure requirements even if other Federal consumer financial laws do not specifically require disclosure of such features.

Dodd-Frank Act section 1032(c) provides that, in prescribing rules pursuant to section 1032, the Bureau ''shall consider available evidence about consumer awareness, understanding of, and responses to disclosures or communications about the risks, costs, and benefits of consumer financial products or services.'' 12 U.S.C. 5532(c). Accordingly, in developing the TILA–RESPA Final Rule under Dodd-Frank Act section 1032(a), the Bureau considered available studies, reports, and other evidence about consumer awareness, understanding of, and responses to disclosures or communications about the risks, costs, and benefits of consumer financial products or services. Moreover, the Bureau has considered the evidence developed through its consumer testing of the integrated disclosures as well as prior testing done by the Board and HUD regarding TILA and RESPA disclosures. See part III of the TILA–RESPA Final Rule for a discussion of the Bureau's consumer testing.

Dodd-Frank Act section 1405(b). Section 1405(b) of the Dodd-Frank Act provides that, ''[n]otwithstanding any other provision of [title 14 of the Dodd-Frank Act], in order to improve consumer awareness and understanding of transactions involving residential mortgage loans through the use of disclosures, the Bureau may, by rule, exempt from or modify disclosure requirements, in whole or in part, for any class of residential mortgage loans if the Bureau determines that such exemption or modification is in the interest of consumers and in the public interest.'' 15 U.S.C. 1601 note. Section 1401 of the Dodd-Frank Act, which amends TILA section 103(cc)(5), 15 U.S.C. 1602(cc)(5), generally defines a residential mortgage loan as any consumer credit transaction that is secured by a mortgage on a dwelling or on residential real property that includes a dwelling other than an open-end credit plan or an extension of credit secured by a consumer's interest in a timeshare plan. Notably, the authority granted by section 1405(b) applies to ''disclosure requirements'' generally, and is not limited to a specific statute or statutes. Accordingly, Dodd-Frank Act section 1405(b) is a broad source of authority to exempt from or modify the disclosure requirements of TILA and RESPA.

In developing rules for residential mortgage loans under Dodd-Frank Act section 1405(b), the Bureau has considered the purposes of improving consumer awareness and understanding of transactions involving residential mortgage loans through the use of disclosures, and the interests of consumers and the public.

IV. Section-by-Section Analysis

A. Regulation X

Section 1024.5—Coverage of RESPA

5(d) Partial Exemptions for Certain Mortgage Loans

The Bureau is proposing to amend § 1024.5(d) to remove the cross-references to § 1024.21(b) and (c) and replace them with the appropriate cross-reference to § 1024.33(a).

B. Regulation Z

General—Technical Corrections

In addition to the amendments to Regulation Z discussed below, the Bureau is proposing non-substantive technical corrections, including citation and cross-reference updates as well as wording changes for clarification purposes, to various provisions of Regulation Z as amended or adopted by the TILA–RESPA Final Rule. The proposed technical corrections are to §§ 1026.37(o) and 1026.38(e) and (k); to commentary to §§ 1026.37(b), (c), and (h) and 1026.38(a) and (e); and to Appendix H. Where appropriate, some of these technical corrections and wording changes are discussed in the applicable sections below.

Section 1026.19—Certain Mortgage and Variable-Rate Transactions

19(e)(3)(iv)(D) Interest Rate Dependent Charges

As the Bureau acknowledged in the TILA–RESPA Final Rule,[10] if a loan's interest rate has not been locked at the time the initial disclosures are made, or a locked interest rate has expired, loan terms and costs related to the interest rate may change, including the charge or credit for the interest rate chosen, the adjusted origination charges, and per diem interest. Regulation X, § 1024.7(f)(5), currently provides for redisclosure of these estimated charges in the event that a rate is locked after the initial Good Faith Estimate (GFE) has been provided: A revised GFE must be provided within three business days of the interest rate being locked or re-locked, showing the revised interest rate dependent charges and terms.

In the TILA–RESPA Proposal, proposed § 1026.19(e)(3)(iv)(D) retained the same basic approach, but the Bureau expressed concern that allowing creditors three business days to provide revised disclosures after a rate is locked could harm consumers through creditors engaging in rent-seeking behavior or attempting to circumvent RESPA and Regulation X. The Bureau

[10] 78 FR 79730, 79833 (December 31, 2013).

thus proposed § 1026.19(e)(3)(iv)(D) to permit a revised disclosure in the event of a subsequent lock of the interest rate but required redisclosure on the same date that the rate is locked.

The Bureau sought comment on the frequency and magnitude of revisions to the interest rate dependent charges, the frequency of cancellations of contractual agreements related to interest rate dependent charges, such as rate lock agreements, and the reasons for such revisions and cancellations. The Bureau received few comments specific to proposed § 1026.19(e)(3)(iv)(D) and finalized § 1026.19(e)(3)(iv)(D) as proposed with some additional clarifications. The Bureau stated that, if the interest rate is set without a rate lock agreement, § 1026.19(e)(3)(iv)(D) does not apply. The Bureau further explained that it intended § 1026.19(e)(3)(iv)(D) only to apply in situations where a rate lock agreement has been entered into between the creditor and borrower or where such agreement has expired. The Bureau also stated that, in its view, creditors should not need any additional time beyond the date the rate is locked to provide revised disclosures because the creditor controls when it executes the rate lock agreement.[11] The Bureau added comments 19(e)(3)(iv)(D)–1 and 19(e)(4)(i)–2 to provide examples and additional explanations.

As adopted by the Final Rule, § 1026.19(e)(3)(iv)(D) provides for revised disclosures when there are changes in interest rate dependent charges due to a rate lock, extension, or re-lock. Section 1026.19(e)(3)(iv)(D) states that, in order to revise the estimated amounts used to determine good faith pursuant to § 1026.19(e)(1), the creditor shall provide a revised version of the disclosures required under § 1026.19(e)(1)(i) to the consumer with the revised interest rate, the points disclosed pursuant to § 1026.37(f)(1), lender credits, and any other interest rate dependent charges and terms, on the date the rate is locked.

As part of its regulatory implementation outreach, the Bureau has received significant feedback on this provision since the Final Rule was published. Numerous industry stakeholders have presented information that suggests that creditors may not control when a rate is locked to the same extent the Bureau believed when finalizing the rule, and have identified operational challenges due to the same-day redisclosure requirement in § 1026.19(e)(3)(iv)(D).

In light of this information and for reasons more fully discussed below, the Bureau believes the same-day redisclosure requirement could potentially create a consumer disadvantage. Accordingly, the Bureau believes that the same-day redisclosure requirement warrants reconsideration, and is proposing to amend § 1026.19(e)(3)(iv)(D) and its commentary to adjust this timing requirement. First, the Bureau is reassessing the extent to which the creditor controls when a rate lock agreement arises in some circumstances. The Final Rule states that creditors generally should be able to control when a rate lock agreement is executed, even if a consumer requests a rate lock the business day before. However, the Bureau believes that creditors may not always control when the agreement is formed in all situations. Moreover, flexibilities that exist under existing practices may be advantageous to consumers. For example, some creditors permit the consumer, or loan originator working on behalf of the consumer, to lock the interest rate unilaterally at any point during a business day or even after business hours. Under these practices, the consumer has the flexibility to lock the rate and form that agreement late in a business day or after business hours.

The Bureau believes this flexibility may be beneficial to consumers, because it allows them to lock interest rates on a date and time of their choosing without time restrictions being imposed by the creditor. The same-day redisclosure requirement could restrict this flexibility and reduce consumers' ability to determine when their rates may be locked. If creditors are required to provide revised disclosures to consumers the same date that the rate is locked, and a consumer asks to lock a rate late in the business day or after hours, creditors may be unable to provide a revised Loan Estimate that same date. Given the potential consequences of losing the ability to reset the applicable tolerances for interest rate-dependent charges pursuant to § 1026.19(e)(3), the Bureau believes creditors may respond to the Final Rule by limiting consumers' ability to lock rates at the time of their choice. Creditors may do this either by imposing cut-off times after which consumers are unable to lock their interest rates until the next day or by refusing to lock the rate contractually until the business day after the consumer requests a rate lock. The Bureau believes that both reactions to the Final Rule could be disadvantageous to consumers.

If creditors impose cut-off times, consumers would be limited in the times of day that they or their representatives could lock interest rates. This could be problematic or inconvenient to consumers, particularly those who are in different time zones than their creditors, and could result in consumers missing the applicable windows to lock on a day of their choice and having to wait until the next business day to do so. Alternatively, the Bureau believes some creditors may be able to provide revised disclosures on the same date that a rate lock agreement is formed if those creditors only allow consumers to request the rate at a time of their choosing, and then later execute or form a binding agreement with the consumer. However, the Bureau believes this result could present other challenges to consumers. For example, consumers may be confused if they believe they are locking an interest rate at a certain time, but in fact are merely requesting rates that are not contractually binding until the creditor accepts the request, which may not be until the next business day. Accordingly, the Bureau believes that the same-day redisclosure requirement could create implementation challenges to industry that may result in unintended reduced consumer flexibility in locking or resetting floating interest rates.

For these reasons, the Bureau believes the same-day redisclosure requirement warrants reconsideration. The Bureau maintains that there is a benefit to consumers in receiving the revised Loan Estimate as early as possible to enable the consumer to evaluate the information. The Bureau also believes that a creditor should be able to provide a revised Loan Estimate based on interest rate dependent charges more quickly in comparison to other types of disclosures, because the creditor may not need to obtain information from other parties, such as third party vendors. However, the Bureau believes that providing for redisclosure on the next business day after the rate is locked would still further these purposes but without the operational challenges presented by a same-day redisclosure requirement. Accordingly, the Bureau is proposing to revise § 1026.19(e)(3)(iv)(D) to provide that creditors shall redisclose the interest rate and interest rate dependent charges no later than the next business day after the date the interest rate is locked. The proposal also would make conforming changes to comments 19(e)(3)(iv)(D)–1 and 19(e)(4)(i)–2, which provide illustrations of the provision's application.

The Bureau seeks comment on whether there is potential for consumer

[11] 78 FR 79833 (December 31, 2013).

harm if creditors are allowed a business day to provide revised Loan Estimates or benefit to consumers in retaining the same-day redisclosure requirement. The Bureau also seeks comment as to whether a single business day is sufficient for creditors to deliver or place in the mail a revised Loan Estimate modifying interest rate dependent charges and terms without the unintended consequences described in this proposal and, conversely, whether there is consumer harm that would result from allowing redisclosure more than one business day after the interest rate is locked.

Section 1026.36—Prohibited Acts or Practices and Certain Requirements for Credit Secured by a Dwelling

36(g) Name and NMLSR ID on Loan Documents

36(g)(2)(ii)

The Bureau is proposing to amend § 1026.36(g)(2)(ii) to conform to the requirements adopted by the 2013 Loan Originator Compensation Final Rule. Section 1026.36(g)(2) lists the specific loan documents that must contain the loan originator's name and NMLSR ID. The Bureau explained in the 2013 Loan Originator Compensation Final Rule that it was reserving § 1026.36(g)(2)(ii) for references to the integrated disclosures the Bureau was expecting to adopt in the final rule implementing the 2012 TILA–RESPA Integration Proposal. The disclosures referenced are those required by § 1026.19(e) and (f) in the TILA–RESPA Final Rule. Accordingly, the Bureau is proposing to amend § 1026.36(g)(2)(ii) to include in the list of loan documents the disclosures described § 1026.19(e) and (f), as adopted by the TILA–RESPA Final Rule.

Section 1026.37 Content of Disclosure for Certain Mortgage Transactions (Loan Estimate)

37(b) Loan Terms

37(b)(6) Adjustments After Consummation

Section 1026.37(b)(6) requires creditors to disclose that adjustments to principal, interest, and periodic payment may occur after consummation, including the date when the adjustment may first occur. As stated in comment 37(b)(8)–1, for adjustments that occur less than 24 months after consummation, the Bureau intended that date to be disclosed as a month, whereas for adjustments that occur after 24 months, as a whole year. Thus, an adjustment that first occurs 20 months after consummation would be disclosed as occurring in ''month 20,'' whereas an adjustment that occurs 37 months after consummation would disclosed as occurring in ''year 3,'' not in ''year 3.1.'' Comment 37(b)(6)–1, which provides for this timing mechanism, implies that comment 37(a)(10)–3 should be used to determine all adjustments that occur in periods not in whole years. While the Bureau intended that comment 37(a)(10)–3.ii be used to guide creditors regarding how to disclose terms of less than 24 months, comment 37(a)(10)–3.i provides that decimals should be used for periods greater than 24 months. The Bureau did not intend this guidance to be applicable to § 1026.37(b)(6); rather, any such period should be disclosed in whole years as stated in comment 37(b)(8)–1. Accordingly, the Bureau is proposing to revise comment 37(b)(6)–1 to align it with the commentary 37(b)(8) and ensure consistency in the reporting of time periods. Specifically, the Bureau proposes that guidance provided in 37(a)(10)–3 only should be referenced when reporting increases that occur less than 24 months after consummation but does not equate to a number of whole years or a number of days less than a week. For all other increases, whole years should be used in accordance with comment 37(b)(8)–1.

37(c) Projected Payments

37(c)(2) Itemization

37(c)(2)(ii) and 37(c)(2)(iii)

The Bureau is proposing to move the reference to the disclosure of mortgage insurance premiums as ''0'' where no escrow account is established to pay charges, such as property taxes or homeowners association fees, from comment 37(c)(ii)–2 and move it to comment 37(c)(2)(iii)–1. The Bureau believes that this reference is better suited in comment 37(c)(2)(iii), which provides for escrow disclosure. The Bureau also is proposing to amend comment 37(c)(2)(iii)–1 to state that the escrow payment should be disclosed as ''—'' if an escrow account is established for the payment of amounts identified in § 1026.37(c)(4)(ii), but no escrow payment is required with a particular periodic payment or range of payments, consistent with the disclosure of mortgage insurance premiums in comment 37(c)(2)(ii)–1.

37(c)(4) Taxes, Insurance, and Assessments

37(c)(4)(iv)

The Bureau is proposing to revise comment 37(c)(4)(iv)–2 to remove the reference to property taxes and homeowner's insurance to clarify that the amounts disclosed pursuant to § 1026.37(c)(4)(ii) may be paid by the creditor using some funds from the escrow account.

37(h) Calculating Cash To Close

37(h)(1) For all Transactions

37(h)(1)(ii) Closing Costs Financed

The Bureau is proposing to revise comment 37(h)(1)(ii)–1 to reflect the intended meaning of the regulatory text in § 1026.37(h)(1)(ii), which requires disclosure, in the Loan Estimate, of the amount, expressed as a negative number, of any closing costs that are to be paid from the loan proceeds. The Bureau explained in the preamble to the Final Rule that the amount disclosed under § 1026.37(h)(1)(ii) is determined by subtracting the estimated total amount of payments to third parties not otherwise disclosed pursuant to § 1026.37(f) and (g) from the total loan amount so long as the amount is a positive number and does not exceed the total closing costs disclosed under § 1026.37(g)(6), but comment 37(h)(1)(ii)–1 referenced ''lender credits'' instead of ''closing costs.'' Accordingly, the Bureau is proposing to remove the words ''lender credits'' and replace them with the words ''closing costs'' to harmonize with the preamble, which correctly reflected the Bureau's intent.

37(m) Other Considerations

Section 1026.19(e)(3)(iv)(F) governs redisclosures on new construction loans when the creditor reasonably expects settlement to occur more than 60 days after providing the initial Loan Estimate. Section 1026.19(e)(3)(iv)(F) provides that a creditor may issue a revised disclosure if the original disclosure clearly and conspicuously states the creditor may issue revised disclosures at any time prior to 60 days before consummation. If no such statement is provided, the creditor may not issue revised disclosures, except as otherwise provided in § 1026.19(f).

The Bureau intended to permit creditors that make new construction loans and reasonably expect settlement to occur more than 60 calendar days after the initial Loan Estimate is provided to state on the Loan Estimate that the creditor may issue revised disclosures. However, § 1026.37, which prescribes the content for the disclosures provided on the Loan Estimate pursuant to § 1026.19(e)(1)(i), does not permit the creditor to state that it may issue revised disclosures. The proposal would add a new provision allowing the creditor to make the statement on the Loan Estimate form. Creditors would thus be able to preserve

the ability to provide the borrower with a revised loan estimate if settlement is not expected to occur for more than 60 days after the disclosures required by § 1026.19(e) are provided.

The Bureau is proposing to add new § 1026.37(m)(8), under the master heading ''Additional Information About This Loan'' and under the heading ''Other Considerations,'' and believes the § 1026.19(e)(3)(iv)(F) language is appropriately placed in this section of § 1026.37. The Bureau also is proposing to add new comment 37(m)(8)–1 to state that placement of the language here satisfies the ''clear and conspicuous'' standard set forth in § 1026.19(e)(3)(iv)(F). The Bureau invites comments on whether this is the most appropriate placement or if there are other areas on the Loan Estimate form that are more appropriate.

Section 1026.38—Content of Disclosures for Certain Mortgage Transactions (Closing Disclosure)

38(a) General Information

38(a)(3) Closing Information

38(a)(3)(vi)

The Bureau is proposing to add new commentary to § 1026.38(a)(3)(vi) to clarify that, in the case of multiple properties securing the transaction, the property address for all properties must be disclosed on the Closing Disclosure. Comment 37(a)(6)–3 provides that, where more than one property secures the credit transaction, all property addresses securing the transaction must be disclosed on the Loan Estimate pursuant to § 1026.37(a)(6). The Bureau believes that the requirement to disclose all real property securing the transaction must also be applied to the Closing Disclosure to ensure consistency between the two forms.

Accordingly, the Bureau is proposing to add new comment 38(a)(3)(vi)–2 to clarify that the addresses of all properties securing the transaction must be disclosed on the Closing Disclosure. Furthermore, proposed comment 38(a)(3)(vi)–2 would clarify that additional pages may be appended to the end of the form with the real property information if there is not enough space on the Closing Disclosure.

38(e) Alternative Calculating Cash To Close Table for Transactions Without a Seller

38(e)(1) Loan Amount

38(e)(1)(iii)(A)

The Bureau is proposing to amend comment 38(e)(1)(iii)(A)–1 to clarify the statement identifying a difference between the loan amount in the Loan Estimate and Closing Disclosure, pursuant to § 1026.38(e)(1)(iii)(A). The Bureau is proposing to amend comment 38(e)(1)(iii)(A)–1 to replace ''You increased this amount'' with ''This amount increased.''

38(e)(2) Total Closing Costs

38(e)(2)(iii)(A)

The Bureau is proposing to add commentary to § 1026.38(e)(2) to harmonize the disclosure of increases or decreases in closing costs between the ''Alternative Calculating Cash to Close'' table, which may be used for transactions without a seller, and the general ''Calculating Cash to Close'' table. Section 1026.38(i) and comment 38(i)–4, which prescribe content for the general ''Calculating Cash to Close'' table, require statements regarding any excess amount and any credit to the consumer be disclosed on the table. However, a parallel comment was not adopoted or incorporated by reference in § 1026.38(e) for the alternative table. The Bureau intended that the same requirement apply to the alternative table and is proposing to add comment to section 38(e)(2)(iii)(A) to reflect the intended meaning of § 1026.38(e)(2)(iii)(A) and harmonize the commentary with section 38(i)(1)–3, which interprets § 1026.38(i)(1).

38(e)(3) Closing Costs Paid Before Closing

38(e)(3)(iii)(A)

The Bureau is proposing to amend § 1026.38(e)(3)(iii)(A), which applies to the ''Alternative Calculating Cash to Close'' table, to harmonize it with the parallel provision in § 1026.38(i)(2)(iii)(A), which applies to the general ''Calculating Cash to Close'' table. The Bureau intended that that these two provisions require, among other things, a statement that the consumer ''paid such amounts prior to consummation of the transaction,'' as reflected in § 1026.38(i)(2)(iii)(A). However, § 1026.38(e)(3)(iii)(A), as adopted by the TILA–RESPA Final Rule contains different language. Accordingly, the Bureau is proposing to amend § 1026.38(e)(3)(iii)(A) to harmonize these two provisions.

V. Dodd-Frank Act Section 1022(b)(2)

A. Overview

In developing the proposed rule, the Bureau has considered potential benefits, costs, and impacts.[12] The Bureau requests comment on the preliminary analysis presented below as well as submissions of additional data that could inform the Bureau's analysis of the benefits, costs, and impacts. The Bureau has consulted, or offered to consult with, the prudential regulators, the Securities and Exchange Commission, the Department of Housing and Urban Development, the Federal Housing Finance Agency, the Federal Trade Commission, the U.S. Department of Veterans Affairs, the U.S. Department of Agriculture, and the Department of the Treasury, including regarding consistency with any prudential, market, or systemic objectives administered by such agencies.

This rule proposes two main amendments to provisions adopted by the TILA–RESPA Final Rule. First, the Bureau is proposing to amend § 1026.19(e)(3)(iv)(D) and related commentary to relax a timing requirement that currently requires creditors to redisclose the interest rate and interest rate dependent charges to the consumer on the date that the rate is locked. The proposed amendment would require creditors to redisclose the interest rate and interest rate dependent charges no later than the next business day after the rate is locked.

The Bureau believes that, absent the proposed change, this requirement is likely to result in at least some creditors limiting consumers' ability to lock their interest rates only to times early in a business day due to the implementation costs of getting the disclosure to the consumer the same date if the consumer requested a rate lock sufficiently late during the business day or after hours. The Bureau believes that consumers are unlikely to choose creditors based on the creditors' policies regarding interest rate locks. Moreover, consumers would be unlikely to know whether their creditors will in fact allow interest rate locks at all times until the consumer actually attempts to lock the interest rate. Consequently, consumers could experience inconvenience because creditors limit when they may lock their interest rates. Furthermore, because consumers are unlikely to know of this practice until they attempt to lock a floating interest rate, it is unlikely that this practice would be corrected or influenced by market competition.

The second proposed amendment would permit creditors to state on the Loan Estimate that the creditor may

[12] Specifically, section 1022(b)(2)(A) of the Dodd-Frank Act calls for the Bureau to consider the potential benefits and costs of a regulation to consumers and covered persons, including the potential reduction of access by consumers to consumer financial products or services; the impact on depository institutions and credit unions with $10 billion or less in total assets as described in section 1026 of the Dodd-Frank Act; and the impact on consumers in rural areas.

issue revised disclosures if settlement is reasonably expected to occur more than 60 calendar days after the initial Loan Estimate is provided. The proposal would add a new provision allowing the creditor to make the statement on the Loan Estimate form, and thus enable creditors to preserve their ability to provide borrowers with revised loan estimates in these circumstances. Without the proposed amendment, creditors may have lower incentives to originate construction loans, especially if they believe that the estimates provided in the Loan Estimate might need to be revised. As a result, consumers either would be unable to get construction loans until most of the uncertainty about estimated costs is resolved or consumers will be offered construction loans with a priced-in premium that reflects the possibility that the creditor is not able to redisclose estimates after the initial 60 days.

The Bureau believes that both proposed amendments would provide options that a creditor is free to undertake or not to undertake, and thus present no cost to creditors. The Bureau believes that both proposed amendments would present some benefits to creditors. The Bureau believes that the first proposed amendment could present both benefits and costs to consumers, while the second proposed amendment presents benefits to consumers.

B. Potential Benefits and Costs to Consumers and Covered Persons Relaxing the Same-Day Redisclosure Requirement for Interest Rate Locks

The proposed amendment would provide an option to creditors: Creditors may avail themselves of an extra business day to redisclose interest rate and interest rate dependent charges, but do not have to. They also may continue to provide revised disclosures on the same date that the rate is locked if they choose. Therefore, some creditors will benefit if the proposed amendment is adopted by not having to redisclose on the same date the rate is locked, while other creditors could continue to redisclose on the date the rate is locked if they choose and are as well off as they would have been without this proposed amendment. Overall, if the proposed amendment is adopted, some creditors will benefit, others may not, all creditors will enjoy increased flexibility, but no creditors will face increased costs.

Under the current rule, the Bureau believes that some creditors could continue offering flexible time periods for interest rate locks, but others, for example, might choose to limit when consumers may lock interest rates in order to ease the compliance cost. Other creditors might continue to allow consumers to request a lock at any time but only lock the rate contractually the business day after the consumer requests a rate lock, instead of on the date the consumer requests the rate lock. Consumers of these creditors could benefit from the proposed amendment through the increased convenience of being able to lock in the interest rate at any time during the day.

Consumers of creditors that continue to allow flexibility in locking interest rates might experience a cost: Their revised disclosures might not be available until the next business day if the proposed amendment is adopted. However, some of these creditors might still provide revised disclosures on the same date that the interest rate is locked. If they do not provide the revised disclosure until the next business day, then the potential consumer harm is the time difference between when the consumers would receive revised disclosures.

The Bureau does not possess any data, and is not aware of a source to obtain data, that would enable it to report the quantitative effects of this provision, for example, the number of creditors that would not let their consumers lock the interest rate in the afternoon or in the evening if the provision is not adopted. The Bureau seeks comment on this issue.

Specific Language on Loan Estimates for New Construction Loans

The Bureau believes that, without the proposed amendment, creditors that ordinarily originate construction loans could be forced either to originate only those construction loans for which the creditor is certain that no redisclosure prior to settlement will be necessary or to price in the risk of having to cure any amounts charged over the estimates initially provided more than 60 days before settlement. Creditors that price in the risk, including the estimated cost of cure in their pricing, risk miscalibrating the pricing and losing consumers to less risk-averse competitors or facing unanticipated costs related to cure for the failure to redisclose more accurate costs. In all events, creditors risk losing consumers to other options. In all events, the proposed amendment presents benefits to the creditors that decide to originate construction loans and presents no costs.

As noted above, under the current rule, a consumer who needs a new construction loan may only be able to obtain a construction loan where the creditor has priced in the risk of having to cure any amounts charged over the estimates initially provided over 60 days before settlement, and that is a cost to consumers. On the other hand, if the proposed amendment is not adopted, yet the consumer manages to receive a construction loan, then the Loan Estimate provides consumers more certainty, given that creditors would be limited in their ability to redisclose estimated costs and reset the applicable tolerances. In situations where creditors misgauged estimates provided in the initial Loan Estimate, consumers might be entitled to receive a cure of any differences between the initial disclosure and the final costs at closing, to the extent such differences exceed applicable tolerances. However, the Bureau believes that these benefits to consumers are marginal, given that costs associated with construction loans are inherently volatile beyond the creditor's control. As a result, the Bureau believes that creditors unable to redisclose estimates given more than 60 days prior to consummation would be less likely to originate such loans.

The Bureau does not possess any data, and is not aware of a source to obtain data, that would enable it to report the number of transactions affected or to quantify the extent of creditor and consumer benefits. The Bureau seeks comment on this issue.

C. Impact on Covered Persons With No More Than $10 Billion in Assets

The Bureau believes that covered persons with no more than $10 billion in assets will not be differentially affected by the proposed amendment regarding construction loans.

The proposed amendment regarding interest rate locks might have two particular effects on covered persons with no more than $10 billion in assets. First, covered persons with no more than $10 billion in assets are more likely to benefit from this proposed provision to the extent that redisclosure on the same business day of an interest rate lock that occurred close to the end of the business day might require software and business processes upgrade costs. Larger covered persons are more likely to originate a sufficient number of transactions to make it worth implementing these changes, as opposed to choosing to offer interest rate locks only at set times during business hours.

Secondly, creditors located in more than one time zone might have to offer a shorter preset adjustment time to some customers (for example, if the location of the rate lock operation is in the Eastern Time zone), but covered persons with no more than $10 billion in assets

are more likely to be located in a single time zone. From this perspective, covered persons with no more than $10 billion in assets are less likely to benefit from this proposed amendment. The Bureau does not possess data to quantify either of the two possible aforementioned effects of the proposed amendment on covered persons with no more than $10 billion in assets.

D. Impact on Access to Credit

The Bureau does not believe that there will be an adverse impact on access to credit resulting from any of the two provisions. Moreover, it is possible that there will be an expansion of access to credit, if the proposed amendment regarding construction loans facilitates the making of new construction loans, as the Bureau anticipates.

E. Impact on Rural Areas

The Bureau believes that rural areas might benefit from these two proposed provisions more than urban areas. Competition might drive creditors to originate construction loans despite the possible redisclosure issues and to provide interest rate locks throughout the day despite the same business day redisclosure requirement. To the extent that there are fewer creditors operating in rural areas than in urban areas with correspondingly reduced competition, and to the extent that competition would actually matter for these two issues, rural areas are most likely to suffer the potential harms the proposed amendments seek to address. Therefore, rural areas may conversely see the largest benefit from the proposed amendments.

VI. Regulatory Flexibility Act Analysis

The Regulatory Flexibility Act (the RFA), as amended by the Small Business Regulatory Enforcement Fairness Act of 1996, requires each agency to consider the potential impact of its regulations on small entities, including small businesses, small governmental units, and small nonprofit organizations. The RFA defines a ''small business'' as a business that meets the size standard developed by the Small Business Administration pursuant to the Small Business Act.

The RFA generally requires an agency to conduct an initial regulatory flexibility analysis (IRFA) and a final regulatory flexibility analysis (FRFA) of any rule subject to notice-and-comment rulemaking requirements, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. The Bureau also is subject to certain additional procedures under the RFA involving the convening of a panel to consult with small business representatives prior to proposing a rule for which an IRFA is required.

An IRFA is not required for this proposal because the proposal, if adopted, would not have a significant economic impact on any small entities. The Bureau does not expect the proposal to impose costs on covered persons. All methods of compliance under current law will remain available to small entities if the proposal is adopted. Thus, a small entity that is in compliance with current law need not take any additional action if the proposal is adopted.

Accordingly, the undersigned certifies that this proposal, if adopted, would not have a significant economic impact on a substantial number of small entities.

VII. Paperwork Reduction Act

Under the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3501 *et seq.*), Federal agencies are generally required to seek the Office of Management and Budget (OMB) approval for information collection requirements prior to implementation. The collections of information related to Regulations Z and X have been previously reviewed and approved by OMB in accordance with the PRA and assigned OMB Control Number 3170–0015 (Regulation Z) and 3170–0016 (Regulation X). Under the PRA, the Bureau may not conduct or sponsor and, notwithstanding any other provision of law, a person is not required to respond to an information collection unless the information collection displays a valid control number assigned by OMB.

The Bureau has determined that this Proposed Rule would not impose any new or revised information collection requirements (recordkeeping, reporting, or disclosure requirements) on covered entities or members of the public that would constitute collections of information requiring OMB approval under the PRA. The Bureau welcomes comments on this determination or any other aspect of this proposal for purposes of the PRA. Comments should be submitted as outlined in the **ADDRESSES** section above. All comments will become a matter of public record.

List of Subjects

12 CFR Part 1024

Condominiums, Consumer protection, Housing, Mortgage servicing, Mortgages, Reporting and recordkeeping requirements.

12 CFR Part 1026

Advertising, Consumer protection, Credit, Credit unions, Mortgages, National banks, Recordkeeping and recordkeeping requirements, Reporting, Savings associations, Truth in lending.

Authority and Issuance

For the reasons set forth in the preamble, the Bureau proposes to amend Regulation X, 12 CFR part 1024, and Regulation Z, 12 CFR part 1026, as set forth below:

PART 1024—REAL ESTATE SETTLEMENT PROCEDURES ACT (REGULATION X)

■ 1. The authority citation for part 1024 continues to read as follows:

Authority: 12 U.S.C. 2603–2605, 2607, 2609, 2617, 5512, 5532, 5581.

Subpart A—General Provisions

■ 2. Section 1024.5 is amended by revising paragraph (d) introductory text to read as follows:

§ 1024.5 Coverage of RESPA.

* * * * *

(d) *Partial exemptions for certain mortgage loans.* Sections 1024.6, 1024.7, 1024.8, 1024.10, and 1024.33(a) do not apply to a federally related mortgage loan:

* * * * *

PART 1026—TRUTH IN LENDING (REGULATION Z)

■ 3. The authority citation for part 1026 continues to read as follows:

Authority: 12 U.S.C. 2601, 2603–2605, 2607, 2609, 2617, 5511, 5512, 5532, 5581; 15 U.S.C. 1601 *et seq.*

* * * * *

Subpart C—Closed-End Credit

■ 4. Section 1026.19 is amended by revising paragraph (e)(3)(iv)(D) to read as follows:

§ 1026.19 Certain mortgage and variable-rate transactions.

* * * * *

(e) * * *

(3) * * *

(iv) * * *

(D) *Interest rate dependent charges.* The points or lender credits change because the interest rate was not locked when the disclosures required under paragraph (e)(1)(i) of this section were provided. No later than the next business day after the date the interest rate is locked, the creditor shall provide a revised version of the disclosures required under paragraph (e)(1)(i) of this section to the consumer with the revised interest rate, the points disclosed pursuant to § 1026.37(f)(1), lender

credits, and any other interest rate dependent charges and terms.

* * * * *

Subpart E—Special Rules for Certain Home Mortgage Transactions

■ 5. Section 1026.36 is amended by adding paragraph (g)(2)(ii) to read as follows:

§ 1026.36 Prohibited acts or practices and certain requirements for credit secured by a dwelling.

* * * * *

(g) * * *

(2) * * *

(ii) The disclosures required by § 1026.19 (e) and (f);

* * * * *

■ 6. Section 1026.37 is amended by adding paragraph (m)(8) and revising paragraph (o)(4)(i)(A) to read as follows:

§ 1026.37 Content of disclosures for certain mortgage transactions (Loan Estimate).

* * * * *

(m) * * *

(8) *New construction loans.* In transactions involving new construction, where the creditor reasonably expects that settlement will occur more than 60 days after the provision of the loan estimate, at the creditor's option, a clear and conspicuous statement that the creditor may issue a revised disclosure any time prior to 60 days before consummation, pursuant to § 1026.19(e)(3)(iv)(F).

* * * * *

(o) * * *

(4) * * *

(i) * * *

(A) The dollar amounts required to be disclosed by paragraphs (b)(6) and (7), (c)(1)(iii), (c)(2)(ii) and (iii), (c)(4)(ii), (f), (g), (h), (i), and (l) of this section shall be rounded to the nearest whole dollar, except that the per diem amount required to be disclosed by paragraph (g)(2)(iii) of this section and the monthly amounts required to be disclosed by paragraphs (g)(3)(i) through (iii) and (g)(3)(v) of this section shall not be rounded.

* * * * *

■ 7. Section 1026.38 is amended by revising paragraphs (e)(3)(iii)(A), (e)(4)(ii), and (k)(2)(v) and (vi) to read as follows:

§ 1026.38 Content of disclosures for certain mortgage transactions (Closing Disclosure).

* * * * *

(e) * * *

(3) * * *

(iii) * * *

(A) If the amount disclosed under paragraph (e)(3)(ii) of this section is different than the amount disclosed under paragraph (e)(3)(i) of this section (unless the difference is due to rounding), a statement of that fact, along with a statement that the consumer paid such amounts prior to consummation of the transaction; or

* * * * *

(4) * * *

(ii) Under the subheading ''Final,'' the total amount of payoffs and payments made to third parties disclosed pursuant to paragraph (t)(5)(vii)(B) of this section, to the extent known, disclosed as a negative number;

* * * * *

(k) * * *

(2) * * *

(v) The amount of any loan secured by a first lien on the property that will be paid off as part of the real estate closing, labeled ''Payoff of First Mortgage Loan'';

(vi) The amount of any loan secured by a second lien on the property that will be paid off as part of the real estate closing, labeled ''Payoff of Second Mortgage Loan'';

* * * * *

■ 8. Appendix H to part 1026 is amended by revising the *Description* in H–24(G) to read as follows:

Appendix H to Part 1026—Closed-End Forms and Clauses

* * * * *

H–24(G) Mortgage Loan Transaction Loan Estimate—Modification to Loan Estimate for Transaction Not Involving Seller—Model Form

Description: This is a blank model Loan Estimate that illustrates the application of the content requirements in § 1026.37, with the optional alternative tables permitted by § 1026.37(d)(2) and (h)(2) for transactions without a seller. This form provides one variation of page one, four variations of page two, and four variations of page three, reflecting the variable content requirements in § 1026.37.

* * * * *

■ 9. In Supplement I to part 1026:

■ a. Under *Section 1026.19—Certain Mortgage and Variable-Rate Transactions:*

■ i. Under paragraph 19(e)(3)(iv)(D), paragraph 1 is revised.

■ ii. Under paragraph 19(e)(4)(i), paragraph 2 is revised.

■ b. Under *Section 1026.37—Content of Disclosures for Certain Mortgage Transactions (Loan Estimate):*

■ i. Under paragraph 37(b)(6), paragraph 1 is revised.

■ ii. Under paragraph 37(c)(2)(ii), paragraph 2 is revised.

■ ii. Under paragraph 37(c)(2)(iii), paragraph 1 is revised.

■ iii. Under paragraph 37(c)(4)(iv), paragraph 2 is revised.

■ iv. Under paragraph 37(h)(1)(ii), paragraph 1 is revised.

■ v. Under paragraph 37(m), the subheading *37(m)(8) New construction loans* and paragraph 1 are added.

■ vi. Under paragraph 37(n), paragraph 2 is revised.

■ c. Under *Section 1026.38—Content of Disclosures for Certain Mortgage Transactions (Closing Disclosure):*

■ i. Under paragraph 38(a)(3)(vi), paragraph 2 is added.

■ ii. Under paragraph 38(e)(1)(iii)(A), paragraph 1 is revised.

■ iii. Under paragraph 38(e)(2)(iii)(A), paragraph 3 is added.

The revisions and additions read as follows:

Supplement I to Part 1026—Official Interpretations

* * * * *

Subpart C—Closed-End Credit

* * * * *

Section 1026.19—Certain Mortgage and Variable-Rate Transactions

* * * * *

19(e) Mortgage loans secured by real property—Early disclosures.

* * * * *

19(e)(3) Good faith determination for estimates of closing costs.

* * * * *

Paragraph 19(e)(3)(iv)(D) Interest rate dependent charges.

1. *Requirements.* If the interest rate is not locked when the disclosures required by § 1026.19(e)(1)(i) are provided, a valid reason for revision exists when the interest rate is subsequently locked. No later than the next business day after the date the interest rate is locked, § 1026.19(e)(3)(iv)(D) requires the creditor to provide a revised version of the disclosures required under § 1026.19(e)(1)(i) reflecting the revised interest rate, the points disclosed pursuant to § 1026.37(f)(1), lender credits, and any other interest rate dependent charges and terms. The following examples illustrate this requirement:

i. Assume a creditor sets the interest rate by executing a rate lock agreement with the consumer. If such an agreement exists when the original disclosures required under § 1026.19(e)(1)(i) are provided, then the actual points and lender credits are compared to the estimated points disclosed pursuant to § 1026.37(f)(1) and lender credits included in the original disclosures provided under § 1026.19(e)(1)(i) for the purpose of determining good faith pursuant to § 1026.19(e)(3)(i). If the consumer enters into a rate lock agreement with the creditor after the disclosures required under § 1026.19(e)(1)(i) were provided, then § 1026.19(e)(3)(iv)(D) requires the creditor to provide, no later than the next business day after the date that the consumer and the creditor enter into a rate lock agreement, a revised version of the disclosures required under § 1026.19(e)(1)(i) reflecting the revised interest rate, the points disclosed pursuant to § 1026.37(f)(1), lender credits, and any other

interest rate dependent charges and terms. Provided that the revised version of the disclosures required under § 1026.19(e)(1)(i) reflect any revised points disclosed pursuant to § 1026.37(f)(1) and lender credits, the actual points and lender credits are compared to the revised points and lender credits for the purpose of determining good faith pursuant to § 1026.19(e)(3)(i).

* * * * *

19(e)(4) Provision and receipt of revised disclosures.

Paragraph 19(e)(4)(i) General rule.

* * * * *

2. *Relationship to § 1026.19(e)(3)(iv)(D).* If the reason for the revision is provided under § 1026.19(e)(3)(iv)(D), notwithstanding the three-business-day rule set forth in § 1026.19(e)(4)(i), § 1026.19(e)(3)(iv)(D) requires the creditor to provide a revised version of the disclosures required under § 1026.19(e)(1)(i) no later than the next business day after the date the interest rate is locked. *See* comment 19(e)(3)(iv)(D)–1.

* * * * *

Subpart E—Special Rules for Certain Home Mortgage Transactions

* * * * *

Section 1026.37—Content of Disclosures for Certain Mortgage Transactions (Loan Estimate)

* * * * *

37(b) Loan terms.

* * * * *

37(b)(6) Adjustments after consummation.

1. *Periods not in whole years.* For guidance on how to disclose increases after consummation that occur after a number of months less than 24 but that do not equate to a number of whole years or within a number of days less than a week, see the guidance provided in comment 37(a)(10)–3. For all other increases that occur after more than 24 months, see the guidance provided in comment 37(b)(8)–1.

* * * * *

37(c) Projected payments.

* * * * *

37(c)(2) Itemization.

* * * * *

Paragraph 37(c)(2)(ii).

* * * * *

2. *Relationship to principal and interest disclosure.* The creditor discloses mortgage insurance premiums pursuant to § 1026.37(c)(2)(ii) on the same periodic basis that payments for principal and interest are disclosed pursuant to § 1026.37(c)(2)(i), even if mortgage insurance premiums are actually paid on some other periodic basis.

Paragraph 37(c)(2)(iii).

1. *Escrow disclosure.* The disclosure described in § 1026.37(c)(2)(iii) is required only if the creditor will establish an escrow account for the payment of some or all of the charges described in § 1026.37(c)(4)(ii). If no escrow account for the payment of some or all such charges will be established, the creditor discloses the escrow amount as ''0.'' If an escrow account is established for the payment of amounts described in § 1026.37(c)(4)(ii), but no escrow payment is required with a particular periodic payment (such as with a final balloon payment) or range of payments, the escrow payment should be disclosed as ''—''.

* * * * *

37(c)(4) Taxes, insurance, and assessments.

* * * * *

Paragraph 37(c)(4)(iv).

* * * * *

2. *Amounts paid by the creditor using escrow account funds.* Section 1026.37(c)(4)(iv) requires the creditor to disclose an indication of whether the amounts disclosed pursuant to § 1026.37(c)(4)(ii) will be paid by the creditor using escrow account funds. If the amount disclosed pursuant to § 1026.37(c)(4)(ii) requires the creditor to disclose a description of more than one amount and only some of those amounts will be paid by the creditor using escrow account funds, the creditor may indicate that only some of those amounts will be paid using escrow account funds, such as by using the word ''some.''

* * * * *

37(h) Calculating cash to close.

* * * * *

37(h)(1)(ii) Closing costs financed.

1. *Calculating amount.* The amount of closing costs financed disclosed under § 1026.37(h)(1)(ii) is determined by subtracting the estimated total amount of payments to third parties not otherwise disclosed pursuant to § 1026.37(f) and § 1026.37(g) from the total loan amount disclosed pursuant to § 1026.37(b)(1). If the result of the calculation is a positive number, that amount is disclosed as a negative number under § 1026.37(h)(1)(ii), but only to the extent that it does not exceed the total amount of closing costs disclosed under § 1026.37(g)(6). If the result of the calculation is zero or negative, the amount of $0 is disclosed under § 1026.37(h)(1)(ii).

* * * * *

37(m) Other considerations.

* * * * *

37(m)(8) New construction loans.

1. *Clear and conspicuous statement regarding redisclosure for new construction loans.* For new construction loans where the creditor reasonably expects the settlement date to be 60 days or more after the provision of the disclosures required under § 1026.19(e)(1)(i), providing the statement, ''You may receive a revised Loan Estimate at least 60 days prior to consummation'' under the master heading ''Additional Information About This Loan'' and under the heading ''Other Considerations'' pursuant to § 1026.37(m) satisfies the requirements set forth in § 1026.19(e)(3)(iv)(F) that the statement be made clearly and conspicuously on the disclosure.

37(n) Signature statement.

* * * * *

2. *Multiple consumers.* If there is more than one consumer who will be obligated in the transaction, the first consumer signs as the applicant and each additional consumer signs as a co-applicant. If there is not enough space under the heading ''Confirm Receipt'' to provide signature lines for every consumer in the transaction, the creditor may add additional signature pages, as needed, at the end of the form for the remaining consumers' signatures. However, the creditor is required to disclose the heading and statement required by § 1026.37(n)(1) on such additional pages.

* * * * *

Section 1026.38—Content of Disclosures for Certain Mortgage Transactions (Closing Disclosure)

* * * * *

38(a) General information.

38(a)(3) Closing information.

* * * * *

38(a)(3)(vi) Property.

* * * * *

2. *Multiple properties.* Where more than one property secures the credit transaction, § 1026.38(a)(3)(vi) requires disclosure of all property addresses. If the addresses of all properties securing the transaction do not fit in the space allocated on the Closing Disclosure, an additional page with the addresses of all real properties may be appended to the end of the form.

* * * * *

38(e) Alternative calculating cash to close table for transactions without a seller.

* * * * *

38(e)(1) Loan amount.

Paragraph 38(e)(1)(iii)(A).

1. *Statements of increases or decreases.* Section 1026.38(e)(1)(iii)(A) requires a statement of whether the amount increased or decreased from the estimated amount. For § 1026.38(e)(1)(iii)(A), the statement, ''This amount increased,'' in which the word ''increased'' is in boldface font and is replaced with the word ''decreased'' as applicable, complies with this provision.

38(e)(2) Total closing costs.

* * * * *

Paragraph 38(e)(2)(iii)(A).

* * * * *

3. *Statements regarding excess amount and any credit to the consumer.* Section 1026.38(e)(2)(iii)(A) requires statements that an increase in closing costs exceeds legal limits by the dollar amount of the excess and a statement directing the consumer to the disclosure of lender credits under § 1026.38(h)(3) if a credit is provided under § 1026.19(f)(2)(v). See form H–25(F) of appendix H to this part for examples of such statements.

* * * * *

Dated: October 9, 2014.

Richard Cordray,

Director, Bureau of Consumer Financial Protection.

[FR Doc. 2014–24739 Filed 10–28–14; 8:45 am]

BILLING CODE 4810–AM–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. FAA–2014–0876; Directorate Identifier 2014–CE–032–AD]

RIN 2120–AA64

Airworthiness Directives; Costruzioni Aeronautiche Tecnam srl Airplanes

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

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: We propose to adopt a new airworthiness directive (AD) for Costruzioni Aeronautiche Tecnam srl Model P2006T airplanes. This proposed AD results from mandatory continuing airworthiness information (MCAI) originated by an aviation authority of another country to identify and correct an unsafe condition on an aviation product. The MCAI describes the unsafe condition as cracking found in the engine exhaust pipe. We are issuing this proposed AD to require actions to address the unsafe condition on these products.

DATES: We must receive comments on this proposed AD by December 15, 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 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

For service information identified in this proposed AD, contact Costruzioni Aeronautiche Tecnam Airworthiness Office, Via Maiorise–81043 Capua (CE) Italy; telephone: +39 0823 997538; fax: +39 0823 622899; email: *technical.support@tecnam.com;* Internet: *http://www.tecnam.com/Customer-Care/Service-Bulletins.aspx.* You may review this referenced service information at the FAA, Small Airplane Directorate, 901 Locust, Kansas City, Missouri 64106. For information on the availability of this material at the FAA, call (816) 329–4148.

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–2014–0876; 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 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: Albert Mercado, Aerospace Engineer, FAA, Small Airplane Directorate, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329–4119; fax: (816) 329–4090; email: *albert.mercado@faa.gov.*

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–2014–0876; Directorate Identifier 2014–CE–032–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 because of those comments.

We will post all comments we receive, without change, to *http://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

The European Aviation Safety Agency (EASA), which is the Technical Agent for the Member States of the European Community, has issued AD No.: 2014–0220, dated September 30, 2014 (referred to after this as ''the MCAI''), to correct an unsafe condition for Costruzioni Aeronautiche Tecnam srl Model P2006T airplanes. The MCAI states:

> During a pre-flight inspection of a P2006T aeroplane, which included the opening of engine nacelle, a crack was found on the engine exhaust pipe Part Number (P/N) 26–7–1800–1.
>
> This condition, if not detected and corrected, could lead to engine damage, possibly resulting in damage to the aeroplane and injury to the occupants.
>
> To address this potential unsafe condition, Costruzioni Aeronautiche TECNAM issued Service Bulletin (SB) SB 170–CS–Ed 1 Rev1.
>
> For the reason described above, this AD requires a one-time inspection of the affected engine exhaust pipes and, depending on findings, replacement.

You may examine the MCAI on the Internet at *http://www.regulations.gov* by searching for and locating Docket No. FAA–2014–0876.

Relevant Service Information

Costruzioni Aeronautiche Tecnam srl has issued Mandatory Service Bulletin No. SB 170–CS–ED 1, Rev 1, dated September 25, 2014. The actions described in this service information are intended to correct the unsafe condition identified in the MCAI.

FAA's Determination and Requirements of the 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 this State of Design Authority, they have notified us of the unsafe condition described in the MCAI and service information referenced above. We are proposing this AD because we evaluated all information and determined the unsafe condition exists and is likely to exist or develop on other products of the same type design.

Costs of Compliance

We estimate that this proposed AD will affect 10 products of U.S. registry. We also estimate that it would take about .5 work-hour per product to comply with the basic requirements of this proposed AD. The average labor rate is $85 per work-hour.

Based on these figures, we estimate the cost of the proposed AD on U.S. operators to be $425, or $42.50 per product.

In addition, we estimate that any necessary follow-on actions would take about .5 work-hour and require parts costing $343, for a cost of $385.50 per product. We have no way of determining the number of products that may need these actions.

Paperwork Reduction Act

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of

information displays a current valid OMB control number. The control number for the collection of information required by this AD is 2120–0056. The paperwork cost associated with this AD has been detailed in the Costs of Compliance section of this document and includes time for reviewing instructions, as well as completing and reviewing the collection of information. Therefore, all reporting associated with this AD is mandatory. Comments concerning the accuracy of this burden and suggestions for reducing the burden should be directed to the FAA at 800 Independence Ave. SW., Washington, DC 20591. ATTN: Information Collection Clearance Officer, AES–200.

Authority for This Rulemaking

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

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

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. Amend § 39.13 by adding the following new AD:

Costruzioni Aeronautiche Tecnam srl: Docket No. FAA–2014–0876; Directorate Identifier 2014–CE–032–AD.

(a) Comments Due Date

We must receive comments by December 15, 2014.

(b) Affected ADs

None.

(c) Applicability

This AD applies to Costruzioni Aeronautiche Tecnam srl P2006T airplanes, all serial numbers, certificated in any category.

(d) Subject

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

(e) Reason

This AD was prompted by mandatory continuing airworthiness information (MCAI) originated by an aviation authority of another country to identify and correct an unsafe condition on an aviation product. The MCAI describes the unsafe condition as cracking found in the engine exhaust pipe. We are issuing this proposed AD to detect and correct cracked engine exhaust pipes, which could lead to engine damage, possibly resulting in damage to the airplane and injury to the occupants.

(f) Actions and Compliance

Unless already done, do the following actions as specified in paragraphs (f)(1) through (f)(3) of this AD:

(1) Within 25 hours time-in-service (TIS) after the effective date of this AD or within the next 30 days after the effective date of this AD, whichever occurs first, do a detailed inspection of all engine exhaust pipes following the inspection instructions in Costruzioni Aeronautiche TECNAM Service Bulletin No. SB 170–CS–ED 1, Rev 1, dated September 25, 2014.

(2) If any deformation, cracks, or any other defects are detected during the inspection as required by paragraph (f)(1) of this AD, before further flight, replace the affected pipe with an airworthy part or contact Costruzioni Aeronautiche TECNAM for FAA-approved repair instructions approved specifically for compliance with this AD and incorporate those instructions.

(3) Within 30 days after the inspection required by paragraph (f)(1) of this AD or within 30 days after the effective date of this AD, whichever occurs later, report the results (including no findings) by using the occurrence report in Costruzioni Aeronautiche TECNAM Service Bulletin No. SB 170–CS–ED 1, Rev 1, dated September 25, 2014.

(g) Other FAA AD Provisions

The following provisions also apply to this AD:

(1) *Alternative Methods of Compliance (AMOCs):* The Manager, Standards Office, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. Send information to ATTN: Albert Mercado, Aerospace Engineer, FAA, Small Airplane Directorate, 901 Locust, Room 301, Kansas City, Missouri 64106; telephone: (816) 329–4119; fax: (816) 329–4090; email: *albert.mercado@faa.gov*. Before using any approved AMOC on any airplane to which the AMOC applies, notify your appropriate principal inspector (PI) in the FAA Flight Standards District Office (FSDO), or lacking a PI, your local FSDO.

(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.

(3) *Reporting Requirements:* For any reporting requirement in this AD, a federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a current valid OMB Control Number. The OMB Control Number for this information collection is 2120–0056. Public reporting for this collection of information is estimated to be approximately 5 minutes per response, including the time for reviewing instructions, completing and reviewing the collection of information. All responses to this collection of information are mandatory. Comments concerning the accuracy of this burden and suggestions for reducing the burden should be directed to the FAA at: 800 Independence Ave. SW., Washington, DC 20591, Attn: Information Collection Clearance Officer, AES–200.

(h) Related Information

Refer to European Aviation Safety Agency (EASA) AD No.: 2014–0220, dated September 30, 2014, for related information. You may examine the MCAI on the Internet at *http://www.regulations.gov* by searching for and locating Docket No. FAA–2014–0876. For

service information related to this AD, contact Costruzioni Aeronautiche Tecnam Airworthiness Office, Via Maiorise–81043 Capua (CE) Italy; telephone: +39 0823 997538; fax: +39 0823 622899; email: *technical.support@tecnam.com;* Internet: *http://www.tecnam.com/Customer-Care/Service-Bulletins.aspx.* You may review this referenced service information at the FAA, Small Airplane Directorate, 901 Locust, Kansas City, Missouri 64106. For information on the availability of this material at the FAA, call (816) 329–4148.

Issued in Kansas City, Missouri, on October 22, 2014.

Earl Lawrence,

Manager, Small Airplane Directorate, Aircraft Certification Service.

[FR Doc. 2014–25740 Filed 10–28–14; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF JUSTICE

Drug Enforcement Admininstration

21 CFR Part 1308

[Docket No. DEA–400]

Schedules of Controlled Substances: Removal of Naloxegol From Control

AGENCY: Drug Enforcement Administration, Department of Justice.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Drug Enforcement Administration (DEA) proposes to remove naloxegol ((5α,6 α)-17-allyl-6-((20-hydroxy-3,6,9,12,15,18-hexaoxaicos-1-yl)oxy)-4,5-epoxymorphinon-3,14-diol) and its salts from the schedules of the Controlled Substances Act (CSA). This scheduling action is pursuant to the CSA which requires that such actions be made on the record after opportunity for a hearing through formal rulemaking. Naloxegol is currently a schedule II controlled substance because it can be derived from opium alkaloids. This action would remove the regulatory controls and administrative, civil, and criminal sanctions applicable to controlled substances, including those specific to schedule II controlled substances, on persons who handle (manufacture, distribute, reverse distribute, dispense, conduct research, import, export, or conduct chemical analysis) or propose to handle naloxegol.

DATES: Interested persons may file written comments on this proposal in accordance with 21 CFR 1308.43(g). Electronic comments must be submitted, and written comments must be postmarked, on or before November 28, 2014. Commenters should be aware that the electronic Federal Docket Management System will not accept comments after 11:59 p.m. Eastern Time on the last day of the comment period.

Interested persons, defined at 21 CFR 1300.01 as those ''adversely affected or aggrieved by any rule or proposed rule issuable pursuant to section 201 of the Act (21 U.S.C. 811)'', may file a request for hearing or waiver of participation pursuant to 21 CFR 1308.44 and in accordance with 21 CFR 1316.45, 1316.47, 1316.48, or 1316.49, as applicable. Requests for hearing, notices of appearance, and waivers of an opportunity for a hearing or to participate in a hearing must be received on or before November 28, 2014.

ADDRESSES: To ensure proper handling of comments, please reference ''Docket No. DEA–400'' on all correspondence, including any attachments.

- *Electronic comments:* The DEA encourages that all comments be submitted through the Federal eRulemaking Portal, which provides the ability to type short comments directly into the comment field on the Web page or to attach a file for lengthier comments. Please go to *http://www.regulations.gov* and follow the online instructions at that site for submitting comments. Upon completion of your submission you will receive a Comment Tracking Number for your comment. Please be aware that submitted comments are not instantaneously available for public view on Regulations.gov. If you have received a comment tracking number, your comment has been successfully submitted and there is no need to resubmit the same comment.
- *Paper comments:* Paper comments that duplicate an electronic submission are not necessary and are discouraged. Should you wish to mail a comment *in lieu of* an electronic format, it should be sent via regular or express mail to: Drug Enforcement Administration, Attention: DEA Federal Register Representative/ODXL, 8701 Morrissette Drive, Springfield, Virginia 22152.
- *Hearing requests:* All requests for hearing and waivers of participation must be sent to: Drug Enforcement Administration, Attn: Hearing Clerk/LJ, 8701 Morrissette Drive, Springfield, Virginia 22152.

FOR FURTHER INFORMATION CONTACT: Imelda L. Paredes, Office of Diversion Control, Drug Enforcement Administration; Mailing Address: 8701Morrissette Drive, Springfield, Virginia 22152; Telephone: (202) 598–6812.

SUPPLEMENTARY INFORMATION:

Posting of Public Comments

Please note that all comments received in response to this docket are considered part of the public record. They will, unless reasonable cause is given, be made available by the DEA for public inspection online at *http://www.regulations.gov.* Such information includes personal identifying information (such as your name, address, etc.) voluntarily submitted by the commenter. The Freedom of Information Act (FOIA) applies to all comments received. If you want to submit personal identifying information (such as your name, address, etc.) as part of your comment, but do not want it to be made publicly available, you must include the phrase ''PERSONAL IDENTIFYING INFORMATION'' in the first paragraph of your comment. You must also place the personal identifying information you do not want made publicly available in the first paragraph of your comment and identify what information you want redacted.

If you want to submit confidential business information as part of your comment, but do not want it to be made publicly available, you must include the phrase ''CONFIDENTIAL BUSINESS INFORMATION'' in the first paragraph of your comment. You must also prominently identify confidential business information to be redacted within the comment.

Comments containing personal identifying information and confidential business information identified as directed above will generally be made publicly available in redacted form. If a comment has so much confidential business information or personal identifying information that it cannot be effectively redacted, all or part of that comment may not be made publicly available. Comments posted to *http://www.regulations.gov* may include any personal identifying information (such as name, address, and phone number) included in the text of your electronic submission that is not identified as directed above as confidential.

An electronic copy of this document and supplemental information to this proposed rule are available at *http://www.regulations.gov* for easy reference. The DEA specifically solicits written comments regarding the DEA's economic analysis of the impact of these proposed changes. The DEA requests that commenters provide detailed descriptions in their comments of any expected economic impacts, especially to small entities. Commenters should provide empirical data to illustrate the nature and scope of such impact.

Request for Hearing, Notice of Appearance at or Waiver of Participation in Hearing

Pursuant to 21 U.S.C. 811(a), this action is a formal rulemaking ''on the record after opportunity for a hearing.'' Such proceedings are conducted pursuant to the provisions of the Administrative Procedure Act (APA) (5 U.S.C. 551–559). 21 CFR 1308.41–1308.45, and 21 CFR part 1316 subpart D. In accordance with 21 CFR 1308.44 (a)–(c), requests for hearing, notices of appearance, and waivers of an opportunity for a hearing or to participate in a hearing may be submitted only by interested persons, defined as those ''adversely affected or aggrieved by any rule or proposed rule issuable pursuant to section 201 of the Act (21 U.S.C. 811).'' 21 CFR 1300.01. Such requests or notices must conform to the requirements of 21 CFR 1308.44 (a) or (b), and 1316.47 or 1316.48, as applicable, and include a statement of the interest of the person in the proceeding and the objections or issues, if any, concerning which the person desires to be heard. Any waiver must conform to the requirements of 21 CFR 1308.44(c) and 1316.49, including a written statement regarding the interested person's position on the matters of fact and law involved in any hearing.

Please note that pursuant to 21 U.S.C. 811(a), the purpose and subject matter of a hearing is restricted to ''(A) find[ing] that such drug or other substance has a potential for abuse, and (B) mak[ing] with respect to such drug or other substance the findings prescribed by subsection (b) of section 812 of this title for the schedule in which such drug is to be placed * * *.'' All requests for hearing and waivers of participation must be sent to the DEA using the address information above, on or before the date specified above.

Legal Authority

The Drug Enforcement Administration (DEA) implements and enforces titles II and III of the Comprehensive Drug Abuse Prevention and Control Act of 1970, as amended. 21 U.S.C. 801–971. Titles II and III are referred to as the ''Controlled Substances Act'' and the ''Controlled Substances Import and Export Act,'' respectively, but they are collectively referred to as the ''Controlled Substances Act'' or the ''CSA'' for the purposes of this action. The DEA publishes the implementing regulations for these statutes in title 21 of the Code of Federal Regulations (CFR), parts 1300 to 1321. The CSA and its implementing regulations are designed to prevent, detect, and eliminate the diversion of controlled substances and listed chemicals into the illicit market while providing for the legitimate medical, scientific, research, and industrial needs of the United States. Controlled substances have the potential for abuse and dependence and are controlled to protect the public health and safety.

Under the CSA, each controlled substance is classified into one of five schedules based upon its potential for abuse, its currently accepted medical use in treatment in the United States, and the degree of dependence the drug or other substance may cause. 21 U.S.C. 812. The initial schedules of controlled substances established by Congress are found at 21 U.S.C. 812(c) and the current list of scheduled substances is published at 21 CFR part 1308. 21 U.S.C. 812(a).

Pursuant to 21 U.S.C. 811(a)(2), the Attorney General may, by rule, ''remove any drug or other substance from the schedules if he finds that the drug or other substance does not meet the requirements for inclusion in any schedule.'' The Attorney General has delegated scheduling authority under 21 U.S.C. 811 to the Administrator of the DEA, 28 CFR 0.100, who in turn has redelegated that authority to the Deputy Administrator of the DEA, 28 CFR part 0, appendix to subpart R.

The CSA provides that proceedings for the issuance, amendment, or repeal of the scheduling of any drug or other substance may be initiated by the Attorney General (1) on his own motion, (2) at the request of the Secretary of the Department of Health and Human Services (HHS),[1] or (3) on the petition of any interested party. 21 U.S.C. 811(a). This action was initiated by a petition to remove naloxegol from the list of scheduled controlled substances of the CSA, and is supported by, *inter alia,* a recommendation from the Assistant Secretary of the HHS and an evaluation of all relevant data by the DEA. This action would remove the regulatory controls and administrative, civil, and criminal sanctions applicable to controlled substances, including those specific to schedule II controlled substances, on persons who handle or propose to handle naloxegol.

Background

Naloxegol, or PEG-naloxol, is a new molecular entity and is a polyethylene glycolyated (PEGylated) derivative of naloxone. Its chemical names are (5α,6α)-17-allyl-6-((20-hydroxy-3,6,9,12,15,18-hexaoxaicos-1-yl)oxy)-4,5-epoxymorphinon-3,14-diol or alpha-6mPEG7–O-naloxol. Naloxegol is an antagonist predominantly of peripheral mu opioid receptors. The Food and Drug Administration (FDA) approved naloxegol for marketing on September 16, 2014, under the brand name Movantik™.[2] It is indicated for the treatment of opioid-induced constipation (OIC) in adults with chronic non-cancer pain. Gastrointestinal adverse events (AEs) effects are commonly experienced by chronic users of opioid analgesics. Opioids delay gastric emptying and intestinal transport, which over time leads to debilitating constipation. OIC is caused by activation of the mu opioid receptor in the GI tract.

Proposed Determination To Decontrol Naloxegol

Pursuant to 21 U.S.C. 811(a), proceedings to issue, amend, or repeal scheduling actions may be initiated on the petition of any interested party. In accordance with 21 CFR 1308.43, the DEA received a petition from the drug sponsor dated March 22, 2012, requesting that the DEA amend 21 CFR 1308.12(b)(1) to exclude naloxegol as a schedule II controlled substance. The petitioner stated that naloxegol is a mu opioid receptor antagonist without mu opioid agonist or partial agonist properties. In accordance with 21 CFR 1308.43(c), the DEA accepted the petition for filing on October 1, 2012.

Pursuant to 21 U.S.C. 811(b), the DEA gathered the necessary data on naloxegol and on February 7, 2013, forwarded to the HHS the data with the sponsor's petition along with a request for a scientific and medical evaluation and the HHS's recommendation as to whether or not naloxegol should be removed from the list of controlled substances. According to the HHS, the sponsor submitted a New Drug Application (NDA) for naloxegol on September 16, 2013. Based on the NDA, the HHS summarized that naloxegol is an antagonist of peripheral opioid receptors for the treatment of OIC.

[1] As discussed in a memorandum of understanding entered into by the Food and Drug Administration (FDA) and the National Institute on Drug Abuse (NIDA), the FDA acts as the lead agency within the HHS in carrying out the Secretary's scheduling responsibilities under the CSA, with the concurrence of NIDA. 50 FR 9518, Mar. 8, 1985. The Secretary of the HHS has delegated to the Assistant Secretary for Health of the HHS the authority to make domestic drug scheduling recommendations. 58 FR 35460, July 1, 1993.

[2] *http://www.accessdata.fda.gov/scripts/cder/drugsatfda/index.cfm?fuseaction=Search.DrugDetails* (last accessed Sept. 26, 2014).

On August 8, 2014, the HHS provided to the DEA a scientific and medical evaluation document prepared by the FDA entitled ''Basis for the Recommendation to Decontrol Naloxegol and its Salts from Schedule II of the Controlled Substances Act.'' Pursuant to 21 U.S.C. 811(b), this document contained an eight-factor analysis of naloxegol as a new drug, along with the HHS's recommendation to remove naloxegol from the schedules of the CSA.

In response, the DEA reviewed the scientific and medical evaluation and scheduling recommendation provided by the HHS, and all other relevant data, and completed its own eight-factor review document on naloxegol pursuant to 21 U.S.C. 811(c). Included below is a brief summary of each factor as analyzed by the HHS and DEA, and as considered by the DEA in this proposal to remove naloxegol from the schedules of the CSA. Please note that both the DEA and HHS analyses are available in their entirety under ''Supporting and Related Material'' of the public docket for this rule at *http://www.regulations.gov* under docket number DEA–400.

1. The Drug's Actual or Relative Potential for Abuse

Naloxegol is a new molecular entity that has not been marketed in the United States or in any other country. As such, there is no information available regarding actual abuse of naloxegol. However, scientific studies show that naloxegol does not demonstrate a potential for abuse.

Naloxegol is a conjugation of polyethylene glycol (PEG) to naloxone. Naloxegol binds to mu, delta, and kappa opioid receptors and acts as an antagonist at these receptors. PEGylation of naloxone decreases the capacity of the substance to cross the blood-brain barrier, limiting the availability of naloxegol to peripheral opioid receptors (Diego et al., 2011; HHS review). Due to naloxegol being an antagonist at the three opioid receptors, mu, delta, and kappa, the HHS asserts that naloxegol does not have opioid agonist properties. Further, in abuse liability studies in animals, naloxegol did not produce responses seen with morphine administration. In clinical studies, the reports show that naloxegol does not produce euphoria or abuse potential related AEs. For example, the HHS stated that ''[n]aloxegol (30 to 1,000 mg/kg) produced less than 20% morphine-appropriate responding at any dose, which meets criteria for a 'no-drug' interoceptive cue.'' [3] Therefore, naloxegol does not demonstrate a potential for abuse.

2. Scientific Evidence of the Drug's Pharmacological Effects, if Known

Binding studies showed that naloxegol does not bind significantly (>50% inhibition) to other molecular central nervous system (CNS) receptors, including dopamine, serotonin, glutamate, α-aminobutyric acid (GABA), sigma, acetylcholine, norepinephrine, cannabinoid, histamine, and monoamine transporters. Toxicological studies in rats and dogs did not produce behavioral signs of abuse potential, e.g. increased or decreased motor behavior, decreased body weight, or food intake. In two analgesia models in rodents, naloxegol did not produce any analgesic effects, demonstrating the lack of mu opioid receptor activation. Naloxegol was also tested in both analgesia models for its potency in reversing morphine-induced (subcutaneous or intravenous, 1–32 mg/kg) analgesia. Naloxegol did not fully reverse the analgesia produced by morphine, demonstrating that antagonistic actions of naloxegol were predominantly at the peripheral opioid receptor and not at the opioid receptors in the CNS. According to the HHS, oral naloxegol (12.5 and 25 mg/day) did precipitate opioid withdrawal in patients receiving opioids for pain management in the Phase 2/3 clinical trials. The incidence of withdrawal was low, the symptoms of opioid withdrawals occurred in patients taking naloxegol (2%) compared to placebo (<1%). It occurred with a higher incidence in patients receiving naloxegol (3%) at the higher dose (25 mg/day) than those receiving the 12.5 mg/day dose (1%). The HHS asserts that the withdrawal symptoms reported did not always meet the criteria of a clinically meaningful opioid withdrawal syndrome.

3. The State of Current Scientific Knowledge Regarding the Drug or Other Substance

Naloxegol is known as (5α,6α)-17-allyl-6-((20-hydroxy-3,6,9,12,15,18-hexaoxaicos-1-yl)oxy)-4,5-epoxymorphinon-3,14-diol and also as alpha-6mPEG7–O-naloxol. The CAS number is 854601–70–0. The molecular formula of naloxegol is C34H53NO11 and the molecular weight is 651.8 g/mol. It is a white to off-white powder and is soluble in aqueous solvents over a pH range of 1 to 7.5. Naloxegol is synthesized in a five-step process from naloxone hydrochloride, an opioid antagonist derived from thebaine. Naloxegol (25 mg/day) is rapidly absorbed following oral administration in healthy volunteers. Maximum plasma concentrations were reached in 1.5 to 2 hours. The plasma half-life (t ½) is 7 to 9 hours, with a maximal plasma concentration (Cmax) of 45 ng/ml. In a drug distribution study in humans with radiolabeled naloxegol, the highest levels of radioactivity were in the liver and kidneys. The elimination t ½ of naloxegol is rapid, with majority being eliminated within 24-hours post-dose.

4. Its History and Current Pattern of Abuse

According to HHS, there has been no evidence of abuse-related signals from the human clinical trials. Naloxegol is a mu opioid antagonist, which as a class does not have abuse potential.

5. The Scope, Duration, and Significance of Abuse

There have been no reports of abuse of naloxegol. According to the National Forensic Laboratory Information System (NFLIS) [4] and the System to Retrieve Information from Drug Evidence (STRIDE),[5] there have been no reports of naloxegol seizures from 2010 to the present.

6. What, if Any, Risk There Is to the Public Health

According to the HHS, naloxegol is well-tolerated and safe at the therapeutic doses of 12.5 mg and 25 mg. Preclinical and clinical studies showed no evidence of potential for abuse of naloxegol and thus there is little public health risk from naloxegol.

[3] U.S. Food and Drug Administration, Department of Health and Human Services, *Basis for the Recommendation to Decontrol Naloxegol and Its Salts from Schedule II of the Controlled Substances Act* (2014), p. 6.

[4] The National Forensic Laboratory Information System (NFLIS) is a program of the DEA, Office of Diversion Control. NFLIS systematically collects drug identification results and associated information from drug cases submitted to and analyzed by State and local forensic laboratories. NFLIS represents an important resource in monitoring illicit drug abuse and trafficking, including the diversion of legally manufactured pharmaceuticals into illegal markets. NFLIS is a comprehensive information system that includes data from forensic laboratories that handle approximately 90% of an estimated 1.0 million distinct annual State and local drug analysis cases. NFLIS includes drug chemistry results from completed analyses only. While NFLIS data is not direct evidence of abuse, it can lead to an inference that a drug has been diverted and abused. *See* 76 FR 77330, 77332, Dec. 12, 2011.

[5] The System to Retrieve Information from Drug Evidence (STRIDE) is a database of drug exhibits sent to DEA laboratories for analysis. Exhibits from the database are from the DEA, other federal agencies, and local law enforcement agencies.

7. Its Psychic or Physiological Dependence Liability

There were no symptoms of physical dependence in a naloxegol physical dependence liability study in rats. The HHS also mentioned that the lack of naloxegol self-administration by animals is consistent with a lack of psychic dependence liability.

8. Whether the Substance is an Immediate Precursor of a Substance Already Controlled Under the CSA

Naloxegol is not considered an immediate precursor of any controlled substance.

Conclusion

Based on consideration of the scientific and medical evaluation and accompanying recommendation of the HHS, and based on the DEA's consideration of its own eight-factor analysis, the DEA finds that these facts and all relevant data demonstrate that naloxegol does not possess abuse or dependence potential. Accordingly, the DEA finds that naloxegol does not meet the requirements for inclusion in any schedule, and should be removed from control under the CSA.

Regulatory Analyses

Executive Orders 12866 and 15363

In accordance with 21 U.S.C. 811(a), this scheduling action is subject to formal rulemaking procedures done ''on the record after opportunity for a hearing,'' which are conducted pursuant to the provisions of 5 U.S.C. 556 and 557. The CSA sets forth the criteria for scheduling a drug or other substance. Such actions are exempt from review by the Office of Management and Budget (OMB) pursuant to section 3(d)(1) of Executive Order 12866 and the principles reaffirmed in Executive Order 13563.

Executive Order 12988

This regulation meets the applicable standards set forth in sections 3(a) and 3(b)(2) of Executive Order 12988 Civil Justice Reform to eliminate drafting errors and ambiguity, minimize litigation, provide a clear legal standard for affected conduct, and promote simplification and burden reduction.

Executive Order 13132

This rulemaking does not have federalism implications warranting the application of Executive Order 13132. The rule does not have substantial direct effects on the States, on the relationship between the Federal Government and the States, or the distribution of power and responsibilities among the various levels of government.

Executive Order 13175

This rule does not have tribal implications warranting the application of Executive Order 13175. This rule does not have substantial direct effects on one or more Indian tribes, on the relationship between the Federal Government and Indian tribes, or on the distribution of power and responsibilities between the Federal Government and Indian tribes.

Regulatory Flexibility Act

The Deputy Administrator, in accordance with the Regulatory Flexibility Act (5 U.S.C. 601–612) (RFA), has reviewed this proposed rule and by approving it certifies that it will not have a significant economic impact on a substantial number of small entities. The purpose of this rule is to remove naloxegol from the list of schedules of the CSA. This action will remove regulatory controls and administrative, civil, and criminal sanctions applicable to controlled substances for handlers and proposed handlers of naloxegol. Accordingly, it has the potential for some economic impact in the form of cost savings.

Naloxegol is a new molecular entity and is not currently available or marketed in any country. According to publicly available information reviewed by the DEA, naloxegol is anticipated to enjoy patent protection for an extended period of time before generic equivalents may be manufactured and marketed in the United States. Although the number of manufacturers of naloxegol may initially be limited, there is potential for numerous handlers in various business activities, e.g., distributors, hospitals/clinics, pharmacies, practitioners, etc.

If finalized, the proposed rule will affect all persons who would handle, or propose to handle, naloxegol. Due to the wide variety of unidentifiable and unquantifiable variables that potentially could influence the distribution and dispensing rates of new molecular entities, the DEA is unable to determine the number of entities and small entities which might handle naloxegol. However, the DEA estimates that all persons who would handle, or propose to handle naloxegol, are currently registered with the DEA to handle schedule II controlled substances. Therefore, the 1.5 million (1,469,418 as of September 2014) controlled substance registrations, representing approximately 426,714 entities, would be the maximum number of entities affected by this rule. The DEA estimates that 417,302 (97.8%) of 426,714 affected entities are ''small entities'' in accordance with the RFA and Small Business Administration size standards.

The DEA estimates all controlled substances registrants handle both controlled and non-controlled substances and these registrants are expected to continue to handle naloxegol if the proposed rule were finalized. Additionally, since prospective naloxegol handlers are likely to handle other schedule II controlled substances, the cost savings they would receive as a result of the de-control of naloxegol would be nominal. As naloxegol handlers continue to handle other scheduled II controlled substances, they will need to maintain their DEA registration and keep the same security and recordkeeping processes, equipment, and facilities in place and would experience only a nominal reduction in security, inventory, recordkeeping, and labeling costs.

While the DEA does not have a basis to estimate the number of affected entities, the DEA estimates that the maximum number of affected entities is 426,714 of which 417,302 are estimated to be small entities. Since the affected entities are expected to handle other schedule II controlled substances and maintain security and recordkeeping facilities and processes consistent with schedule II controlled substances handling requirements, the DEA estimates any economic impact (cost savings) will be nominal. Because of these facts, this rule will not result in a significant economic impact on a substantial number of small entities.

Unfunded Mandates Reform Act of 1995

On the basis of information contained in the ''Regulatory Flexibility Act'' section above, the DEA has determined and certifies pursuant to the Unfunded Mandates Reform Act of 1995 (UMRA), 2 U.S.C. 1501 *et seq.,* that this action would not result in any federal mandate that may result ''in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of $100,000,000 or more (adjusted for inflation) in any one year * * *.'' Therefore, neither a Small Government Agency Plan nor any other action is required under provisions of UMRA.

Paperwork Reduction Act

This action does not impose a new collection of information requirement under the Paperwork Reduction Act, 44 U.S.C. 3501–3521. This action would 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.

List of Subjects in 21 CFR Part 1308

Administrative practice and procedure, Drug traffic control, Reporting and recordkeeping requirements.

For the reasons set out above, 21 CFR part 1308 is proposed to be amended to read as follows:

PART 1308—SCHEDULES OF CONTROLLED SUBSTANCES

■ 1. The authority citation for 21 CFR part 1308 continues to read as follows:

Authority: 21 U.S.C. 811, 812, 871(b), unless otherwise noted.

■ 2. In § 1308.12, amend the introductory text of paragraph (b)(1) by adding the word ''naloxegol,'' between ''nalmefene,'' and ''naloxone,'' to read as follows:

§ 1308.12 Schedule II.

(a) * * *

(b) * * *

(1) Opium and opiate, and any salt, compound, derivative, or preparation of opium or opiate excluding apomorphine, thebaine-derived butorphanol, dextrorphan, nalbuphine, nalmefene, naloxegol, naloxone, and naltrexone, and their respective salts, but including the following:

* * * * *

Dated: October 23, 2014.

Thomas M. Harrigan,

Deputy Administrator.

[FR Doc. 2014–25685 Filed 10–28–14; 8:45 am]

BILLING CODE 4410–09–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA–R09–OAR–2014–0696; FRL–9918–58–Region 9]

Revisions to the California State Implementation Plan, Ventura County Air Pollution Control District

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The Environmental Protection Agency (EPA) is proposing to approve a State Implementation Plan (SIP) revision submitted by California for the Ventura County Air Pollution Control District (VCAPCD or ''the District'') portion of the California SIP. The submitted SIP revision contains the District's demonstration regarding Reasonably Available Control Technology (RACT) requirements for the 2008 8-hour ozone National Ambient Air Quality Standards (NAAQS). We are proposing to approve the submitted SIP revision under the Clean Air Act as amended in 1990 (CAA or the Act). We are taking comments on this proposal and plan to follow with a final action.

DATES: Any comments must arrive by November 28, 2014.

ADDRESSES: Submit comments, identified by docket number EPA–R09–OAR–2014–0696, by one of the following methods:

1. *Federal eRulemaking Portal: www.regulations.gov.* Follow the on-line instructions.
2. *Email: steckel.andrew@epa.gov.*
3. *Mail or deliver:* Andrew Steckel (Air-4), U.S. Environmental Protection Agency Region IX, 75 Hawthorne Street, San Francisco, CA 94105–3901.

Instructions: All comments 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 Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Information that you consider CBI or otherwise protected should be clearly identified as such and should not be submitted through *www.regulations.gov* or email. *www.regulations.gov* is an ''anonymous access'' system, and EPA will not know your identity or contact information unless you provide it in the body of your comment. If you send email directly to EPA, your email address will be automatically captured and included as part of the public comment. If EPA cannot read your comment due to technical difficulties and cannot contact you for clarification, EPA may not be able to consider your comment. Electronic files should avoid the use of special characters, any form of encryption, and be free of any defects or viruses.

Docket: Generally, documents in the docket for this action are available electronically at *www.regulations.gov* and in hard copy at EPA Region IX, 75 Hawthorne Street, San Francisco, California. While all documents in the docket are listed at *www.regulations.gov,* some information may be publicly available only at the hard copy location (e.g., copyrighted material, large maps), and some may not be publicly available in either location (e.g., CBI). To inspect the hard copy materials, please schedule an appointment during normal business hours with the contact listed in the **FOR FURTHER INFORMATION CONTACT** section.

FOR FURTHER INFORMATION CONTACT: Stanley Tong, EPA Region IX, (415) 947–4122, *tong.stanley@epa.gov.*

SUPPLEMENTARY INFORMATION: Throughout this document, ''we,'' ''us'' and ''our'' refer to EPA.

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I. The State's Submittal

A. What document did the State submit?

Table 1 lists the document addressed by this proposal with the date that it was adopted by the local air agency and submitted by the California Air Resources Board.

TABLE 1—SUBMITTED DOCUMENT

Local agency	Document	Adopted	Submitted
VCAPCD	2014 Reasonably Available Control Technology (RACT) State Implementation Plan (SIP) Revision (''2014 RACT SIP'').	6/10/14	7/18/14

On September 18 2014, EPA determined that the submittal for VCAPCD's 2014 RACT SIP met the completeness criteria in 40 CFR Part 51 Appendix V, which must be met before formal EPA review.

B. Are there other versions of this document?

While there is no previous version of VCAPCD's 2014 RACT SIP, we approved VCAPCD's 2006 RACT SIP analysis on April 21, 2009 (*74 FR 18148*) for the 1997 8-hour ozone NAAQS, and VCAPCD's 2009 RACT SIP Revision on May 15, 2014 (*79 FR 27761*) for several newly issued Control Techniques Guidelines (CTG) documents.

C. What is the purpose of the RACT SIP submission?

Volatile organic compounds (VOCs) and nitrogen oxides (NO_X) help produce ground-level ozone and smog, which harm human health and the environment. Section 110(a) of the CAA requires States to submit enforceable regulations that control VOC and NO_X emissions. Sections 182(b)(2) and (f) require that SIPs for ozone nonattainment areas classified as moderate or above require implementation of RACT for any source covered by a CTG document and any other major stationary source of VOCs or NO_X. The VCAPCD is subject to this requirement as it is designated and classified as a serious ozone nonattainment area for the 2008 8-hour ozone NAAQS. 40 CFR 81.305; *77 FR 3008* (May 21, 2012) (final rule designating and classifying Ventura County APCD as serious nonattainment for the 2008 8-hour ozone NAAQS). Therefore, VCAPCD must, at a minimum, adopt RACT-level controls for all sources covered by a CTG document and for all major non-CTG stationary sources of VOCs or NO_X. Any stationary source that emits or has a potential to emit at least 50 tons per year (tpy) of VOCs or NO_X is a major stationary source in a serious ozone nonattainment area. CAA section 182(c), (f).

Section III.D. of the preamble to EPA's proposed rule to implement the 2008 NAAQS (78 FR 34178, June 6, 2013) states in part that ''RACT SIPs must contain adopted RACT regulations, certifications where appropriate that existing provisions are RACT, and/or negative declarations that there are no sources in the nonattainment area covered by a specific CTG source category.'' The preamble further states that ''States must also submit appropriate supporting information for their RACT submission as described in the Phase 2 Rule. *See* 70 FR 71651.'' The submitted document is VCAPCD's demonstration and certification that its rules fulfill RACT for the 2008 8-hour ozone NAAQS and that the District has adopted negative declarations where it has no sources covered by a CTG document. EPA's technical support document (TSD) has more information about the District's submission and EPA's evaluation thereof.

II. EPA's Evaluation and Proposed Action

A. How is EPA evaluating the RACT SIP submission?

Rules and guidance documents that we use to evaluate CAA section 182 RACT SIPs include the following:

1. ''Final Rule to Implement the 8-Hour Ozone National Ambient Air Quality Standard—Phase 2'' (70 FR71612; November 29, 2005).
2. ''Implementation of the 2008 National Ambient Air Quality Standards for Ozone: State Implementation Plan Requirements''—Proposed Rule (78 FR 34178; June 6, 2013).
3. ''State Implementation Plans, General Preamble for the Implementation of Title I of the Clean Air Act Amendments of 1990'' (57 FR 13498; April 16, 1992).
4. Issues Relating to VOC Regulation Cutpoints, Deficiencies, and Deviations: Clarification to Appendix D of November 24, 1987 **Federal Register**, May 25, 1988, U.S. EPA, Air Quality Management Division, Office of Air Quality Planning and Standards (''The Blue Book'').
5. Guidance Document for Correcting Common VOC and Other Rule Deficiencies, August 21, 2001, U.S. EPA Region IX (the ''Little Bluebook'').
6. ''State Implementation Plans; Nitrogen Oxides Supplement to the General Preamble for the Implementation of Title I of the Clean Air Act Amendments of 1990'' (57 FR 55620, November 25, 1992) (''the NO_X Supplement'').
7. Memorandum from William T. Harnett to Regional Air Division Directors, (May 18, 2006), ''RACT Qs & As—Reasonably Available Control Technology (RACT) Questions and Answers.''
8. RACT SIPs, Letter dated March 9, 2006 from EPA Region IX (Andrew Steckel) to CARB (Kurt Karperos) describing Region IX's understanding of what constitutes a minimally acceptable RACT SIP.
9. EPA's CTGs *http://www.epa.gov/glo/SIPToolkit/ctgs.html.*

B. Does the RACT SIP submission meet the evaluation criteria?

VCAPCD's 2014 RACT SIP provides the District's demonstration and certification that the applicable SIP for the Ventura County APCD satisfies CAA section 182 RACT requirements for the 2008 8-hour ozone NAAQS. The District's submittal builds on its 2006 and 2009 RACT SIP certifications that its rules meet RACT. However, since, as the District points out, many CTGs have not been updated for many years, VCAPCD compared its rules to similar rules in other air districts with a higher ozone nonattainment classification. VCAPCD also reviewed the cost effectiveness of more stringent requirements adopted in other air districts.

Where there are no existing sources covered by a particular CTG document, states may, in lieu of adopting RACT requirements for those sources, adopt negative declarations certifying that there are no such sources in the relevant nonattainment area. Table B–2 of VCAPCD's 2014 RACT SIP lists not only CTGs, but also other documents relevant to establishing RACT at major sources. Negative declarations are only required for CTG source categories for which the District has no sources covered by the CTG. A negative declaration is not required for non-CTG source categories. Table 2 below lists the CTG source categories that remain after we excluded non-CTG documents from VCAPCD's 2014 RACT SIP Table B–2.

TABLE 2—VCAPCD NEGATIVE DECLARATIONS

CTG source category	CTG reference document
Aerospace	EPA–453/R–97–004, Aerospace CTG and MACT.
Automobile and Light-duty Trucks, Surface Coating of.	EPA–450/2–77–008, Control of Volatile Organic Emissions from Existing Stationary Sources—Volume II: Surface Coating of Cans, Coils, Paper, Fabrics, Automobiles, and Light-Duty Trucks.
	EPA 453/R–08–006, Control Techniques Guidelines for Automobile and Light-Duty Truck Assembly Coatings.
Cans and Coils, Surface Coating of	EPA–450/2–77–008, Control of Volatile Organic Emissions from Existing Stationary Sources—Volume II: Surface Coating of Cans, Coils, Paper, Fabrics, Automobiles, and Light-Duty Trucks.
Flat Wood Paneling, Surface Coating of.	EPA–450/2–78–032, Control of Volatile Organic Emissions from Existing Stationary Sources—Volume VII: Factory Surface Coating of Flat Wood Paneling.

TABLE 2—VCAPCD NEGATIVE DECLARATIONS—Continued

CTG source category	CTG reference document
	EPA–453/R–06–004, Control Techniques Guidelines for Flat Wood Paneling Coatings.
Flexible Packaging Printing	EPA–453/R–06–003, Control Techniques Guidelines for Flexible Package Printing.
Large Appliances, Surface Coating of	EPA–450/2–77–034, Control of Volatile Organic Emissions from Existing Stationary Sources—Volume V: Surface Coating of Large Appliances.
	EPA 453/R–07–004, Control Techniques Guidelines for Large Appliance Coatings.
Magnet Wire, Surface Coating for Insulation of.	EPA–450/2–77–033, Control of Volatile Organic Emissions from Existing Stationary Sources—Volume IV: Surface Coating of Insulation of Magnet Wire.
Metal Furniture Coatings	EPA–450/2–77–032, Control of Volatile Organic Emissions from Existing Stationary Sources—Volume III: Surface Coating of Metal Furniture.
	EPA 453/R–07–005, Control Techniques Guidelines for Metal Furniture Coatings.
Paper, Film and Foil Coatings	EPA 453/R–07–003, Control Techniques Guidelines for Paper, Film, and Foil Coatings.
Petroleum Refineries	EPA–450/2–77–025, Control of Refinery Vacuum Producing Systems, Wastewater Separators, and Process Unit Turnarounds.
	EPA–450/2–78–036, Control of Volatile Organic Compound Leaks from Petroleum Refinery Equipment.
Fiberglass Boat Manufacturing	EPA 453/R–08–004, Control Techniques Guidelines for Fiberglass Boat Manufacturing Materials.
Industrial Adhesives	EPA 453/R–08–005, Control Techniques Guidelines for Miscellaneous Industrial Adhesives.
Pharmaceutical Products	EPA–450/2–78–029, Control of Volatile Organic Emissions from Manufacture of Synthesized Pharmaceutical Products.
Pneumatic Rubber Tires, Manufacture of.	EPA–450/2–78–030, Control of Volatile Organic Emissions from Manufacture of Pneumatic Rubber Tires.
Polyester Resin	EPA–450/3–83–008, Control of Volatile Organic Compound Emissions from Manufacture of High-Density Polyethylene, Polypropylene, and Polystyrene Resins.
	EPA–450/3–83–006, Control of Volatile Organic Compound Leaks from Synthetic Organic Chemical Polymer and Resin Manufacturing Equipment.
Synthetic Organic Chemical Manufacturing.	EPA–450/3–84–015, Control of Volatile Organic Compound Emissions from Air Oxidation Processes in Synthetic Organic Chemical Manufacturing Industry.
	EPA–450/4–91–031, Control of Volatile Organic Compound Emissions from Reactor Processes and Distillation Operations in Synthetic Organic Chemical Manufacturing Industry.
Petroleum Solvent Dry Cleaners	EPA–450/3–82–009, Control of Volatile Organic Compound Emissions from Large Petroleum Dry Cleaners.

VCAPCD provided its 2014 RACT SIP for public comment prior to the public hearing for adoption. No written comments were received by the District.

We are proposing to find that VCAPCD's 2014 RACT SIP submission, including the above negative declarations, adequately demonstrate that its rules satisfy RACT for the 2008 8-hour ozone NAAQS. Our TSD has more information on our evaluation.

C. EPA Recommendations To Strengthen the RACT SIP

We recommend VCAPCD investigate Rule 70, Storage and Transfer of Gasoline, for potential future emission reductions the next time the District opens the rule for amendment. We discuss this recommendation further in our TSD.

D. Proposed Action and Public Comment

Based on the evaluations discussed above and more fully in our TSD, we are proposing to conclude that VCAPCD's 2014 RACT SIP satisfies CAA section 182 RACT requirements for the 2008 8-hour ozone NAAQS and to fully approve this submission into the California SIP pursuant to section 110(k)(3) of the Act. We will accept comments from the public on this proposal for the next 30 days. Unless we receive convincing new information during the comment period, we intend to publish a final approval action that will incorporate this RACT submission into the federally enforceable SIP.

III. Statutory and Executive Order Reviews

Under the Clean Air Act, the Administrator is required to approve a SIP submission that complies with the provisions of the Act and applicable Federal regulations. 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, EPA's role is to approve State choices, provided that they meet the criteria of the Clean Air Act. Accordingly, this proposed action merely proposes to approve State law as meeting Federal requirements and does not impose additional requirements beyond those imposed by State law. For that reason, this proposed action:

- Is not a ''significant regulatory action'' subject to review by the Office of Management and Budget under Executive Order 12866 (58 FR 51735, October 4, 1993);
- Does not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 et seq.);
- Is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 et seq.);
- Does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4);
- Does not have Federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);
- Is not an economically significant regulatory action based on health or safety risks subject to Executive Order 13045 (62 FR 19885, April 23, 1997);
- Is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001);
- Is not subject to requirements of Section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the Clean Air Act; and
- Does not provide EPA with the discretionary authority to address disproportionate human health or environmental effects with practical, appropriate, and legally permissible methods under Executive Order 12898 (59 FR 7629, February 16, 1994).

In addition, this proposed action does not have tribal implications as specified by Executive Order 13175 (65 FR 67249,

November 9, 2000), because the SIP is not approved to apply in Indian country located in the State, and EPA notes that it will not impose substantial direct costs on tribal governments or preempt tribal law.

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Intergovernmental relations, Nitrogen dioxide, Ozone, Reporting and recordkeeping requirements, Volatile organic compounds.

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

Dated: October 9, 2014.

Jared Blumenfeld,

Regional Administrator, Region IX.

[FR Doc. 2014–25742 Filed 10–28–14; 8:45 am]

BILLING CODE 6560–50–P

GENERAL SERVICES ADMINISTRATION

48 CFR Parts 515, 538, and 552

[GSAR Case 2013–G502; Docket 2014–0009; Sequence 1]

RIN 3090–AJ41

General Services Administration Acquisition Regulation (GSAR); Federal Supply Schedule Contracting (Administrative Changes); Extension of Time for Comments

AGENCY: Office of Acquisition Policy, General Services Administration.

ACTION: Proposed rule; extension of comment period.

SUMMARY: The General Services Administration (GSA) issued a proposed rule on September 10, 2014, amending the General Services Administration Acquisition Regulation (GSAR) to clarify and update the contracting by negotiation GSAR section and incorporate existing Federal Supply Schedule Contracting policies and procedures, and corresponding provisions and clauses. The comment period is being extended to provide additional time for interested parties to provide comments for GSAR Case 2013–G502, Federal Supply Schedule Contracting (Administrative Changes), to November 21, 2014.

DATES: For the proposed rule published on September 10, 2014 (79 FR 54126), submit comments by November 21, 2014.

ADDRESSES: Submit comments in response to GSAR Case 2013–G502 by any of the following methods:

- Regulations.gov: *http://www.regulations.gov.* Submit comments by searching for ''GSAR Case 2013–G502''. Select the link ''Comment Now'' and follow the instructions provided at the ''You are commenting on'' screen. Please include your name, company name (if any), and ''GSAR Case 2013–G502'', on your attached document.
- Fax: 202–501–4067.
- Mail: U.S. General Services Administration, Regulatory Secretariat Division (MVCB), 1800 F Street NW., 2nd Floor, ATTN: Hada Flowers, Washington, DC 20405–0001.

Instructions: Please submit comments only and cite GSAR Case 2013–G502 in all correspondence related to this case. 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. Dana Munson, General Services Acquisition Policy Division, GSA, 202–357–9652 or email *Dana.Munson@gsa.gov,* for clarification of content. For information pertaining to status or publication schedules, contact the Regulatory Secretariat at 202–501–4755. Please cite GSAR Case 2013–G502.

SUPPLEMENTARY INFORMATION:

I. Background

GSA published a proposed rule in the **Federal Register** at 79 FR 54126, September 10, 2014. The comment period is extended to provide additional time for interested parties to submit comments on the GSAR case until November 21, 2014.

List of Subjects in 48 CFR Parts 515, 538, and 552

Government procurement.

Dated: October 23, 2014.

Jeffrey A. Koses,

Senior Procurement Executive, Office of Acquisition Policy, Office of Government-wide Policy.

[FR Doc. 2014–25702 Filed 10–28–14; 8:45 am]

BILLING CODE 6820–61–P

Notices

Federal Register

Vol. 79, No. 209

Wednesday, October 29, 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

Submission for OMB Review; Comment Request

October 23, 2014.

The Department of Agriculture has submitted the following information collection requirement(s) to OMB for review and clearance under the Paperwork Reduction Act of 1995, Public Law 104–13. Comments regarding (a) 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; (b) the accuracy of the agency's estimate of burden 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 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 should be addressed to: Desk Officer for Agriculture, Office of Information and Regulatory Affairs, Office of Management and Budget (OMB), *OIRA_Submission@OMB.EOP.GOV* or fax (202) 395–5806 and to Departmental Clearance Office, USDA, OCIO, Mail Stop 7602, Washington, DC 20250–7602. Comments regarding these information collections are best assured of having their full effect if received by November 28, 2014. Copies of the submission(s) may be obtained by calling (202) 720–8958 or (202) 720–8681.

An agency may not conduct or sponsor a collection of information unless the collection of information displays a currently valid OMB control number and the agency informs potential persons who are to respond to the collection of information that such persons are not required to respond to the collection of information unless it displays a currently valid OMB control number.

Office of the Chief Financial Officer

Title: Request to Change FEHB Enrollment or to Receive Plan Brochures for Spouse Equity/Temporary Continuation of Coverage Enrollees/Direct Pay Annuitants (DPRS 2809).

OMB Control Number: 0505–0024.

Summary of Collection: Title 5, U.S. Code, Chapter 89, sections 8905 and 8905a specifies the opportunities and conditions under which a retiree, survivor annuitant, separated employee, former spouse or former dependent child of a retiree, employee, or separated employee is eligible to change enrollment in the Federal Employees Health Benefits (FEHB) Program. DPRS–2809 is completed by the enrollee to make an open season enrollment change.

Need and Use of the Information: The DPRS–2809 is administered by the U.S. Department of Agriculture's National Finance Center (NFC) for use by separated employees or former spouses and former dependent children of active or separated employees. NFC determines whether all conditions permitting change in enrollment are met and implements the enrollment change. NFC also informs the FEHB carriers of the action. If this information were not collected, NFC could not comply with the provisions of title 5, U.S. Code, Chapter 89.

Description of Respondents: Individuals.

Number of Respondents: 25,000.

Frequency of Responses: Reporting: One time.

Total Burden Hours: 18,750.

Charlene Parker,

Departmental Information Collection Clearance Officer.

[FR Doc. 2014–25630 Filed 10–28–14; 8:45 am]

BILLING CODE 3410–KS–P

DEPARTMENT OF AGRICULTURE

Submission for OMB Review; Comment Request

October 23, 2014.

The Department of Agriculture has submitted the following information collection requirement(s) to OMB for review and clearance under the Paperwork Reduction Act of 1995, Public Law 104–13. Comments regarding (a) 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; (b) the accuracy of the agency's estimate of burden 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 the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

Comments regarding this information collection received by November 28, 2014 will be considered. Written comments should be addressed to: Desk Officer for Agriculture, Office of Information and Regulatory Affairs, Office of Management and Budget (OMB), New Executive Office Building, 725 17th Street NW., Washington, DC 20502. Commenters are encouraged to submit their comments to OMB via email to: *OIRA_Submission@OMB.EOP.GOV* or fax (202) 395–5806 and to Departmental Clearance Office, USDA, OCIO, Mail Stop 7602, Washington, DC 20250–7602. Copies of the submission(s) may be obtained by calling (202) 720–8958.

An agency may not conduct or sponsor a collection of information unless the collection of information displays a currently valid OMB control number and the agency informs potential persons who are to respond to the collection of information that such persons are not required to respond to the collection of information unless it displays a currently valid OMB control number.

Animal Plant and Health Inspection Service

Title: Virus-Serum-Toxin Act and Regulations in 9 CFR, Subchapter E, Parts 101–124.

OMB Control Number: 0579–0013.

Summary of Collection: The Virus-Serum-Toxin Act (37 Stat. 832–833, 21 U.S.C. 151–159) gives the United States Department of Agriculture, the Animal and Plant Health Inspection Service (APHIS) the authority to promulgate regulations designed to prevent the importation, preparation, sale, or

shipment of harmful veterinary biological products. A veterinary biological product is defined as all viruses, serums, toxins, and analogous products of natural or synthetic origin (such as vaccines, antitoxins, or the immunizing components of microorganisms intended for the diagnosis, treatment, or prevention of diseases in domestic animals). In order to effectively implement the licensing, production, labeling, importation, and other requirements, APHIS employs a number of information gathering tools such as establishment license applications, product license applications, product permit applications, product and test report forms and field study summaries, stop distribution and sale notifications, and recordkeeping.

Need and Use of the Information: APHIS uses the information collected as a primary basis for the approval or acceptance of issuing licenses or permits to ensure veterinary biological products that are used in the United States are pure, safe, potent, and effective. Failing to collect this information would severely cripple APHIS' ability to prevent harmful veterinary biologics from being distributed in the United States.

Description of Respondents: Business or other for profit; State, Local or Tribal Government.

Number of Respondents: 220.

Frequency of Responses: Recordkeeping; Reporting: On occasion.

Total Burden Hours: 74,382.

Animal Plant and Health Inspection Service

Title: Commercial Transportation of Equines to Slaughter.

OMB Control Number: 0579–0332.

Summary of Collection: Section 901–905 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 1901) authorize the Secretary of Agriculture to issue guidelines for regulating the commercial transportation of horses to slaughter, including assembly points, feedlots, and stockyards, by person regularly engaged in that activity within the United States. Specifically, the Secretary is authorized to regulate the food, water, and rest provided to these horses while they are in transit; and to review other related issues that may be appropriate to ensuring that these animals are treated humanely. To implement the provisions of this Act, the Veterinary Services program of the U.S. Department of Agriculture's Animal and Plant Health Inspection Service (APHIS) has established minimum standards to ensure the humane movement of horses for slaughter.

Need and Use of the Information: APHIS will collect information in the form of an owner-shipper certificate; collection of employment information on any person found to be transporting horses to a slaughtering facility; and recordkeeping. The collected information is use to ensure that horses being transported to slaughter receive adequate food, water, and rest and are treated humanely. If the information was collected less frequently or not collected, APHIS' ability to ensure that horses destined for slaughter are treated humanely would be significantly hampered.

Description of Respondents: Business or other for profit.

Number of Respondents: 300.

Frequency of Responses: Reporting: On occasion.

Total Burden Hours: 9,803.

Ruth Brown,

Departmental Information Collection Clearance Officer.

[FR Doc. 2014–25628 Filed 10–28–14; 8:45 am]

BILLING CODE 3410–34–P

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[Doc. No. AMS–LPS–14–0075]

Livestock, Poultry, and Seed Program; Notice of Request for Extension and Revision of a Currently Approved Information Collection Governing the Inspection of Eggs

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Notice and request for comments.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–20), this notice announces the Agricultural Marketing Service's (AMS) intent to request approval, from the Office of Management and Budget (OMB), for an extension of and revision to the currently approved information collection in support of the shell egg surveillance portion of the Regulations Governing the Inspection of Eggs (Egg Products Inspection Act)—7 CFR part 57.

DATES: Comments on this notice must be received by December 29, 2014 to be assured of consideration.

ADDRESSES: Interested persons are invited to submit comments concerning this information collection notice. Comments should be submitted online at *www.regulations.gov* or sent to Michelle Degenhart, Assistant to the Director, Quality Assessment Division; Livestock, Poultry, and Seed Program; Agricultural Marketing Service; U.S. Department of Agriculture; 1400 Independence Ave. SW., Room 3942–S; Washington, DC, 20250–0256, or by facsimile to (202) 690–2746. All comments should reference the Doc. No. (AMS–LPS–14–0075), the date, and the page number of this issue of the **Federal Register**. All comments received will be posted without change, including any personal information provided, online at *http://www.regulations.gov* and will be made available for public inspection at the above physical address during regular business hours.

FOR FURTHER INFORMATION CONTACT: Michelle Degenhart at the above physical address, or by email at *Michelle.Degenhart@ams.usda.gov.*

SUPPLEMENTARY INFORMATION:

Title: Regulations for the Inspection of Eggs (Egg Products Inspection Act).

OMB Number: 0581–0113.

Expiration Date of Approval: March 31, 2015.

Type of Request: Extension and revision of a currently approved information collection.

Abstract: Congress enacted the Egg Products Inspection Act (21 U.S.C. 1031–1056) (EPIA) to provide, in part, a mandatory inspection program to control the disposition of dirty and checked shell eggs; to control unwholesome, adulterated, and inedible shell eggs that are unfit for human consumption; and to control the movement and disposition of imported shell eggs.

The EPIA authorizes the U. S. Department of Agriculture (USDA) to issue regulations to ensure that only eggs fit for human consumption are used for such purposes.

Under the shell egg surveillance program, shell egg handlers and hatcheries are required to register with USDA. Quarterly, a State or Federal surveillance inspector visits each registered handler to verify that shell eggs packed for consumer use are in compliance, that restricted eggs are being disposed of properly, and that adequate records are being maintained.

The information and recordkeeping requirements in this request are essential to carry out the intent of Congress, to administer the mandatory inspection program, and to take regulatory action, in accordance with the regulations and the EPIA. The forms within this collection package require the minimum information necessary to effectively carry out the requirements of the regulations, and their use is

necessary to fulfill the intent of the EPIA.

The information collected is used only by authorized representatives of the AMS, Livestock, Poultry, and Seed Program's Quality Assessment Division and resident Federal-State graders, which includes State agencies authorized to conduct inspections on AMS' behalf. The information is only used to verify compliance with the EPIA and the regulations and to facilitate regulatory action. The Agency is the primary user of the information; secondary users include each authorized State agency that have a cooperative agreement with AMS.

Estimate of Burden: Public reporting burden for this collection of information is estimated to average .31 hours per response.

Respondents: Businesses or other for-profit and small businesses or organizations.

Estimated Number of Respondents: 818.

Estimated Total Annual Responses: 6,177.

Estimated Number of Responses per Respondent: 8 (rounded).

Estimated Total Annual Burden on Respondents: 1,909 (rounded).

Comments are invited 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 the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

All responses to this notice will be summarized and included in the request for OMB approval. All comments will become a matter of public record.

Dated: October 23, 2014.

Rex A. Barnes,

Associate Administrator, Agricultural Marketing Service.

[FR Doc. 2014–25662 Filed 10–28–14; 8:45 am]

BILLING CODE 3410–02–P

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[Document No. AMS–ST–14–0064]

Plant Variety Protection Board Meeting

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Notice of meeting.

SUMMARY: Pursuant to the Federal Advisory Committee Act (FACA), the Agricultural Marketing Service (AMS) is announcing a meeting of the Plant Variety Protection Board (Board). The meeting is being held to discuss a variety of topics including, but not limited to, work and outreach plans, subcommittee activities, and proposals for procedure changes. The meeting is open to the public. This notice sets forth the schedule and location for the meeting.

DATES: Monday, December 8, 2014, from 1:00 p.m. to 5:00 p.m. and Tuesday, December 9, 2014, from 8:00 a.m. to 5:00 p.m.

ADDRESSES: The Board meeting will be held at the Hyatt Regency Chicago Hotel at the Water Tower Room, at 151 East Wacker Drive, Chicago, IL 60601.

FOR FURTHER INFORMATION CONTACT: Maria Pratt, Program Analyst, U.S. Department of Agriculture (USDA), AMS, Science and Technology Programs, 1400 Independence Avenue SW., Washington, DC 20250. Telephone: (202) 260–8983; Fax: (202) 260–8976, or Email: *maria.pratt@ams.usda.gov.*

SUPPLEMENTARY INFORMATION: Pursuant to the provisions of section 10(a) of the FACA (5 U.S.C. Appendix 2), this notice informs the public that the Plant Variety Protection Office (PVPO) is having a Board meeting earlier than the 15 day requirement of the FACA. The Plant Variety Protection Act (PVPA) (7 U.S.C. 2321 et seq.) provides legal protection in the form of intellectual property rights to developers of new varieties of plants, which are reproduced sexually by seed or are tuber-propagated. A certificate of Plant Variety Protection (PVP) is awarded to an owner of a crop variety after an examination shows that it is new, distinct from other varieties, genetically uniform and stable through successive generations. The term of protection is 20 years for most crops and 25 years for trees, shrubs, and vines. The PVPA also provides for a statutory Board (7 U.S.C. 2327). The PVPA Board is composed of 14 individuals who are experts in various areas of development and represent the seed industry sector, academia and government. The duties of the Board are to: (1) Advise the Secretary concerning the adoption of rules and regulations to facilitate the proper administration of the FACA; (2) provide advisory counsel to the Secretary on appeals concerning decisions on applications by the PVPO and on requests for emergency public-interest compulsory licenses; and (3) advise the Secretary on any other matters under the Regulations and Rules of Practice and on all questions under Section 44 of the FACA, ''Public Interest in Wide Usage'' (7 U.S.C. 2404).

The purpose of the meeting will be to discuss the PVPO 2014 achievements, 2015 work plan and outreach plan, ongoing process improvements, updates on electronic applications/database conversion, plans for PVP recognition by other countries, the activities of the subcommittee to evaluate molecular techniques for PVP distinctness characterization and proposals for procedure changes.

Agenda Items: The agenda will include, welcome and introductions, discussions on program activities that encourage the development of new plant varieties and also address appeals to the Secretary. There will be presentations on future PVP plans, electronic PVP application/computer database development, and the use of molecular markers for PVP applications. The meeting will be open to the public. Those wishing to participate are encouraged to pre-register by December 1, 2014 by contacting Maria Pratt, Program Analyst; Telephone: (202) 260–8983; Email: *maria.prat@ams.usda.gov.*

Meeting Accommodations: The meeting hotel is ADA compliant, and the USDA provides reasonable accommodations to individuals with disabilities where appropriate. If you need a reasonable accommodation to participate in this public meeting, please notify Maria Pratt at: Email: *maria.pratt@ams.usda.gov* or (202) 268–8983. Determinations for reasonable accommodation will be made on a case-by-case basis. Minutes of the meeting will be available for public review 30 days following the meeting at the internet Web site *http://www.ams.usda.gov/PVPO.*

Dated: October 23, 2014.

Rex A. Barnes,

Associate Administrator, Agricultural Marketing Service.

[FR Doc. 2014–25658 Filed 10–28–14; 8:45 am]

BILLING CODE 3410–02–P

DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

Agency Information Collection Activities: Proposed Collection; Comment Request—Generic Clearance To Conduct Pre-Testing of Surveys

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 this proposed information collection. This is a new collection to conduct various procedures to test questionnaires and survey procedures to improve the quality and usability of information collection instruments.

DATES: Written comments must be received on or before December 29, 2014.

ADDRESSES: Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information, 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 collection of information on those who are to respond, including use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

Comments may be sent to: Lynnette Thomas, Office of Policy Support, Food and Nutrition Service, U.S. Department of Agriculture, 3101 Park Center Drive, Room 1014, Alexandria, VA 22302. 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.

All responses to this notice will be summarized and included in the request for Office of Management and Budget approval. All comments will be a matter of public record.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of this information collection should be directed to Lynnette Thomas at 703–305–2017.

SUPPLEMENTARY INFORMATION:

Title: Generic Clearance to Conduct Pre-Testing.

Form Number: N/A.

OMB Number: To be assigned.

Expiration Date: To be assigned.

Type of Request: New collection.

Abstract: The Food and Nutrition Service (FNS) intends to request approval from the Office of Management and Budget (OMB) for a generic clearance that will allow FNS to conduct a variety of data-gathering activities aimed at improving the quality and usability of information collection instruments associated with research and analysis activities.

The data-gathering activities utilized to this effect include but are not limited to experiments with levels of incentives for study participants, tests of various types of survey operations, focus groups, cognitive laboratory activities, pilot testing, exploratory interviews, experiments with questionnaire design, and usability testing of electronic data collection instruments. FNS envisions using a variety of techniques including field tests, respondent debriefing questionnaires, cognitive interviews, and focus groups in order to identify questionnaire and procedural problems, suggest solutions, and measure the relative effectiveness of alternative solutions.

Following standard OMB requirements, FNS will submit a change request to OMB for each data collection activity undertaken under this generic clearance. FNS will provide OMB with the instruments and supporting materials describing the research project and specific pre-testing activities.

Affected Public: The respondents will be identified at the time that each change request is submitted to OMB. Respondents will include State, Local and Tribal Government; Individual/Households; and Businesses.

Estimated Number of Respondents: 1,500.

Estimated Number of Responses per Respondent: 1.

Estimated Total Annual Responses: 1,500.

Estimated Time per Response: 1 hour.

Estimated Total Annual Burden on Respondents: 1,500 hours.

Collection instruments	Estimated number respondents	Responses annually per respondent	Total annual responses	Estimated avg. number of hours per response	Estimated total hours
Reporting Burden: Pre-testing activities	1,500	1	1,500	1	1,500
Total Reporting Burden	1,500	1	1,500	1	1,500

Audrey Rowe,

Administrator, Food and Nutrition Service.

[FR Doc. 2014–25723 Filed 10–28–14; 8:45 am]

BILLING CODE 3410–30–P

DEPARTMENT OF AGRICULTURE

Foreign Agricultural Service

Notice of Request for Extension of a Currently Approved Information Collection

AGENCY: Foreign Agricultural Service, USDA.

ACTION: Notice and request for comments.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, this notice announces that the Foreign Agricultural Service (FAS) intends to request an extension for a currently approved information collection procedure for Sugar Import Licensing Programs described in 7 CFR part 1530.

DATES: Comments should be received on or before December 29, 2014 to be assured of consideration.

ADDRESSES: Mail or deliver comments to William Janis, International Economist, Import Policies and Programs Division, Foreign Agricultural Service, U.S. Department of Agriculture, Stop 1021,

1400 Independence Ave. SW., Washington, DC 20250–1021.

FOR FURTHER INFORMATION CONTACT: William Janis at the address stated above or telephone at (202) 720–2194, or by email at: *William.Janis@fas.usda.gov.*

SUPPLEMENTARY INFORMATION:

Title: Sugar Imported for Export as Refined Sugar or as a Sugar-Containing Product, or used in the Production of Certain Polyhydric Alcohols.

OMB Number: 0551–0015.

Expiration Date of Approval: March 31, 2015.

Type of Request: Extension of a currently approved information collection.

Abstract: The primary objective of the Sugar Import Licensing Program is to permit entry of raw cane sugar, unrestricted by the quantitative limit established by the sugar tariff-rate quota, for re-export in refined form or in a sugar containing product or for the production of certain polyhydric alcohols. These programs are in use by as many as 250 licensees currently eligible to participate. Under 7 CFR part 1530, licensees are required to submit the following: (1) ''Application for a license'' information required for participation as set forth in section 1530.104; (2) ''Regular reporting'' of import, export, transfer, or use for charges and credits to licenses under section 1530.109; and (3) ''Miscellaneous submission'' of bonds or letters of credit under section 1530.107, appeals of determinations by the licensing authority under section 1530.112, or requests to the licensing authority for waivers under section 1530.113.

In addition, each participant must maintain records on all program reports as set forth in section 1530.110. The information collected is used by the licensing authority to manage, plan, evaluate, and account for program activities. The reports and records are required to ensure the proper operations of these programs.

Estimate of Burden: (1) ''Application for a license'' would require 20 hours per response; (2) ''Regular reporting'' would require between 10 and 15 minutes per transaction with the number of transactions varying per respondent; and (3) ''miscellaneous submission'' would require between 1 to 2 hours per bond or letter of credit, 2 to 10 hours per waiver request, and 10 to 100 hours per appeal.

Respondents: Sugar refiners, manufacturers of sugar containing products, and producers of polyhydric alcohol.

Estimated Number of Respondents: 250.

Estimated Number of Responses per Respondent: New/Renew License: 1; Regular reporting: 75 transactions, total; Miscellaneous: Bonds/letters of credit: 1; Waiver requests: 1; Appeals: 1.

Estimated Total Burden Hours on Respondents: 1,739 hours.

Copies of this information collection can be obtained from Connie Ehrhart, the Agency Information Collection Coordinator, at (202) 690–1578.

Request of Comments: The public is invited to submit comments and suggestions to the above address regarding the accuracy of the burden estimate, ways to minimize the burden, including the use of automated collection techniques or other forms of information technology, or any other aspect of this collection of information. Comments on issues covered by the Paperwork Reduction Act are most useful to OMB if received within 30 days of publication of the Notice and Request for Comments, but should be submitted no later than 60 days from the date of this publication to be assured of consideration. All responses to this notice will be summarized and included in the request for OMB approval. All comments will also be a matter of public record. Persons with disabilities who require an alternative means to communicate information (Braille, large print, audiotape, etc.) should contact USDA's Target Center at (202) 720–2600 (voice and TDD).

Dated: October 20, 2014.

Philip C. Karsting,

Administrator, Foreign Agricultural Service.

[FR Doc. 2014–25634 Filed 10–28–14; 8:45 am]

BILLING CODE 3410–10–P

DEPARTMENT OF AGRICULTURE

Foreign Agricultural Service

Notice of Request for Extension of a Currently Approved Information Collection

AGENCY: Foreign Agricultural Service, USDA.

ACTION: Notice and request for comments.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, this notice announces that the Foreign Agricultural Service (FAS) intends to request an extension for a currently approved information collection procedure for entry of specialty sugars into the United States as described in 7 CFR part 2011.

DATES: Comments should be received on or before December 29, 2014 to be assured of consideration.

ADDRESSES: Mail or deliver comments to William Janis, International Economist, Import Policies and Programs Division, Foreign Agricultural Service, U.S. Department of Agriculture, Stop 1021, 1400 Independence Ave. SW., Washington, DC 20250–1021.

FOR FURTHER INFORMATION CONTACT: William Janis at the address stated above, or telephone at (202) 720–2194; or by email at *William.Janis@fas.usda.gov.*

SUPPLEMENTARY INFORMATION:

Title: Specialty Sugar Certificate Application.

OMB Number: 0551–0025.

Expiration Date of Approval: March 31, 2015.

Type of Request: Extension of a currently approved information collection.

Abstract: The quota system established by Presidential Proclamation 4941 of May 5, 1982, prevented imports of certain sugars used for specialized purposes which originated in countries without quota allocations. Therefore, the regulation at 15 CFR part 2011 (Allocation of Tariff-Rate Quota on Imported Sugars, Syrups and Molasses, subpart B—Specialty Sugar) established terms and conditions under which certificates are issued permitting U.S. importers holding certificates to enter specialty sugars from specialty sugar source countries under the sugar tariff-rate quotas (TRQ). Nothing in this subpart affects the ability to enter specialty sugars at the over-TRQ duty rates. Applicants for certificates for the import of specialty sugars must supply the information required by 15 CFR 2011.205 to be eligible to receive a specialty sugar certificate. The specific information required on an application must be collected from those who wish to participate in the program in order to grant specialty sugar certificates, ensure that imported specialty sugar does not disrupt the current domestic sugar program, and administer the issuance of the certificates effectively.

Estimate of Burden: Public reporting burden for this collection of information is estimated to average 2 hours per response.

Respondents: Importers.

Estimated Number of Respondents: 37.

Estimated Number of Responses per Respondent: 1.

Estimated Total Annual Burden on Respondents: 74 hours.

Copies of this information collection can be obtained from Connie Ehrhart, the Agency Information Collection Coordinator, at (202) 690–1578.

Request for Comments: The public is invited to submit comments and suggestions to the above address regarding the accuracy of the burden estimate, ways to minimize the burden, including the use of automated collection techniques or other forms of information technology, or any other aspect of this collection of information. Comments on issues covered by the Paperwork Reduction Act are most useful to OMB if received within 30 days of publication of the Notice and Request for Comments, but should be submitted no later than 60 days from the date of this publication to be assured of consideration. All responses to this notice will be summarized and included in the request for OMB approval. All comments will also be a matter of public record. Persons with disabilities who require an alternative means for communication of information (Braille, large print, audiotape, etc.) should contact USDA's Target Center at (202) 720–2600 (voice and TDD).

Dated: October 20, 2014.

Philip C. Karsting,

Administrator, Foreign Agricultural Service.

[FR Doc. 2014–25632 Filed 10–28–14; 8:45 am]

BILLING CODE 3410–10–P

DEPARTMENT OF AGRICULTURE

Forest Service

Helena National Forest, Montana, Tenmile—South Helena Vegetation Project

AGENCY: Forest Service, USDA.

ACTION: Notice of intent to prepare an environmental impact statement.

SUMMARY: The Helena National Forest is going to prepare an environmental impact statement for vegetation management actions in the Tenmile Municipal Watershed and the South Hills of the City of Helena east of the Continental Divide. The purpose of the project is to address the need to modify forest fuels accumulation in order to reduce the potential for high-severity wildfire effects within the City of Helena's Municipal Watershed, wildland urban interface, and surrounding area as well as provide for firefighter and public safety. Treatment activities are proposed on both Forest Service and Bureau of Land Management Lands (BLM).

DATES: Comments concerning the scope of the analysis must be received by November 28, 2014. The draft environmental impact statement is expected April 2015 and the final environmental impact statement is expected May 2016.

ADDRESSES: Send written comments to William Avey Helena and Lewis & Clark National Forests Supervisor, Helena National Forest, 2880 Skyway Dr., Helena, MT 59602. Comments may also be sent via email to *comments-northern-helena@fs.fed.us,* or via facsimile to 406–449–5436

It is important that reviewers provide their comments at such times and in such a way that they are useful to the Agency's preparation of the EIS. Therefore, comments should be provided prior to the close of the comment period and should clearly articulate the reviewer's concerns and contentions.

Comments received in response to this solicitation, including names and addresses of those who comment, will be part of the public record for this proposed action. Comments submitted anonymously will be accepted and considered, however.

FOR FURTHER INFORMATION CONTACT: Allen Byrd Team Leader, at 406–449–5201. 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:

Purpose and Need for Action

The purpose of the project is to maintain consistent quantity and quality of water within the municipal watershed and improve conditions for public and firefighters safety across the landscape in the event of a wildfire. In order to achieve this purpose, there is a need to create a mosaic of vegetation and fuel structure more resilient to disturbance which will provide for safer, more effective fire suppression actions. Reducing intensity of wildfires and increase fire suppression effectiveness would improve protection measures for the surrounding communities and key municipal watershed infrastructure. These actions would reduce the probability of post-wildfire watershed impacts in the Tenmile municipal watershed. In addition, sources of anthropogenic sediment to streams need to be addressed in order improve water quality, watershed function, and other resource values in the project area.

Proposed Action

Approximately 24,946 acres are proposed for treatment (24, 020 acres on Forest Service lands and 926 acres on BLM lands) which include a combination of commercial harvest of trees, non-commercial vegetation treatments, and prescribed fire. Mechanical and/or hand treatment methods would be used to accomplish treatment objectives. Proposed treatment activities include: Roughly 4,002 acres of Improvement Harvest; 11,194 acres of Low Severity Prescribed Fire; 2,420 acres of Mixed Severity Prescribed Fire; 470 acres of Precommercial Thinning; 2,231 acres of Private Land Buffers; and 4,629 acres of Regeneration Harvest. Up to 40-miles of new temporary and/or short-term specified road construction and approximately 80 miles of reconstruction of existing system road would be necessary to implement the proposed action. Temporary roads will be obliterated (restored to natural contours) upon completion of fuels removal operations. Site-specific amendments to the Helena National Forest (HNF) Plan standards pertaining to elk hiding cover, elk winter range, and elk thermal cover may be necessary in order to meet the project's purpose and need. Approximately 35 percent (8,803 acres) of the project area is located within the Jericho Mountain and Lazyman Gulch Inventoried Roadless Areas (IRAs). The Jericho Mountain IRA is 8,749 acres. Of this, 78 percent or 6,902 acres are within the project area boundary. Treatment activities are proposed on 45 percent or 3,958 acres within the Jericho Mountain IRA. The Lazyman Gulch IRA is 11,848 acres and is entirely within the project area boundary. Treatment activities are proposed on 40 percent or 4,845 acres of the Lazyman Gulch IRA. Proposed treatment activities in IRAs would include a combination of commercial harvest of trees, non-commercial vegetation treatments, and prescribed fire. Mechanical and/or hand treatments methods would be utilized to accomplish treatment objectives within both IRAs. Commercial transport of timber is proposed on Forest Service System roads 1863 and 1863–E1 which are located within the Jericho Mountain IRA. The current maintenance level of these roads is capable of supporting commercial activities and no re-construction of road features is necessary. Also, use of Forest Service system road 1864, located in the Jericho Mountain IRA, is proposed for the purpose of providing machine access into proposed treatment units. No commercial haul of timber is proposed on road 1864. No road construction of system or temporary roads is proposed within either IRA. The legal location of this project is: Township 10N RO6W

Section 36; T10N RO5W Section 31; T10N R4W Section 34 & 35; T9N R6W Sections 1, 2, 11, 12, 13, 23, 24, 25, 26, 35, and 36; T9N R5W Sections 6, 7, 8, 9, 10, 11, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35 and 36; T9N R4W Sections 1, 2, 3, 4, 5, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 26, 27, 28, 29, 30, 31, 32, 33, 34 and 35; T8N R6W Sections 1, 2, 12, 13, 14, 23, 24, 25 and 26; T8N R5W Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 14, 15, 16, 17, 18, 19, 20, 21, 22, 29 and 30; T8N R4W sections 5, 6, 7, and 8.

Responsible Official

Helena and Lewis & Clark National Forests Forest Supervisor (Lead Agency) Bureau of Land Management Butte Field Manager

Nature of Decision To Be Made

The decisions to be made include: Whether to implement the proposed action or an alternative to the proposed action, what monitoring requirements would be appropriate to evaluate the implementation of this project, and whether a forest plan amendment would be necessary as a result of the decision for this project.

Scoping Process

This notice of intent initiates the scoping process, which guides the development of the environmental impact statement. In November 2014, a scoping notice (flyer) will be mailed to interested and affected parties directing them to the project's information which will be posted to the Helena National Forest's Web page (*http://www.fs.usda.gov/helena/*). The Web page will contain detailed project information, identification of when public meetings will be scheduled, project proposal maps, and other pertinent project information.

It is important that reviewers provide their comments at such times and in such manner that they are useful to the agency's preparation of the environmental impact statement. Therefore, comments should be provided prior to the close of the comment period and should clearly articulate the reviewer's concerns and contentions. The submission of timely and specific comments can affect a reviewer's ability to participate in the administrative objection process or any judicial review.

Dated: October 23, 2014.

William Avey,

Forest Supervisor.

[FR Doc. 2014–25687 Filed 10–28–14; 8:45 am]

BILLING CODE 3410–11–P

DEPARTMENT OF AGRICULTURE

Forest Service

Tongass Advisory Committee

AGENCY: Forest Service, USDA.

ACTION: Notice of meeting.

SUMMARY: The Tongass Advisory Committee (Committee) will meet in Sitka, Alaska. The Committee is established consistent with the Federal Advisory Committee Act of 1972 (5 U.S.C. App. 2). The most up-to-date information concerning the Committee, including meeting times and agendas can be found by visiting the Committee's Web site at: *http://www.fs.usda.gov/goto/R10/Tongass/TAC.* The meeting is open to the public.

DATES: The meeting will be held on:

- November 19, 2014 from 8:30 a.m. to 4:30 p.m. (AKDT).
- November 20, 2014 from 8:30 a.m. to 5:00 p.m. (AKDT).
- November 21, 2014 from 8:30 a.m. to 4:00 p.m. (AKDT).

All meetings are subject to change and cancellation. For status of the meetings prior to attendance, please visit the Web site listed in the **SUMMARY** section, or contact the person listed under **FOR FURTHER INFORMATION CONTACT**.

ADDRESSES: The meeting will be held at the Sheet'ka Kwaán Naa Kahídi, The Community House, 200 Katlian Street, Sitka, Alaska 99835. For more information on the meeting or to attend please visit the Web site listed in the *Summary* section, or contact Nicole McMurren at *nmcmurren@fs.fed.us* for further details. Written comments may be submitted as described under **SUPPLEMENTARY INFORMATION.** All comments, including names and addresses when provided, are placed in the record and available for public inspection and copying. The public may inspect comments received at the Tongass National Forest Office. Please call ahead to facilitate entry into the building.

FOR FURTHER INFORMATION CONTACT: Nicole McMurren, Committee Coordinator, by phone at 907–772–5875, or by email at *nmcmurren@fs.fed.us.* Individuals who use telecommunication devices for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1–800–877–8339 between 8:00 a.m. and 8:00 p.m., Eastern Standard Time, Monday through Friday.

SUPPLEMENTARY INFORMATION: The purpose of the meeting is to provide advice and recommendations on ecologically, socially, and economically sustainable forest management strategy on the Tongass National Forest with an emphasis on young growth management. Recommendations and advice may directly inform the development of a proposed action for modification of the 2008 Tongass Land Management Plan.

Agenda: On November 19–21, the Committee is scheduled to begin development and evaluation of recommendation options and establish expectations for subcommittee work in December. In addition, there will be time allotted for oral public comment. Those interested in providing comment orally can register at the meeting. Anyone who would like to bring related matters to the attention of the Committee may file written statements with the Committee's staff before or after the meeting. Written comments should be sent to Jason Anderson, Designated Federal Officer, Tongass National Forest, P.O. Box 309, Petersburg, Alaska 99833; by email to *jasonanderson@fs.fed.us,* or via facsimile to 907–772–5895. Summary/minutes of the meeting will be posted on the Web site listed above within 45 days after the meeting.

Meeting Accommodations: If you are a person requiring reasonable accommodation, please make requests in advance for sign language interpreting, assistive listening devices or other reasonable accommodation for access to the facility or proceedings by contacting the person listed in the section titled **FOR FURTHER INFORMATION CONTACT**. All reasonable accommodation requests are managed on a case by case basis.

Dated: October 21, 2014.

Jason Anderson,

Deputy Forest Supervisor, Tongass National Forest.

[FR Doc. 2014–25640 Filed 10–28–14; 8:45 am]

BILLING CODE 3411–15–P

BROADCASTING BOARD OF GOVERNORS

Sunshine Act Meeting

DATE AND TIME: Wednesday, October 29, 2014, 3 p.m. EDT.

PLACE: Broadcasting Board of Governors, Cohen Building, Room 3321, 330 Independence Ave. SW., Washington, DC 20237.

SUBJECT: Notice of Closed Meeting of the Broadcasting Board of Governors.

SUMMARY: The members of the Broadcasting Board of Governors (BBG) will meet in a special session to further discuss and consider the Fiscal Year 2016 budget. According to Office of

Management and Budget (OMB) Circular A–11, Section 22.1, all agency budgetary materials and data are considered confidential prior to the President submitting a budget to Congress. In accordance with section 22.5 of Circular A–11, the BBG has determined that its meeting should be closed to public observation pursuant to 5 U.S.C. 552b(c)(9)(B). In accordance with the Government in the Sunshine Act and BBG policies, the meeting will be recorded and a transcript of the proceedings, subject to the redaction of information protected by 5 U.S.C. 552b(c)(9)(B), will be made available to the public. The publicly-releasable transcript will be available for download at *www.bbg.gov* within 21 days of the date of the meeting.

Information regarding member votes to close the meeting and expected attendees can also be found on the Agency's public Web site.

CONTACT PERSON FOR MORE INFORMATION: Persons interested in obtaining more information should contact Oanh Tran at (202) 203–4545.

Oanh Tran,

Director of Board Operations.

[FR Doc. 2014–25841 Filed 10–27–14; 4:15 pm]

BILLING CODE 8610–01–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–427–818]

Low Enriched Uranium from France: Final Results of Changed Circumstances Review

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (the Department) determines that changed circumstances exist which affected the ability of Global Nuclear Fuel—Americas, LLC (GNF–A) to manage its inventory and comply with the 18-month re-export requirement provided for in the exclusion from the scope of the order. Specifically, the Department finds that certain past entries by GNF–A of low enriched uranium (LEU) from France satisfy the conditions for exclusion from the order, and that GNF–A will be allowed to make certain future entries of LEU under the provision for exclusion from the scope of the order.

DATES: *Effective Date:* October 29, 2014.

FOR FURTHER INFORMATION CONTACT: Andrew Huston, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482–4261.

SUPPLEMENTARY INFORMATION:

Background

On October 2, 2014, the Department published the Preliminary Results of Changed Circumstances Review of Low Enriched Uranium from France.[1] No parties commented on these preliminary results.

Scope of the Order

The product covered by the order is all low-enriched uranium. Low-enriched uranium is enriched uranium hexafluoride (UF_6) with a U^{235} product assay of less than 20 percent that has not been converted into another chemical form, such as UO_2, or fabricated into nuclear fuel assemblies, regardless of the means by which the LEU is produced (including low-enriched uranium produced through the down-blending of highly enriched uranium).

Certain merchandise is outside the scope of the order. Specifically, the order does not cover enriched uranium hexafluoride with a U^{235} assay of 20 percent or greater, also known as highly-enriched uranium. In addition, fabricated low-enriched uranium is not covered by the scope of the order. For purposes of the order, fabricated uranium is defined as enriched uranium dioxide (UO_2), whether or not contained in nuclear fuel rods or assemblies. Natural uranium concentrates (U_3O_8) with a U^{235} concentration of no greater than 0.711 percent and natural uranium concentrates converted into uranium hexafluoride with a U^{235} concentration of no greater than 0.711 percent are not covered by the scope of the order.

Also excluded from the order is low-enriched uranium owned by a foreign utility end-user and imported into the United States by or for such end-user solely for purposes of conversion by a U.S. fabricator into uranium dioxide (UO_2) and/or fabrication into fuel assemblies so long as the uranium dioxide and/or fuel assemblies deemed to incorporate such imported low-enriched uranium (i) remain in the possession and control of the U.S. fabricator, the foreign end-user, or their designed transporter(s) while in U.S. customs territory, and (ii) are re-exported within eighteen (18) months of entry of the low-enriched uranium for consumption by the end-user in a nuclear reactor outside the United States. Such entries must be accompanied by the certifications of the importer and end user.

The merchandise subject to this order is classified in the Harmonized Tariff Schedule of the United States (HTSUS) at subheading 2844.20.0020. Subject merchandise may also enter under 2844.20.0030, 2844.20.0050, and 2844.40.00. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise subject to this proceeding is dispositive.

Final Results of Changed Circumstances Review

Because there were no comments on the preliminary results, the Department adopts the reasoning and findings of fact in the preliminary results as the final results of the review. The Department's full analysis of the details of GNF–A's request for CCR and the information provided by GNF–A in its questionnaire response requires a discussion of business proprietary information, which can be found in the proprietary Memorandum to Paul Piquado, Assistant Secretary for Enforcement and Compliance, ''Preliminary Results of Changed Circumstances Review: Analysis of GNF–A Business Proprietary Information.''[2] The Department finds that certain past entries by GNF–A of LEU from France satisfy the conditions for exclusion from the order, and that GNF–A will be allowed to make certain future entries of LEU under the provision for exclusion from the scope of the order.

Instructions to CBP

The Department will issue revised certifications and instructions to U.S. Customs and Border Protection regarding GNF–A's compliance with the 18-month re-export requirement.

[1] *See Low Enriched Uranium From France: Preliminary Results of Changed Circumstances Review,* 79 FR 59475 (October 2, 2014).

[2] *See* Memorandum to Paul Piquado, Assistant Secretary for Enforcement and Compliance, ''Preliminary Results of Changed Circumstances Review: Analysis of GNF–A Business Proprietary Information,'' available on Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS) (*http://iaacess.trade.gov*) to parties who have been granted access to business proprietary information under Administrative Protective Order. A public version of this memorandum is also available on IA ACCESS, and it is available to all parties in the Central Records Unit of the main Commerce Building, room 7046. In addition, a complete public version of this memorandum is accessible on the internet at *http://enforcement.trade.gov/frn/index.html.*

Notification Regarding Administrative Protective Orders

This notice is the only reminder to parties subject to the administrative protective order (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under the APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

Notification to Interested Parties

We are issuing and publishing these preliminary results and notice in accordance with sections 751(b)(1) and 777(i)(1) and (2) of the Act and 19 CFR 351.216.

Dated: October 22, 2014.

Paul Piquado,

Assistant Secretary for Enforcement and Compliance.

[FR Doc. 2014–25747 Filed 10–28–14; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–423–808]

Stainless Steel Plate in Coils From Belgium: Final Results of Antidumping Duty Administrative Review; 2012–2013

AGENCY: Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce.

DATES: *Effective Date:* October 29, 2014.

SUMMARY: On June 25, 2014, the Department of Commerce (the Department) published the preliminary results of the antidumping duty administrative review on stainless steel plate in coils (steel plate) from Belgium.[1] This review covers one manufacturer/exporter of the subject merchandise: Aperam Stainless Belgium N.V. (ASB). The period of review (POR) is May 1, 2012, through April 30, 2013.

Based on our analysis of the comments received, we determine that ASB made sales at less than normal value. For the final weighted-average dumping margin, *see* the ''Final Results of Review'' section below.

FOR FURTHER INFORMATION CONTACT: Jolanta Lawska at 202–482–8362; AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

Background

On June 25, 2014, the Department published in the **Federal Register** the *Preliminary Results.*

We invited interested parties to comment on the *Preliminary Results.* On July 25, 2014, the Department received case briefs from ASB and the Petitioners.[2] On July 31, 2014, ASB submitted a request for an extension of time to submit its rebuttal brief.[3] On August 4, 2014, ASB submitted its rebuttal brief. However, on August 5, 2014, pursuant to 19 CFR 351.302(c) (2012), the Department found ASB's July 31, 2014, extension request untimely, and thus denied ASB's request for an extension of time to submit a rebuttal brief.[4] Consequently, on the same day, pursuant to 19 CFR 351.104(a)(2)(iii) and 19 CFR 351.302(d), the Department rejected and removed ASB's untimely filed rebuttal brief from the record.[5] In response, on August 5, 2014, ASB urged the Department to reconsider its decision.[6] In the event that the Department chose not to allow the submission of ASB's rebuttal brief, ASB urged for Petitioners' case brief to be rejected and removed from the record since Petitioners failed to properly serve ASB with its case brief on July 25, 2014.[7] On August 8 and 13, 2014, ASB reiterated its request to strike Petitioners' case brief.[8] In their letters, dated August 7, 12, and 14, 2014, Petitioners stated that they properly served ASB with their case brief, and therefore, there was no basis to reject it.[9] On August 15, 2014, the Department rejected ASB's multiple requests to strike Petitioners' case and refused to reconsider its decision to reject ASB's rebuttal brief.[10]

No party requested a hearing.

Scope of the Order

The product covered by the *Order* is certain stainless steel plate in coils. Stainless steel is alloy steel containing, by weight, 1.2 percent or less of carbon and 10.5 percent or more of chromium, with or without other elements. The subject plate products are flat-rolled products, 254 mm or over in width and 4.75 mm or more in thickness, in coils, and annealed or otherwise heat treated and pickled or otherwise descaled.[11] The merchandise subject to this order is currently classifiable in the harmonized Tariff Schedule of the United States (HTSUS) at subheadings: 7219.11.00.30, 7219.11.00.60, 7219.12.00.02, 7219.12.00.05, 7219.12.00.06, 7219.12.00.20, 7219.12.00.21, 7219.12.00.25, 7219.12.00.26, 7219.12.00.50, 7219.12.00.51, 7219.12.00.55, 7219.12.00.56, 7219.12.00.65, 7219.12.00.66, 7219.12.00.70, 7219.12.00.71, 7219.12.00.80, 7219.12.00.81, 7219.31.00.10, 7219.90.00.10, 7219.90.00.20, 7219.90.00.25, 7219.90.00.60, 7219.90.00.80, 7220.11.00.00, 7220.20.10.10, 7220.20.10.15, 7220.20.10.60, 7220.20.10.80, 7220.20.60.05, 7220.20.60.10, 7220.20.60.15, 7220.20.60.60, 7220.20.60.80, 7220.90.00.10, 7220.90.00.15, and 7220.90.00.60. Although the HTSUS subheadings are provided for convenience and customs purposes, the written product description remains dispositive.

Analysis of Comments Received

All issues raised in the case briefs by the parties to this administrative review are addressed in the Issues and Decision Memorandum. For reasons described above, we did not accept ASB's rebuttal brief. Petitioners did not submit a rebuttal brief.

The Issues and Decision Memorandum is a public document and is on file in the Central Records Unit (CRU), room 7046 of the main

[1] *See Stainless Steel Plate in Coils From Belgium: Preliminary Results of Antidumping Duty Administrative Review; 2012–2013,* 79 FR 36001 (June 25, 2014) (*Preliminary Results).*

[2] Petitioners are Allegheny Ludlum Corporation, North American Stainless, United Auto Workers Local 3303, Zanesville Armco Independent Organization, and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (AFL–CIO/CLC).

[3] *See* ASB's letter dated July 31, 2014.

[4] *See* the Department's Letter to ASB dated August 5, 2014, Re: Antidumping Duty Administrative Review of Stainless Steel Plate from Coils from Belgium.

[5] *See* the Department's Letter dated August 5, 2014, Re: Antidumping Duty Administrative Review of Stainless Steel Plate in Coils from Belgium.

[6] *See* ASB's letter dated August 5, 2014.

[7] *See id.* at 3.

[8] *See* ASB's letters dated August 8 and 13, 2014.

[9] *See* Petitioners' letters dated August 7, 12, and 14, 2014.

[10] *See* the Department's Letter dated August 15, 2014, Subject: Rejection of Request to Strike Petitioner's Case Brief and to Reconsider Extending the Due Date for Filing Rebuttal.

[11] For a full description of the scope of the order, *see* the Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance, titled ''Stainless Steel Plate in Coils from Belgium: Decision Memorandum for the Final Results of Antidumping Duty Administrative Review; 2012–2013,'' (Final Decision Memorandum), dated concurrently with and hereby adopted by this notice.

Department of Commerce building, as well as electronically via the Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). IA ACCESS is available to registered users at *http://iaaccess.trade.gov* and in the CRU. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the Internet at *http://enforcement.ita.doc.gov/frn.* The signed Issues and Decision Memorandum and the electronic versions of the Issues and Decision Memorandum are identical in content.

Changes Since the Preliminary Results

Based on our analysis of the comments received, we made certain changes to the margin calculations for ASB, which we discuss in the Issues and Decision Memorandum and Final Calculation Memorandum.[12]

Final Results of Review

As a result of our review, we determined that the following weighted-average dumping margin exists for the period May 1, 2012, through April 30, 2013:

Manufacturer/exporter	Weighted-average dumping margin (percent)
Aperam Stainless Belgium N.V	1.47

Assessment Rates

Pursuant to section 751(a)(2)(A) of the Tariff Act of 1930, as amended (the Act), the Department shall determine and U.S. Customs and Border Protection (CBP) shall assess antidumping duties on all appropriate entries. The Department intends to issue assessment instructions to CBP 15 days after the publication date of the final results of this review. Since the weighted-average dumping margin is above *de minimis,* we calculated importer-specific *ad valorem* duty assessment rates based on the ratio of the total amount of dumping calculated for the importer's examined sales to the total entered value of those same sales in accordance with 19 CFR 351.212(b)(1). We will instruct CBP to assess antidumping duties on all appropriate entries covered by this review since the importer-specific assessment rate calculated in the final results of this review is above *de minimis* (*i.e.,* 0.50 percent). Where either a respondent's weighted-average dumping margin is zero or *de minimis,* or an importer-specific assessment rate is zero or *de minimis,* we instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

The Department clarified its ''automatic assessment'' regulation on May 6, 2003.[13] This clarification will apply to entries of subject merchandise during the POR produced by the respondent for which it did not know its merchandise was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction. For a full discussion of this clarification, *see Assessment Policy Notice.*

Cash Deposit Requirements

The following antidumping duty deposit rates will be effective upon publication of the final results of this administrative review for all shipments of steel plate from Belgium entered, or withdrawn from warehouse, for consumption on or after the publication date of these final results, as provided for by section 751(a)(1) of the Act: (1) For ASB, the cash deposit rate will be the rate established in the final results of this review; (2) if the exporter is not a firm covered in this review, but was covered in a previous review or the original less-than-fair-value (LTFV) investigation, the cash deposit rate will continue to be the company-specific rate established for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or the LTFV investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the subject merchandise; and (4) if neither the exporter nor the manufacturer is a firm covered by this review, a prior review, or the LTFV investigation, the cash deposit rate will be 8.54 percent *ad valorem,* the ''all-others'' rate established in the LTFV investigation.[14] These deposit rates, when imposed, shall remain in effect until further notice.

Reimbursement of Duties

This notice also serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this POR. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.[15]

Notification to Interested Parties

This notice also serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction pursuant to 19 CFR 351.305(a)(5).

These final results of review are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.221(b)(5).

Dated: October 22, 2014.

Paul Piquado,

Assistant Secretary for Enforcement and Compliance.

Appendix

I. Summary
II. Background
III. Scope of the Order
IV. Discussion of Interested Party Comments
  Comment 1: ASB's Stainless Steel Plate in Coils with an Actual Thickness of 4.75 mm
  Comment 2: Bundled Pricing
  Comment 3: Whether the Department Miscoded Excess Prime Merchandise and Non-prime Merchandise in its Preliminary Margin Calculations
  Comment 4: Whether the Department Erred in Converting INVCARU from Euros to U.S. Dollars in its Preliminary Margin Calculations
V. Recommendation

[FR Doc. 2014–25746 Filed 10–28–14; 8:45 am]

BILLING CODE 3510–DS–P

[12] For a discussion of these changes, see Memorandum to the File titled, ''Calculation Memorandum for Aperam Stainless Belgium N.V. (ASB) for the Final Results of the 12th Administrative Review of Stainless Steel Plate in Coils (Steel Plate) from Belgium,'' (Final Calculation Memorandum), dated concurrently with this notice.

[13] *See Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties,* 68 FR 23954 (May 6, 2003) (*Assessment Policy Notice*).

[14] *See Notice of Final Determination of Sales at Less Than Fair Value: Stainless Steel Plate in Coils from Belgium,* 64 FR 15476 (March 31, 1999), as amended by *Implementation of the Findings of the WTO Panel in U.S.—Zeroing (EC): Notice of Determinations Under Section 129 of the Uruguay Round Agreements Act and Revocations and Partial Revocations of Certain Antidumping Duty Orders,* 72 FR 25261 (May 4, 2007).

[15] *See* 19 CFR 351.402(f)(3).

DEPARTMENT OF COMMERCE

International Trade Administration

Application(s) for Duty-Free Entry of Scientific Instruments

Pursuant to Section 6(c) of the Educational, Scientific and Cultural Materials Importation Act of 1966 (Pub. L. 89–651, as amended by Pub. L. 106–36; 80 Stat. 897; 15 CFR part 301), we invite comments on the question of whether instruments of equivalent scientific value, for the purposes for which the instruments shown below are intended to be used, are being manufactured in the United States.

Comments must comply with 15 CFR 301.5(a)(3) and (4) of the regulations and be postmarked on or before November 18, 2014. Address written comments to Statutory Import Programs Staff, Room 3720, U.S. Department of Commerce, Washington, DC 20230. Applications may be examined between 8:30 a.m. and 5:00 p.m. at the U.S. Department of Commerce in Room 3720.

Docket Number: 14–012. Applicant: University of California Los Angeles, 570 Westwood Plaza, Building 114, Los Angeles, CA 90095. Instrument: iCorr (Correlative Microscopy). Manufacturer: FEI Company, Czech Republic. Intended Use: The instrument will be used to perform correlative microscopy of biological samples from micro to nanometer scales, using fluorescence light microscopy and cryo electron microscopy, used in conjunction to reveal dynamics and functionalities of the materials. Justification for Duty-Free Entry: There are no instruments of the same general category manufactured in the United States. Application accepted by Commissioner of Customs: October 3, 2014.

Docket Number: 14–026. Applicant: Stanford University, 1291 Welch Rd. CCSR 2100, Pediatrics-Human Gene Therapy, Stanford, CA 94305. Instrument: iMIC Digital Microscope 2.0 system full set (0000–530–25032). Manufacturer: FEI Munich (formerly TILL Photonics), Germany. Intended Use: The instrument will be used to perform high-speed imaging and simultaneous large volume data processing of cultured neurons from rats and mice growing in special made PDMS microfluidic chambers. A fluorescent microscopy system which is able to scan and acquire large amounts of images at high speeds is required, as well as the system being able to maintain stable focus plane over a long time-lapse recording. Justification for Duty-Free Entry: There are no instruments of the same general category manufactured in the United States. Application accepted by Commissioner of Customs: October 3, 2014.

Docket Number: 14–027. Applicant: Howard Hughes Medical Institute, 4000 Jones Bridge Rd., Chevy Chase, MD 20815. Instrument: JEM–1400 Transmission Electron Microscope. Manufacturer: JEOL Ltd., Japan. Intended Use: The instrument will be used to research and discover the genetic pathways of various neurological diseases, using tissue samples from animal models which are examined for changes in their subcellular organelles that are believed to result from the effects of the diseases. Justification for Duty-Free Entry: There are no instruments of the same general category manufactured in the United States. Application accepted by Commissioner of Customs: October 14, 2014.

Docket Number: 14–028. Applicant: University of Colorado Boulder, UCB 428, 1111 Engineering Drive, Boulder, CO 80309. Instrument: Fiberoptic Cable. Manufacturer: Ceramoptec Gmbh, Germany. Intended Use: The instrument will be used to pursue a research path towards constructing an off grid toilet that converts human waste into fertilizer or solid fuel, using solar energy transmitted by fiberoptic cable to a reaction chamber. A fiberoptic cable that is able to withstand high temperatures (300–700 degrees C) without a high transmission loss is required. Justification for Duty-Free Entry: There are no instruments of the same general category that fulfill these requirements manufactured in the United States. Application accepted by Commissioner of Customs: October 14, 2014.

Docket Number: 14–029. Applicant: Howard Hughes Medical Institute, 4000 Jones Bridge Rd., Chevy Chase, MD 20815. Instrument: KonTEM PhazR System. Manufacturer: KonTEM GmbH, Germany. Intended Use: The instrument will be attached to an electron microscope, in place of one of the apertures. It will be inserted into the electron beam path to enhance image contrast for the imaging of proteins such as ion channels. Justification for Duty-Free Entry: There are no instruments of the same general category manufactured in the United States. Application accepted by Commissioner of Customs: October 14, 2014.

Dated: October 23, 2014.

Gregory W. Campbell,

Director of Subsidies Enforcement, Enforcement and Compliance.

[FR Doc. 2014–25748 Filed 10–28–14; 8:45 am]

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DEPARTMENT OF DEFENSE

Office of the Secretary

Judicial Proceedings since Fiscal Year 2012 Amendments Panel (Judicial Proceedings Panel); Notice of Federal Advisory Committee Meeting

AGENCY: Department of Defense.

ACTION: Notice of meeting.

SUMMARY: The Department of Defense is publishing this notice to announce the following Federal Advisory Committee meeting of the Judicial Proceedings since Fiscal Year 2012 Amendments Panel (''the Judicial Proceedings Panel'' or ''the Panel''). The meeting is open to the public.

DATES: A meeting of the Judicial Proceedings Panel will be held on Friday, November 14, 2014. The Public Session will begin at 8:30 a.m. and end at 5:00 p.m.

ADDRESSES: The Holiday Inn Arlington at Ballston, 4610 N. Fairfax Drive, Arlington, Virginia 22203.

FOR FURTHER INFORMATION CONTACT: Ms. Julie Carson, Judicial Proceedings Panel, One Liberty Center, 875 N. Randolph Street, Suite 150, Arlington, VA 22203. Email: *whs.pentagon.em.mbx.judicial-panel@mail.mil* Phone: (703) 693–3849. Web site: *http://jpp.whs.mil.*

SUPPLEMENTARY INFORMATION: This public meeting is being held under the provisions of the Federal Advisory Committee Act of 1972 (5 U.S.C., Appendix, as amended), the Government in the Sunshine Act of 1976 (5 U.S.C. 552b, as amended), and 41 CFR 102–3.150.

Purpose of the Meeting: At this meeting, the Judicial Proceedings Panel will deliberate on the National Defense Authorization Act for Fiscal Year 2013 (Pub. L. 112–239), as amended, Section 576(a)(2) requirement to conduct an independent review and assessment of judicial proceedings conducted under the Uniform Code of Military Justice involving adult sexual assault and related offenses since the amendments made to the Uniform Code of Military Justice by section 541 of the National Defense Authorization Act for Fiscal Year 2012 (Pub. L. 112–81; 125 Stat. 1404), for the purpose of developing recommendations for improvements to

such proceedings. The Panel is interested in written and oral comments from the public, including non-governmental organizations, relevant to this tasking.

Agenda:

• 8:00 a.m.–8:30 a.m., Administrative Session (41 CFR 102–3.160, not subject to notice & open meeting requirements).

• 8:30 a.m.–9:30 a.m., Informational Brief—Victim Counsel and Victim Access to Information.

—*Speakers: Department of Defense and civilian subject matter experts*

• 9:30 a.m.–11:00 a.m., Service Perspectives on Special Victims' Counsel (SVC) Programs.

—*Speakers: Service SVC Program Managers*

• 11:00 a.m.–12:15 p.m., Perspectives from Special Victims' Counsel.

—*Speakers: Current experienced SVCs*

• 12:15 p.m.–1:00 p.m., Lunch.

• 1:00 p.m.–1:30 p.m., Trip Report: August 18–22, 2014 SVC Training, TJAGLCS, Charlottesville, VA.

—*Speaker: Mr. Victor Stone, JPP member*

• 1:30 p.m.–2:15 p.m., Military Criminal Investigation Organization Perspectives on SVC Programs.

—*Speakers: Military Criminal Investigators*

• 2:15 p.m.–3:30 p.m., Defense Counsel Perspectives on SVC Programs.

—*Speakers: Service Trial Defense Counsel*

• 3:30 p.m.–4:45 p.m., Trial Counsel Perspectives on SVC Programs.

—*Speakers: Service Trial Counsel*

• 4:45 p.m.–5:00 p.m. Public Comment.

Availability of Materials for the Meeting: A copy of the agenda or any updates to the agenda, to include individual speakers not identified at the time of this notice, for the November 14, 2014 meeting, as well as other materials presented in the meeting, may be obtained at the meeting or from the Panel's Web site at *http://jpp.whs.mil.*

Public's Accessibility to the Meeting: Pursuant to 5 U.S.C. 552b and 41 CFR 102–3.140 through 102–3.165, and the availability of space, this meeting is open to the public. Seating is limited and is on a first-come basis.

Special Accommodations: Individuals requiring special accommodations to access the public meeting should contact Ms. Julie Carson at *whs.pentagon.em.mbx.judicial-panel@mail.mil* at least five (5) business days prior to the meeting so that appropriate arrangements can be made.

Procedures for Providing Public Comments: Pursuant to 41 CFR 102–3.140 and section 10(a)(3) of the Federal Advisory Committee Act of 1972, the public or interested organizations may submit written comments to the Panel about its mission and topics pertaining to this public session. Written comments must be received by Ms. Julie Carson at least five (5) business days prior to the meeting date so that they may be made available to the Judicial Proceedings Panel for their consideration prior to the meeting. Written comments should be submitted via email to Ms. Carson at *whs.pentagon.em.mbx.judicial-panel@mail.mil* in the following formats: Adobe Acrobat or Microsoft Word. Please note that since the Judicial Proceedings Panel operates under the provisions of the Federal Advisory Committee Act, as amended, all written comments will be treated as public documents and will be made available for public inspection. If members of the public are interested in making an oral statement, a written statement must be submitted along with a request to provide an oral statement. Oral presentations by members of the public will be permitted between 4:45 p.m. and 5:00 p.m. on November 14, 2014, in front of the Panel. The number of oral presentations to be made will depend on the number of requests received from members of the public on a first-come basis. After reviewing the requests for oral presentation, the Chairperson and the Designated Federal Officer will, having determined the statement to be relevant to the Panel's mission, allot five minutes to persons desiring to make an oral presentation.

Committee's Designated Federal Officer: The Board's Designated Federal Officer is Ms. Maria Fried, Judicial Proceedings Panel, 1600 Defense Pentagon, Room 3B747, Washington, DC 20301–1600.

Dated: October 24, 2014.

Aaron Siegel,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 2014–25694 Filed 10–28–14; 8:45 am]

BILLING CODE 5001–06–P

DEPARTMENT OF DEFENSE

Department of the Navy

Notice of Availability of Government-Owned Inventions; Available for Licensing

AGENCY: Department of the Navy, DoD.

ACTION: Notice.

SUMMARY: The inventions listed below are assigned to the United States Government as represented by the Secretary of the Navy and are available for domestic and foreign licensing by the Department of the Navy.

The following patents are available for licensing: Patent No. 8,852,950: HELICOPTER WEAPON MOUNTING SYSTEM//Patent No. 8,855,961: BINARY DEFINITION FILES.

ADDRESSES: Requests for copies of the patents cited should be directed to Naval Surface Warfare Center, Crane Div, Code OOL, Bldg 2, 300 Highway 361, Crane, IN 47522–5001.

FOR FURTHER INFORMATION CONTACT: Mr. Christopher Monsey, Naval Surface Warfare Center, Crane Div, Code OOL, Bldg 2, 300 Highway 361, Crane, IN 47522–5001, telephone 812–854–4100.

Authority: 35 U.S.C. 207, 37 CFR part 404.

Dated: October 22, 2014.

N.A. Hagerty-Ford,

Commander, Judge Advocate General's Corps, U.S. Navy, Federal Register Liaison Officer.

[FR Doc. 2014–25736 Filed 10–28–14; 8:45 am]

BILLING CODE 3810–FF–P

DEPARTMENT OF EDUCATION

[Docket No. ED–2014–ICCD–0117]

Agency Information Collection Activities; Submission to the Office of Management and Budget for Review and Approval; Comment Request; National Evaluation of the Investing in Innovation (i3) Program

AGENCY: Institute of Education Sciences/National Center for Education Statistics (IES), Department of Education (ED).

ACTION: Notice.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 3501 *et seq.*), ED is proposing a new information collection.

DATES: Interested persons are invited to submit comments on or before November 28, 2014.

ADDRESSES: Comments submitted in response to this notice should be submitted electronically through the Federal eRulemaking Portal at *http://www.regulations.gov* by selecting Docket ID number ED–2014–ICCD–0117 or via postal mail, commercial delivery, or hand delivery. If the regulations.gov site is not available to the public for any reason, ED will temporarily accept comments at *ICDocketMgr@ed.gov. Please note that comments submitted by fax or email and those submitted after the comment period will not be accepted; ED will ONLY accept*

comments during the comment period in this mailbox when the regulations.gov site is not available. Written requests for information or comments submitted by postal mail or delivery should be addressed to the Director of the Information Collection Clearance Division, U.S. Department of Education, 400 Maryland Avenue SW., LBJ, Mailstop L–OM–2–2E319, Room 2E103, Washington, DC 20202.

FOR FURTHER INFORMATION CONTACT: For specific questions related to collection activities, please contact Tracy Rimdzius, 202–208–7154.

SUPPLEMENTARY INFORMATION: The Department of Education (ED), in accordance with the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3506(c)(2)(A)), provides the general public and Federal agencies with an opportunity to comment on proposed, revised, and continuing collections of information. This helps the Department assess the impact of its information collection requirements and minimize the public's reporting burden. It also helps the public understand the Department's information collection requirements and provide the requested data in the desired format. ED is soliciting comments on the proposed information collection request (ICR) that is described below. The Department of Education is especially interested in public comment addressing the following issues: (1) Is this collection necessary to the proper functions of the Department; (2) will this information be processed and used in a timely manner; (3) is the estimate of burden accurate; (4) how might the Department enhance the quality, utility, and clarity of the information to be collected; and (5) how might the Department minimize the burden of this collection on the respondents, including through the use of information technology. Please note that written comments received in response to this notice will be considered public records.

Title of Collection: National Evaluation of the Investing in Innovation (i3) Program.

OMB Control Number: 1850–NEW.

Type of Review: A new information collection.

Respondents/Affected Public: Private Sector.

Total Estimated Number of Annual Responses: 43.

Total Estimated Number of Annual Burden Hours: 480.

Abstract: This submission requests approval to collect data in support of the National Evaluation of the Investing in Innovation (i3) Program. The i3 Program is designed to support school districts and nonprofit organizations in expanding, developing, and evaluating evidence-based practices and promising efforts to improve outcomes for the nations' students, teachers, and schools. Each i3 grantee is required to fund an independent evaluation. The National Evaluation of i3 (NEi3) requires data collection to assess the strength of the evidence produced under the grantees independent evaluations as well as provide a cross-site summary of the findings. Specifically, the data collected for the NEi3 will be used to support reviews and reports to ED that: Describe the intervention implemented by each i3 grantee; assess the strength of the evidence produced by each i3 evaluation; present the evidence produced by each i3 evaluation; identify effective and promising interventions; and, assess the results of the i3 Program. The NEi3 will collect data from the universe of all 97 i3 projects funded under the i3 Program through FY 2013.

Dated: October 24, 2014.

Kate Mullan,

Acting Director, Information Collection Clearance Division, Privacy, Information and Records Management Services, Office of Management.

[FR Doc. 2014–25735 Filed 10–28–14; 8:45 am]

BILLING CODE 4000–01–P

DEPARTMENT OF EDUCATION

Tests Determined To Be Suitable for Use in the National Reporting System for Adult Education

AGENCY: Office of Career, Technical, and Adult Education, Department of Education.

ACTION: Notice.

SUMMARY: The Secretary announces tests, test forms, and delivery formats that the Secretary determines to be suitable for use in the National Reporting System for Adult Education (NRS). The Secretary also clarifies that, to provide for the transition from the performance accountability system for Adult Education and Family Literacy Act (AEFLA) programs under the Workforce Investment Act of 1998 to the performance accountability system for AEFLA as reauthorized by the Workforce Innovation and Opportunity Act (WIOA), this announcement will remain effective until June 30, 2016.

FOR FURTHER INFORMATION CONTACT: Michelle Meier, Department of Education, 400 Maryland Avenue SW., Room 11162, Potomac Center Plaza, Washington, DC 20202–7240. Telephone: (202) 245–7890 or by email: *Michelle.Meier@ed.gov.*

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

SUPPLEMENTARY INFORMATION: On January 14, 2008, we published in the **Federal Register** final regulations for 34 CFR part 462, Measuring Educational Gain in the National Reporting System for Adult Education (NRS regulations) (73 FR 2306). The NRS regulations established the process the Secretary uses to determine the suitability of tests for use in the NRS by States and local eligible providers. We annually publish in the **Federal Register** and post on the Internet at *http://www.nrsweb.org* a list of the names of tests and the educational functioning levels the tests are suitable to measure in the NRS as required by § 462.12(c)(2) of the NRS regulations.

On April 16, 2008, we published in the **Federal Register** a notice inviting test publishers to submit tests for review under the NRS regulations (73 FR 20616).

On February 2, 2010, we published in the **Federal Register** a notice (February 2010 notice) listing the tests and test forms the Secretary determined to be suitable for use in the NRS (75 FR 5303).

The Secretary determined tests and test forms to be suitable for a period of either seven or three years from the date of the February 2010 notice. A seven-year approval required no additional action on the part of the publisher, unless the information the publisher submitted as a basis for the Secretary's review was inaccurate or unless the test is substantially revised. A three-year approval was issued with a set of conditions to be met by the completion of the three-year period. If these conditions were met, the Secretary would approve a period of time for which the test may continue to be used in the NRS.

On September 12, 2011, we published in the **Federal Register** (76 FR 56188) a notice (September 2011 notice) to update the list published in the February 2010 notice, and include suitable test delivery formats. The update clarified that some, but not all, tests using computer-adaptive or computer-based delivery formats are suitable for use in the NRS.

On August 6, 2012, we published in the **Federal Register** (77 FR 46749) the same list of forms and computer delivery formats for the tests published in the September 2011 notice. We also announced a sunset period during which States and local providers could continue to use tests with three-year

NRS approvals otherwise expiring on February 2, 2013, during a transition period ending on June 30, 2014.

On January 25, 2013, we announced in the **Federal Register** (78 FR 5430) an extension of the approval period for tests approved for a three-year period beginning on February 2, 2010. The approval period was extended from February 2, 2013 to September 30, 2013, without affecting the sunset period ending on June 30, 2014.

On December 12, 2013, we announced in the **Federal Register** (78 FR 75550) an extension of the approval period for three tests initially approved for a three-year conditional period from February 2, 2010. The approval period was extended to June 30, 2015. We also announced an extension of the approval period for one additional test—a revised version of a test previously approved for a three-year conditional period from February 2, 2010. The approval period for that test also was extended to June 30, 2015.

The Secretary publishes here the list of tests and test forms determined to be suitable for use in the NRS. These include: (1) The eight tests previously approved for a seven-year period from February 2, 2010; and (2) four tests previously approved for an extended period through June 30, 2015. These four tests were approved for this extended period through June 30, 2015 with a set of conditions for each test that the test publisher must meet by the completion of the approval period.

Approved Tests, Forms, and Approval Periods

Adult education programs must use only the approved forms and computer delivery formats for the tests published in this notice. If a particular test form or computer delivery format is not explicitly specified for a test in this notice, it is not approved for use in the NRS.

Tests Determined To Be Suitable for Use in the NRS for Seven Years

(a) The Secretary has determined that the following test is suitable for use at all Adult Basic Education (ABE) and Adult Secondary Education (ASE) levels and at all English-as-a-Second-Language (ESL) levels of the NRS for a period of seven years beginning on February 2, 2010:

Comprehensive Adult Student Assessment Systems (CASAS) Reading Assessments (Life and Work, Life Skills, Reading for Citizenship, Reading for Language Arts—Secondary Level). Forms 27, 28, 81, 82, 81X, 82X, 83, 84, 85, 86, 185, 186, 187, 188, 310, 311, 513, 514, 951, 952, 951X, and 952X of this test are approved for use on paper and through the computer-based delivery format. *Publisher:* CASAS, 5151 Murphy Canyon Road, Suite 220, San Diego, CA 92123–4339. *Telephone:* (800) 255–1036. *Internet: www.casas.org.*

(b) The Secretary has determined that the following tests are suitable for use at all ABE and ASE levels of the NRS for a period of seven years beginning on February 2, 2010:

(1) *Comprehensive Adult Student Assessment Systems (CASAS) Life Skills Math Assessments—Application of Mathematics (Secondary Level).* Forms 31, 32, 33, 34, 35, 36, 37, 38, 505, and 506 of this test are approved for use on paper and through the computer-based delivery format. *Publisher:* CASAS, 5151 Murphy Canyon Road, Suite 220, San Diego, CA 92123–4339. *Telephone:* (800) 255–1036. *Internet: www.casas.org.*

(2) *Massachusetts Adult Proficiency Test (MAPT) for Math.* This test is approved for use through a computer-adaptive delivery format. *Publisher:* Massachusetts Department of Elementary and Secondary Education and University of Massachusetts Amherst, College of Education, 156 Hills South, University of Massachusetts Amherst, Amherst, MA 01003. *Telephone:* (413) 545–0564. *Internet: http://sabes.org/curriculum-assessment/assessment/mapt/.*

(3) *Massachusetts Adult Proficiency Test (MAPT) for Reading.* This test is approved for use through the computer-adaptive delivery format. *Publisher:* Massachusetts Department of Elementary and Secondary Education and University of Massachusetts Amherst, College of Education, 156 Hills South, University of Massachusetts Amherst, Amherst, MA 01003. *Telephone:* (413) 545–0564. *Internet: http://sabes.org/curriculum-assessment/assessment/mapt/.*

(4) *Tests of Adult Basic Education (TABE 9/10).* Forms 9 and 10 are approved for use on paper and through the computer-based delivery format. *Publisher:* CTB/McGraw Hill, 20 Ryan Ranch Road, Monterey, CA 93940. *Telephone:* (800) 538–9547. *Internet: www.ctb.com.*

(5) *Tests of Adult Basic Education Survey (TABE Survey).* Forms 9 and 10 are approved for use on paper and through the computer-based delivery format. *Publisher:* CTB/McGraw Hill, 20 Ryan Ranch Road, Monterey, CA 93940. *Telephone:* (800) 538–9547. *Internet: www.ctb.com.*

(c) The Secretary has determined that the following tests are suitable for use at all ESL levels of the NRS for a period of seven years beginning on February 2, 2010:

(1) *Basic English Skills Test (BEST) Literacy.* Forms B, C, and D are approved for use on paper. *Publisher:* Center for Applied Linguistics, 4646 40th Street NW., Washington, DC 20016–1859. *Telephone:* (202) 362–0700. *Internet: www.cal.org.*

(2) *Tests of Adult Basic Education Complete Language Assessment System—English (TABE/CLAS–E).* Forms A and B are approved for use on paper. *Publisher:* CTB/McGraw Hill, 20 Ryan Ranch Road, Monterey, CA 93940. *Telephone:* (800) 538–9547. *Internet: www.ctb.com.*

Tests Determined To Be Suitable for Use in the NRS Until June 30, 2015

(a) The Secretary has determined that the following tests are suitable for use at all ABE and ASE levels of the NRS until June 30, 2015:

(1) *General Assessment of Instructional Needs (GAIN)—Test of English Skills.* Forms A and B are approved for use on paper and through the computer-based delivery format. *Publisher:* Wonderlic Inc., 400 Lakeview Parkway, Suite 200, Vernon Hills, IL 60061. *Telephone:* (877) 605–9496. *Internet: www.wonderlic.com.*

(2) *General Assessment of Instructional Needs (GAIN)—Test of Math Skills.* Forms A and B are approved for use on paper and through the computer-based delivery format. *Publisher:* Wonderlic Inc., 400 Lakeview Parkway, Suite 200, Vernon Hills, IL 60061. *Telephone:* (877) 605–9496. *Internet: www.wonderlic.com.*

(b) The Secretary has determined that the following tests are suitable for use at all ESL levels of the NRS until June 30, 2015:

(1) *Basic English Skills Test (BEST) Plus.* Forms A, B, and C are approved for use on paper and through the computer-adaptive delivery format. *Publisher:* Center for Applied Linguistics, 4646 40th Street NW., Washington, DC 20016–1859. *Telephone:* (202) 362–0700. *Internet: www.cal.org.*

(2) *Comprehensive Adult Student Assessment Systems (CASAS) Life and Work Listening Assessments (LW Listening).* Forms 981L, 982L, 983L, 984L, 985L, and 986L are approved for use on paper and through the computer-based delivery format. *Publisher:* CASAS, 5151 Murphy Canyon Road, Suite 220, San Diego, CA 92123–4339. *Telephone:* (800) 255–1036. *Internet: www.casas.org.*

Tests That May Be Used in the NRS During a Sunset Period Ending on June 30, 2016

For the four tests listed above with approvals extended through June 30, 2015, the Secretary will determine whether the test publishers have met the conditions necessary for full approval without conditions. If the Secretary determines that the conditions have not been met for any of these four tests and the Secretary therefore does not provide full approval beyond June 30, 2015, those tests may still be used in the NRS during a sunset period ending on June 30, 2016.

Expiring Tests

The sunset period for an expiring test allows a State and local provider to transition to other tests suitable for use in the NRS. The State and local provider may use the transition period to select new tests, purchase appropriate inventories of assessment materials, and provide training to staff.

Revocation of Tests

Under certain circumstances, the Secretary may revoke the determination that a test is suitable (see 34 CFR 462.12(e)). If the Secretary revokes the determination of suitability, the Secretary announces through the **Federal Register** and posts on the Internet at *www.nrsweb.org* a notice of that revocation, along with the date by which States and local eligible providers must stop using the revoked test.

Accessible Format: Individuals with disabilities can obtain this document in an accessible format (such as braille, large print, audiotape, or compact disc) on request to the contact person listed under **FOR FURTHER INFORMATION CONTACT** in this notice.

Electronic Access to This Document: The official version of this document is the document published in the **Federal Register.** Free Internet access to the official edition of the **Federal Register** and the Code of Federal Regulations is available via the Federal Digital System at: *www.gpo.gov/fdsys.* At this site you can view this document, as well as all other documents of this Department published in the **Federal Register,** in text or Adobe Portable Document Format (PDF). To use PDF you must have Adobe Acrobat Reader, which is available free at the site.

You may also access documents of the Department published in the **Federal Register** by using the article search feature at: *www.federalregister.gov.* Specifically, through the advanced search feature at this site, you can limit your search to documents published by the Department.

Program Authority: 20 U.S. C. 9212.

Dated: October 24, 2014.

Johan E. Uvin,

Acting Assistant Secretary for Career, Technical, and Adult Education.

[FR Doc. 2014–25734 Filed 10–28–14; 8:45 am]

BILLING CODE 4000–01–P

DEPARTMENT OF ENERGY

DOE/NSF High Energy Physics Advisory Panel; Meeting

AGENCY: Office of Science, Department of Energy.

ACTION: Notice of open meeting,

SUMMARY: This notice announces a meeting of the DOE/NSF High Energy Physics Advisory Panel (HEPAP). The Federal Advisory Committee Act (Pub. L. 92–463, 86 Stat. 770) requires that public notice of these meetings be announced in the **Federal Register**.

DATES: Monday, December 8, 2014; 8:30 a.m. to 6:00 p.m., Tuesday, December 9, 2014; 8:30 a.m. to 4:00 p.m.

ADDRESSES: Doubletree Hilton Hotel Bethesda; 8120 Wisconsin Avenue, Bethesda, MD 20814.

FOR FURTHER INFORMATION CONTACT: John Kogut, Executive Secretary; High Energy Physics Advisory Panel; U.S. Department of Energy; SC–25/ Germantown Building, 1000 Independence Avenue SW., Washington, DC 20585–1290; Telephone: (301) 903–1298.

SUPPLEMENTARY INFORMATION:

Purpose of Meeting: To provide advice and guidance on a continuing basis to the Department of Energy and the National Science Foundation on scientific priorities within the field of high energy physics research.

Tentative Agenda: Agenda will include discussions of the following:

December 8–9, 2014

- Discussion of Department of Energy High Energy Physics Program
- Discussion of National Science Foundation Elementary Particle Physics Program
- Reports on and Discussions of Topics of General Interest in High Energy Physics
- Public Comment (10-minute rule)

Public Participation: The meeting is open to the public. A webcast of this meeting will be available. Please check the Web site below for updates and information on how to view the meeting. If you would like to file a written statement with the Committee, you may do so either before or after the meeting. If you would like to make oral statements regarding any of these items on the agenda, you should contact John Kogut, (301) 903–1298 or by email at: *John.Kogut@science.doe.gov.* You must make your request for an oral statement at least 5 business days before the meeting. Reasonable provision will be made to include the scheduled oral statements on the agenda. The Chairperson of the Panel will conduct the meeting to facilitate the orderly conduct of business. Public comment will follow the 10-minute rule.

Minutes: The minutes of the meeting will be available on the U.S. Department of Energy's Office of High Energy Physics Advisory Panel Web site at: *http://science.energy.gov/hep/hepap/meetings/*

Issued at Washington, DC, on October 23, 2014.

LaTanya R. Butler,

Deputy Committee Management Officer.

[FR Doc. 2014–25717 Filed 10–28–14; 8:45 am]

BILLING CODE 6450–01–P

DEPARTMENT OF ENERGY

Advanced Scientific Computing Advisory Committee; Meeting

AGENCY: Department of Energy, Office of Science.

ACTION: Notice of open meeting.

SUMMARY: This notice announces a meeting of the Advanced Scientific Computing Advisory Committee (ASCAC). The Federal Advisory Committee Act (Pub. L. 92–463, 86 Stat. 770) requires that public notice of these meetings be announced in the **Federal Register**.

DATES: Friday, November 21, 2014; 8:30 a.m. to 4:30 p.m.; CST.

ADDRESSES: Hyatt Regency New Orleans, 601 Loyola Avenue, New Orleans, LA 70113.

FOR FURTHER INFORMATION CONTACT: Melea Baker, Office of Advanced Scientific Computing Research; U.S. Department of Energy; SC–21/ Germantown Building, 1000 Independence Avenue SW., Washington, DC 20585–1290; Telephone (301) 903–7486.

SUPPLEMENTARY INFORMATION:

Purpose of the Meeting: To provide advice and guidance on a continuing basis to the Department of Energy on scientific priorities within the field of advanced scientific computing research.

Tentative Agenda Topics:

- View from Germantown
- Exascale Update

- New Charge—Review of Exascale Plan
- Report from the SciDAC Committee of Visitors (COV)
- Discussion and Vote on SciDAC COV Report
- Update on CORI
- Update on Workforce
- Applications Readiness Plan
- INCITE
- Public Comment (10-minute rule)

Public Participation: The meeting is open to the public. To access the Ready Talk call:

1. Dial Toll-Free Number: 1–866–740–1260 (U.S. & Canada).
2. International participants dial: *http://www.readytalk.com/intl.*
3. Enter access code 9039560, followed by ''#''.

If you would like to file a written statement with the Committee, you may do so either before or after the meeting. If you would like to make oral statements regarding any of the items on the agenda, you should contact Melea Baker, (301) 903–7486 or (*Melea.Baker@science.doe.gov*). You must make your request for an oral statement at least 5 business days prior to the meeting. Reasonable provision will be made to include the scheduled oral statements on the agenda. The Chairperson of the Committee will conduct the meeting to facilitate the orderly conduct of business. Public comment will follow the 10-minute rule.

Minutes: The minutes of this meeting will be available for viewing on the U.S. Department of Energy's Office of Advanced Scientific Computing Web site at *http://science.energy.gov/ascr/.*

Issued at Washington, DC, on October 23, 2014.

LaTanya R. Butler,

Deputy Committee Management Officer.

[FR Doc. 2014–25716 Filed 10–28–14; 8:45 am]

BILLING CODE 6450–01–P

DEPARTMENT OF ENERGY

Environmental Management Site-Specific Advisory Board, Savannah River Site; Meeting

AGENCY: Department of Energy.

ACTION: Notice of open meeting.

SUMMARY: This notice announces a meeting of the Environmental Management Site-Specific Advisory Board (EM SSAB), Savannah River Site. The Federal Advisory Committee Act (Pub. L. 92–463, 86 Stat. 770) requires that public notice of this meeting be announced in the **Federal Register**.

DATES: Monday, November 17, 2014, 10:00 a.m.–2:00 p.m. Tuesday, November 18, 2014, 8:30 a.m.–4:15 p.m.

ADDRESSES: Snelling Conference Center, 3165 Washington Road, Augusta, GA 30907.

FOR FURTHER INFORMATION CONTACT: Gerri Flemming, Office of External Affairs, Department of Energy, Savannah River Operations Office, P.O. Box A, Aiken, SC 29802; Phone: (803) 952–7886.

SUPPLEMENTARY INFORMATION:

Purpose of the Board: The purpose of the Board is to make recommendations to DOE–EM and site management in the areas of environmental restoration, waste management, and related activities.

Tentative Agenda:

Monday, November 17, 2014:

10:00 a.m. Combined Committees Session

Order of committees:

- Nuclear Materials
- Waste Management
- Strategic & Legacy Management
- Break
- Administrative & Outreach
- Facilities Disposition & Site Remediation

1:45 p.m. Public Comments Session
2:00 p.m. Adjourn

Tuesday, November 18, 2014:

8:30 a.m. Opening, Pledge, Approval of Minutes, and Chair Update
9:15 a.m. Recommendation & Work Plan Status
9:30 a.m. Agency Updates
10:15 a.m. Public Comments Session
10:30 a.m. Break
10:45 a.m. Strategic & Legacy Management Report
12:00 p.m. Waste Management Report
12:15 p.m. Administrative & Outreach Report

- Chair and Vice Chair Elections

12:30 p.m. Public Comments Session
12:45 p.m. Lunch Break
2:00 p.m. Facilities Disposition & Site Remediation Report
3:00 p.m. Nuclear Materials Report
4:00 p.m. Public Comments Session
4:15 p.m. Adjourn

Public Participation: The EM SSAB, Savannah River Site, welcomes the attendance of the public at its advisory committee meetings and will make every effort to accommodate persons with physical disabilities or special needs. If you require special accommodations due to a disability, please contact Gerri Flemming at least seven days in advance of the meeting at the phone number listed above. Written statements may be filed with the Board either before or after the meeting. Individuals who wish to make oral statements pertaining to agenda items should contact Gerri Flemming's office at the address or telephone listed above. Requests must be received five days prior to the meeting and reasonable provision will be made to include the presentation in the agenda. The Deputy Designated Federal Officer is empowered to conduct the meeting in a fashion that will facilitate the orderly conduct of business. Individuals wishing to make public comments will be provided a maximum of five minutes to present their comments.

Minutes: Minutes will be available by writing or calling Gerri Flemming at the address or phone number listed above. Minutes will also be available at the following Web site: *http://cab.srs.gov/srs-cab.html.*

Issued at Washington, DC, on October 24, 2014.

LaTanya R. Butler,

Deputy Committee Management Officer.

[FR Doc. 2014–25718 Filed 10–28–14; 8:45 am]

BILLING CODE 6450–01–P

DEPARTMENT OF ENERGY

Biomass Research and Development Technical Advisory Committee; Meeting

AGENCY: Energy Efficiency and Renewable Energy, Department of Energy.

ACTION: Notice of open meeting.

SUMMARY: This notice announces an open meeting of the Biomass Research and Development Technical Advisory Committee under Section 9008(d) of the Food, Conservation, and Energy Act of 2008 and re-authorized in the Agricultural Act of 2014. The Federal Advisory Committee Act (Pub. L. 92–463, 86 Stat. 770) requires that agencies publish these notices in the **Federal Register** to allow for public participation.

DATES: November 20, 2014 8:30 a.m.–5:30 p.m. and November 21, 2014 8:30 a.m.–12:15 p.m.

ADDRESSES: American Geophysical Union, 2000 Florida Avenue NW., Washington, DC 20009.

FOR FURTHER INFORMATION CONTACT: Elliott Levine, Designated Federal Officer, U.S. Department of Energy, Office of Energy Efficiency and Renewable Energy, 1000 Independence Avenue SW., Washington, DC 20585; (202) 586–1476; Email: *Elliott.Levine@ee.doe.gov* or Roy Tiley at (410) 997–7778 ext. 220; Email: *rtiley@bcs-hq.com.*

SUPPLEMENTARY INFORMATION:

Purpose of Meeting: To provide advice and guidance that promotes research and development leading to the

production of biobased fuels and biobased products.

Tentative Agenda: Agenda will include the following:

- Update on USDA Biomass R&D Activities
- Update on DOE Biomass R&D Activities
- Biomass Research and Development Initiative Update
- Presentations on the Federal Procurement of Biofuels, Bioenergy, and Biobased Products
- Update on the joint DPA inititaive
- Annual Committee Recommendations

Public Participation: In keeping with procedures, members of the public are welcome to observe the business of the Biomass Research and Development Technical Advisory Committee. To attend the meeting and/or to make oral statements regarding any of the items on the agenda, you must contact Elliott Levine at 202–586–1476; Email: *Elliott.Levine@ee.doe.gov* and Roy Tiley at (410) 997–7778 ext. 220; Email: *rtiley@bcs-hq.com* at least 5 business days prior to the meeting. Members of the public will be heard in the order in which they sign up at the beginning of the meeting. Reasonable provision will be made to include the scheduled oral statements on the agenda. The Co-chairs of the Committee will make every effort to hear the views of all interested parties. If you would like to file a written statement with the Committee, you may do so either before or after the meeting. The Co-chairs will conduct the meeting to facilitate the orderly conduct of business.

Minutes: The minutes of the meeting will be available for public review and copying at *http://biomassboard.gov/committee/meetings.html*.

Issued at Washington, DC, on October 23, 2014.

LaTanya R. Butler,

Deputy Committee Management Officer.

[FR Doc. 2014–25720 Filed 10–28–14; 8:45 am]

BILLING CODE 6450–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No. 2533–058]

City of Brainerd and its Public Utilities Commission; Notice of Application for Amendment of License and Soliciting Comments, Motions To Intervene, and Protests

Take notice that the following hydroelectric application has been filed with the Commission and is available for public inspection:

a. *Application Type:* Amendment of License.

b. *Project No:* 2533–058.

c. *Date Filed:* July 31, 2014.

d. *Applicant:* City of Brainerd and its Public Utilities Commission.

e. *Name of Project:* Brainerd Hydroelectric Project.

f. *Location:* The project is on the Mississippi River in Crow Wing County, Minnesota.

g. *Filed Pursuant to:* Federal Power Act, 16 U.S.C. 791a–825r.

h. *Applicant Contact:* Arie DeWaal, Mead & Hunt, Inc., 10700 West Research Drive, Suite 155, Wauwatosa, Wisconsin 53226, Phone: 262–790–0232.

i. *FERC Contact:* M. Joseph Fayyad at (202) 502–8759, or email: *mo.fayyad@ferc.gov*.

j. *Deadline for filing comments, motions to intervene, and protests:* 30 days from issuance date of this notice by the Commission.

The Commission strongly encourages electronic filing. Please file any motion to intervene, protest, comments, and/or recommendations 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–2533–058.

k. *Description of Amendment:* As licensed, the project's 425-foot-long primary transmission line segment and related electrical facilities extend to a point of connection with an adjacent paper mill. The licensee proposes to relocate the transmission line connection with the power grid to the nearby North River Bank substation. The new transmission line system will be approximately 400 feet in length and consists of three 2.4-kV lines. Also, the licensee proposes to expand the project boundary to connect to the public Right-of-Way (i.e., County Road 20, Riverside Drive) along the existing service road down to the west embankment of the dam. A similar project boundary expansion to the public Right-of-Way is at Lum Park and at the French Rapids site.

l. *Locations of the Application:* This filing may be viewed on the Commission's Web site at *http://www.ferc.gov/docs-filing/elibrary.asp*. Enter the docket number P–2533 in the docket number field to access the document. You may also register online at *http://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, call 1–866–208–3676 or email *FERCOnlineSupport@ferc.gov*, for TTY, call (202) 502–8659. A copy is also available for inspection and reproduction at the address in item (h) above and at the Commission's Public Reference Room, located at 888 First Street NE., Room 2A, Washington, DC 20426, or by calling (202) 502–8371.

m. Individuals desiring to be included on the Commission's mailing list should so indicate by writing to the Secretary of the Commission.

n. *Comments, Protests, or Motions to Intervene:* Anyone may submit comments, a protest, or a motion to intervene in accordance with the requirements of Rules of Practice and Procedure, 18 CFR 385.210, .211, .214, respectively. In determining the appropriate action to take, the Commission will consider all protests or other comments filed, but only those who file a motion to intervene in accordance with the Commission's Rules may become a party to the proceeding. Any comments, protests, or motions to intervene must be received on or before the specified comment date for the particular application.

o. Filing and Service of Responsive Documents: Any filing must (1) bear in all capital letters the title ''COMMENTS'', ''PROTEST'', or ''MOTION TO INTERVENE'' as applicable; (2) set forth in the heading the name of the applicant and the project number of the application to which the filing responds; (3) furnish the name, address, and telephone number of the person protesting or intervening; and (4) otherwise comply with the requirements of 18 CFR 385.2001 through 385.2005. All comments, motions to intervene, or protests must set forth their evidentiary basis and otherwise comply with the requirements of 18 CFR 4.34(b). All comments, motions to intervene, or protests should relate to project works which are the subject of the license amendment. Agencies may obtain copies of the application directly from the applicant. A copy of any protest or motion to intervene must be served upon each representative of the applicant specified in the particular application. If an intervener files comments or documents with the Commission relating to the merits of an

issue that may affect the responsibilities of a particular resource agency, they must also serve a copy of the document on that resource agency. A copy of all other filings in reference to this application must be accompanied by proof of service on all persons listed in the service list prepared by the Commission in this proceeding, in accordance with 18 CFR 4.34(b) and 385.2010.

Dated: October 22, 2014.

Kimberly D. Bose,

Secretary.

[FR Doc. 2014–25624 Filed 10–28–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. CP15–4–000]

Transcontinental Gas Pipe Line Company, LLC; Notice of Application

Take notice that on October 10, 2014, Transcontinental Gas Pipe Line Company, LLC (Transco), P.O. Box 1396, Houston, TX 77251, filed in Docket No. CP15–4–000, an application pursuant to section 7(b) of the Natural Gas Act and Part 157 of the Commission's regulations, seeking authorization to abandon a 12.191 mile, 16-inch offshore gathering lateral extending from High Island Block 52 to High Island Block 10, a 0.12 mile, 8-inch crossover gathering lateral connecting the 16-inch offshore gathering lateral to an underwater connection with Transco's 24-inch pipeline in High Island Block 10, Offshore Texas, all as more fully set forth in the application, which is on file with the Commission and open for public inspection. Transco also proposes to abandon metering and other auxiliary facilities located on High Island Block 52, High Island Block 23, and High Island Block 24 platforms. Transco provides no firm transportation through the facilities to be abandoned and the proposed abandonment will have no impact on the daily design capacity of, or operating conditions on, Transco's pipeline system. The filing may also be viewed on the Web at *http://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 at *FERCOnlineSupport@ferc.gov* or call toll-free, (866) 208–3676 or TTY, (202) 502–8659.

Any questions regarding this application should be directed to Scott C. Turkington, Director, Rates & Regulatory, phone: (713) 215–3391, or by email at: *scott.c.turkington@williams.com,* or Stephen A. Hartridge, Senior Counsel, phone: (713) 215–2312, or by email at: *stephen.a.hartridge@williams.com* both located at Transcontinental Gas Pipe Line Company, LLC, Post Office Box 1396, Houston, TX 77251–1396. An additional copy must be provided to Marshia Younglund, Director, Regulatory Affairs, The Williams Companies, Inc., 1627 Eye Street NW., Suite 900, Washington, DC 20006, or by calling (202) 833–6094, or by email at: *marshia.younglund@williams.com.*

Pursuant to section 157.9 of the Commission's rules, 18 CFR 157.9, within 90 days of this Notice the Commission staff will either: Complete its environmental assessment (EA) and place it into the Commission's public record (eLibrary) for this proceeding; or issue a Notice of Schedule for Environmental Review. If a Notice of Schedule for Environmental Review is issued, it will indicate, among other milestones, the anticipated date for the Commission staff's issuance of the final environmental impact statement (FEIS) or EA for this proposal. The filing of the EA in the Commission's public record for this proceeding or the issuance of a Notice of Schedule for Environmental Review will serve to notify federal and state agencies of the timing for the completion of all necessary reviews, and the subsequent need to complete all federal authorizations within 90 days of the date of issuance of the Commission staff's FEIS or EA.

There are two ways to become involved in the Commission's review of this project. First, any person wishing to obtain legal status by becoming a party to the proceedings for this project should, on or before the comment date stated below, file with the Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426, a motion to intervene in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.214 or 385.211) and the Regulations under the NGA (18 CFR 157.10). A person obtaining party status will be placed on the service list maintained by the Secretary of the Commission and will receive copies of all documents filed by the applicant and by all other parties. A party must submit 7 copies of filings made with the Commission and must mail a copy to the applicant and to every other party in the proceeding. Only parties to the proceeding can ask for court review of Commission orders in the proceeding.

However, a person does not have to intervene in order to have comments considered. The second way to participate is by filing with the Secretary of the Commission, as soon as possible, an original and two copies of comments in support of or in opposition to this project. The Commission will consider these comments in determining the appropriate action to be taken, but the filing of a comment alone will not serve to make the filer a party to the proceeding. The Commission's rules require that persons filing comments in opposition to the project provide copies of their protests only to the party or parties directly involved in the protest.

Persons who wish to comment only on the environmental review of this project should submit an original and two copies of their comments to the Secretary of the Commission. Environmental commentors will be placed on the Commission's environmental mailing list, will receive copies of the environmental documents, and will be notified of meetings associated with the Commission's environmental review process. Environmental commentors will not be required to serve copies of filed documents on all other parties. However, the non-party commentors will not receive copies of all documents filed by other parties or issued by the Commission (except for the mailing of environmental documents issued by the Commission) and will not have the right to seek court review of the Commission's final order.

The Commission strongly encourages electronic filings of comments, 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.

Comment Date: 5:00 p.m. Eastern Time on November 12, 2014.

Dated: October 22, 2014.

Kimberly D. Bose,

Secretary.

[FR Doc. 2014–25623 Filed 10–28–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Combined Notice of Filings #2

Take notice that the Commission received the following electric corporate filings:

Docket Numbers: EC15–16–000.
Applicants: Granite Ridge Energy, LLC, Granite Ridge Holding, LLC, Merrill Lynch Credit Products, LLC.
Description: Application for Authorization under Section 203 of the FPA and Request for Waivers and Expedited Action of Granite Ridge Energy, LLC, et. al.
Filed Date: 10/22/14.
Accession Number: 20141022–5148.
Comments Due: 5 p.m. ET 11/12/14.

Take notice that the Commission received the following electric rate filings:

Docket Numbers: ER10–2718–018; ER10–2719–018.
Applicants: Cogen Technologies Linden Venture, L.P., East Coast Power Linden Holding, L.L.C.
Description: Supplement to September 2, 2014 Notice of Non-Material Change in Status of the Linden MBR Sellers.
Filed Date: 10/22/14.
Accession Number: 20141022–5092.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER14–2720–001.
Applicants: Limon Wind, LLC.
Description: Tariff Amendment per 35.17(b): Limon Wind, LLC Amendment to the Amended and Restated SFA to be effective 8/28/2014.
Filed Date: 10/22/14.
Accession Number: 20141022–5048.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER14–2986–000.
Applicants: El Dorado Irrigation District.
Description: Notification of Cancellation of Market Based Rate Authority of El Dorado Irrigation District.
Filed Date: 5/21/14.
Accession Number: 20140521–5184.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER15–152–000.
Applicants: PJM Interconnection, L.L.C.
Description: Compliance filing per 35: Notice of Cancellation of Service Agreement No. 2543; Queue No. V4–076 to be effective N/A.
Filed Date: 10/22/14.
Accession Number: 20141022–5080.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER15–153–000.
Applicants: Electric Energy, Inc.
Description: § 205(d) rate filing per 35.13(a)(2)(iii): Revised and Restated Cost-Based Power Contract to be effective 11/1/2014.
Filed Date: 10/22/14.
Accession Number: 20141022–5090.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER15–154–000.
Applicants: PJM Interconnection, L.L.C.
Description: Tariff Withdrawal per 35.15: Notice of Cancellation of Service Agreement No. 2715; Queue No. V4–077 to be effective 10/24/2014.
Filed Date: 10/22/14.
Accession Number: 20141022–5094.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER15–155–000.
Applicants: Birchwood Power Partners, L.P.
Description: Compliance filing per 35: Proposed revisions to its market-based rate tariff to be effective 10/23/2014.
Filed Date: 10/22/14.
Accession Number: 20141022–5135.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER15–156–000.
Applicants: Cogen Technologies Linden Venture, L.P.
Description: Compliance filing per 35: Proposed revisions to its market-based rate tariff to be effective 10/23/2014.
Filed Date: 10/22/14.
Accession Number: 20141022–5141.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER15–157–000.
Applicants: East Coast Power Linden Holding, L.L.C.
Description: Compliance filing per 35: Proposed revisions to its market-based rate tariff to be effective 10/23/2014.
Filed Date: 10/22/14.
Accession Number: 20141022–5145.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER15–158–000.
Applicants: Southwest Power Pool, Inc.
Description: § 205(d) rate filing per 35.13(a)(2)(iii): 1765R11 KCP&L–GMO NITSA and NOA to be effective 8/1/2014.
Filed Date: 10/22/14.
Accession Number: 20141022–5149.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER15–159–000.
Applicants: Kentucky Power Company.
Description: § 205(d) rate filing per 35.13(a)(2)(iii): Mitchell Operating Agreement to be effective 12/31/2014.
Filed Date: 10/22/14.
Accession Number: 20141022–5150.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER15–160–000.
Applicants: Wheeling Power Company.
Description: § 205(d) rate filing per 35.13(a)(2)(iii): Mitchell Operating Agreement Concurrence to be effective 12/31/2014.
Filed Date: 10/22/14.
Accession Number: 20141022–5151.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER15–161–000.
Applicants: Interstate Power and Light Company.
Description: § 205(d) rate filing per 35.13(a)(2)(iii): IPL–AECI–NEP BA Agreement to be effective 10/22/2014.
Filed Date: 10/22/14.
Accession Number: 20141022–5156.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER15–162–000.
Applicants: Southwest Power Pool, Inc.
Description: § 205(d) rate filing per 35.13(a)(2)(iii): 2881R1 City of Chanute, KS NITSA NOA to be effective 8/1/2014.
Filed Date: 10/22/14.
Accession Number: 20141022–5161.
Comments Due: 5 p.m. ET 11/12/14.

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: October 22, 2014.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2014–25712 Filed 10–28–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Combined Notice of Filings

Take notice that the Commission has received the following Natural Gas Pipeline Rate and Refund Report filings:

Filings Instituting Proceedings

Docket Numbers: RP15–58–000.
Applicants: Natural Gas Pipeline Company of America.

Description: § 4(d) rate filing per 154.204: EOG Resources Negotiated Rate to be effective 11/1/2014.
Filed Date: 10/22/14.
Accession Number: 20141022–5081.
Comments Due: 5 p.m. ET 11/3/14.

Docket Numbers: RP15–59–000.
Applicants: Columbia Gas Transmission, LLC.
Description: § 4(d) rate filing per 154.204: Negotiated Service Agmt—WestSide—Statoil Errrata to be effective 11/1/2014.
Filed Date: 10/22/14.
Accession Number: 20141022–5091.
Comments Due: 5 p.m. ET 11/3/14.

Docket Numbers: RP15–60–000.
Applicants: Transcontinental Gas Pipe Line Company.
Description: Compliance filing per 154.203: 2014 Penalty Sharing Report.
Filed Date: 10/22/14.
Accession Number: 20141022–5095.
Comments Due: 5 p.m. ET 11/3/14.

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.

Filings in Existing Proceedings

Docket Numbers: RP15–47–001.
Applicants: Columbia Gas Transmission, LLC.
Description: Tariff Amendment per 154.205(b): Negotiated Service Agmt—West Side—Statoil Errata to be effective 11/1/2014.
Filed Date: 10/22/14.
Accession Number: 20141022–5157.
Comments Due: 5 p.m. ET 11/3/14.

Any person desiring to protest in any of the above proceedings must file in accordance with Rule 211 of the Commission's Regulations (18 CFR 385.211) on or before 5:00 p.m. Eastern time on the specified comment date.

The filings are accessible in the Commission's eLibrary system by clicking on the links or querying the docket number.

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: October 23, 2014.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2014–25709 Filed 10–28–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Combined Notice of Filings

Take notice that the Commission has received the following Natural Gas Pipeline Rate and Refund Report filings:

Filings Instituting Proceedings

Docket Numbers: RP14–550–000.
Applicants: Columbia Gulf Transmission, LLC.
Description: Report on Investigation of Lost and Unaccounted for Gas Volumes [TRA/LAUF] of Columbia Gulf Transmission, LLC.
Filed Date: 10/15/14.
Accession Number: 20141015–5167.
Comments Due: 5 p.m. ET 10/27/14.

Docket Numbers: RP14–551–000.
Applicants: Columbia Gas Transmission, LLC.
Description: Report on Investigation of Lost and Unaccounted for Gas Volumes [RAM/LAUF] of Columbia Gas Transmission, LLC.
Filed Date: 10/15/14.
Accession Number: 20141015–5168.
Comments Due: 5 p.m. ET 10/27/14.

Docket Numbers: RP15–50–000.
Applicants: American Midstream (AlaTenn), LLC.
Description: § 4(d) rate filing per 154.204: AlaTenn OFO and Change of Address Filing to be effective 11/15/2014.
Filed Date: 10/15/14.
Accession Number: 20141015–5075.
Comments Due: 5 p.m. ET 10/27/14.

Docket Numbers: RP15–51–000.
Applicants: Algonquin Gas Transmission, LLC.
Description: § 4(d) rate filing per 154.204: Negotiated Rate Release—KeySpan to BUG eff 11–1–2014 to be effective 11/1/2014.
Filed Date: 10/16/14.
Accession Number: 20141016–5031.
Comments Due: 5 p.m. ET 10/28/14.

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 October 16, 2014.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2014–25706 Filed 10–28–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Combined Notice of Filings #1

Take notice that the Commission received the following electric corporate filings:

Docket Numbers: EC15–12–000.
Applicants: Catalina Solar 2, LLC.
Description: Application of Catalina Solar 2, LLC for Authorization under Section 203 of the Federal Power Act and Requests for Waivers, Confidential Treatment and Expedited Consideration.
Filed Date: 10/17/14.
Accession Number: 20141017–5179.
Comments Due: 5 p.m. ET 11/7/14.

Take notice that the Commission received the following electric rate filings:

Docket Numbers: ER14–2575–001.
Applicants: Pacific Gas and Electric Company.
Description: Compliance filing per 35: Order No. 792 Second Compliance Filing—WDT GIP Amendment to be effective 10/1/2014.
Filed Date: 10/20/14.
Accession Number: 20141020–5001.
Comments Due: 5 p.m. ET 11/10/14.

Docket Numbers: ER11–2777–003.
Applicants: Midcontinent Independent System Operator, Inc., Ameren Illinois Company.
Description: Compliance filing per 35: 2014–10–20_Ameren WDS Compliance Filing to be effective 3/30/2011.
Filed Date: 10/20/14.
Accession Number: 20141020–5100.
Comments Due: 5 p.m. ET 11/10/14.

Docket Numbers: ER15–119–001.
Applicants: Midcontinent Independent System Operator, Inc.
Description: Tariff Amendment per 35.17(b): 2014–10–16_SA 2219 ATC—METC Amended Transmission IA to be effective 10/17/2014.
Filed Date: 10/16/14.
Accession Number: 20141016–5147.
Comments Due: 5 p.m. ET 11/6/14.

Docket Numbers: ER15–128–000.
Applicants: Florida Power & Light Company.

Description: § 205(d) rate filing per 35.13(a)(2)(iii): FPL New Delivery Point for Transmission Service Agreement No. 162 to be effective 11/1/2014.
Filed Date: 10/17/14.
Accession Number: 20141017–5158.
Comments Due: 5 p.m. ET 11/7/14.

Docket Numbers: ER15–128–001.
Applicants: Florida Power & Light Company.
Description: Tariff Amendment per 35.17(b): Amendment to FPL New Delivery Point for Transmission Service Agreement No. 162 to be effective 11/1/2014.
Filed Date: 10/17/14.
Accession Number: 20141017–5164.
Comments Due: 5 p.m. ET 11/7/14.

Docket Numbers: ER15–129–000.
Applicants: California Independent System Operator Corporation.
Description: § 205(d) rate filing per 35.13(a)(2)(iii): 2014–10–17_InterconnectionProcessEnhancements 13–14 to be effective 12/19/2014.
Filed Date: 10/17/14.
Accession Number: 20141017–5161.
Comments Due: 5 p.m. ET 11/7/14.

Docket Numbers: ER15–130–000.
Applicants: Duke Energy Florida, Inc.
Description: § 205(d) rate filing per 35.13(a)(2)(iii): SECI NITSA SA 143 (Delivery Point change) to be effective 11/17/2014.
Filed Date: 10/20/14.
Accession Number: 20141020–5057.
Comments Due: 5 p.m. ET 11/10/14.

Docket Numbers: ER15–131–000.
Applicants: Citizens Sunrise Transmission LLC.
Description: § 205(d) rate filing per 35.13(a)(2)(iii): Citizens Sunrise Transmission LLC to be effective 1/1/2015.
Filed Date: 10/20/14.
Accession Number: 20141020–5132.
Comments Due: 5 p.m. ET 11/10/14.

Docket Numbers: ER15–132–000.
Applicants: BETM Solutions LLC.
Description: Tariff Withdrawal per 35.15: Notice of Cancellation to be effective 10/21/2014.
Filed Date: 10/20/14.
Accession Number: 20141020–5142.
Comments Due: 5 p.m. ET 11/10/14.

Docket Numbers: ER15–133–000.
Applicants: Midcontinent Independent System Operator, Inc.
Description: Compliance filing per 35: 2014–10–20_Order 890 Planning Process Compliance Filing to be effective 7/28/2010.
Filed Date: 10/20/14.
Accession Number: 20141020–5152.
Comments Due: 5 p.m. ET 11/10/14.

Docket Numbers: ER15–134–000.
Applicants: PJM Interconnection, L.L.C.
Description: § 205(d) rate filing per 35.13(a)(2)(iii): Revisions to RAA Article 1 and Schedule 8 re PLC and NSPL to be effective 1/1/2015.
Filed Date: 10/20/14.
Accession Number: 20141020–5154.
Comments Due: 5 p.m. ET 11/10/14.

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: October 20, 2014.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2014–25704 Filed 10–28–14; 8:45 am]

BILLING CODE 6717–01–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: ER14–1711–006; *ER14–1822–003.*
Applicants: TC Ravenswood, LLC.
Description: Joint Uncontested Offer of Settlement of TC Ravenswood, LLC and New York Independent System Operator, Inc., et. al.
Filed Date: 10/20/14.
Accession Number: 20141020–5209.
Comments Due: 5 p.m. ET 10/31/14.

Docket Numbers: ER15–142–000.
Applicants: Midcontinent Independent System Operator, Inc.
Description: § 205(d) rate filing per 35.13(a)(2)(iii): 2014–10–21_Marshall-MRES Attachment O Filing to be effective 1/1/2015.
Filed Date: 10/21/14.
Accession Number: 20141021–5169.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER15–143–000.
Applicants: Brookfield Renewable Energy Marketing US.
Description: § 205(d) rate filing per 35.13(a)(2)(iii): Brookfield Renewable Energy Marketing US LLC to be effective 10/22/2014.
Filed Date: 10/21/14.
Accession Number: 20141021–5181.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER15–144–000.
Applicants: California Independent System Operator Corporation.
Description: § 205(d) rate filing per 35.13(a)(2)(iii): 2014–10–21_CopperMountainSolar2UFA to be effective 7/24/2014.
Filed Date: 10/21/14.
Accession Number: 20141021–5196.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER15–145–000.
Applicants: Southern California Edison Company.
Description: § 205(d) rate filing per 35.13(a)(2)(iii): GIA and Distribution Service Agmt with Walnut Valley Water District to be effective 10/18/2014.
Filed Date: 10/22/14.
Accession Number: 20141022–5001.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER15–146–000.
Applicants: ISO New England Inc.
Description: ISO New England Inc. submits Resource Termination of Plainfield Renewable Energy LLC.
Filed Date: 10/21/14.
Accession Number: 20141021–5207.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER15–147–000.
Applicants: ISO New England Inc.
Description: ISO New England Inc. submits Resource Termination of Enerwise Global Technologies.
Filed Date: 10/21/14.
Accession Number: 20141021–5208.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER15–148–000.
Applicants: ISO New England Inc.
Description: ISO New England Inc. submits Resource Termination of Direct Energy Business Management.
Filed Date: 10/21/14.
Accession Number: 20141021–5209.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER15–149–000.
Applicants: ISO New England Inc.
Description: ISO New England Inc. submits Resource Termination of Constellation NewEnergy, Inc.
Filed Date: 10/21/14.
Accession Number: 20141021–5210.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER15–150–000.
Applicants: ISO New England Inc.
Description: ISO New England Inc. submits Resource Termination of Brookfield White Pine Hydro, LLC.
Filed Date: 10/21/14.
Accession Number: 20141021–5211.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER15–151–000.
Applicants: AEP Generation Resources Inc.
Description: § 205(d) rate filing per 35.13(a)(2)(iii): Ohio Power Supply Agreement Amendment to be effective 11/1/2014.
Filed Date: 10/22/14.
Accession Number: 20141022–5072.
Comments Due: 5 p.m. ET 11/12/14.

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.

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Dated: October 22, 2014.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2014–25711 Filed 10–28–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Combined Notice of Filings #1

Take notice that the Commission received the following electric corporate filings:

Docket Numbers: EC15–13–000.
Applicants: Limon Wind III, LLC.
Description: Application of Limon Wind III, LLC for Authorization Under Section 203 of the Federal Power Act and Request for Expedited Action.
Filed Date: 10/20/14.
Accession Number: 20141020–5189.
Comments Due: 5 p.m. ET 11/10/14.

Docket Numbers: EC15–14–000.
Applicants: American Transmission Company LLC.
Description: Application for Authority to Acquire Transmission Facilities Under Section 203 of the FPA of American Transmission Company LLC.
Filed Date: 10/20/14.
Accession Number: 20141020–5203.
Comments Due: 5 p.m. ET 11/10/14.

Docket Numbers: EC15–15–000.
Applicants: Hoopeston Wind, LLC.
Description: Hoopeston Wind Application for Approval Under Section 203 of the Federal Power Act and Request for Expedited Treatment and Shortened Comment Period.
Filed Date: 10/21/14.
Accession Number: 20141021–5056.
Comments Due: 5 p.m. ET 11/12/14.

Take notice that the Commission received the following electric rate filings:

Docket Numbers: ER14–2497–001.
Applicants: Idaho Power Company.
Description: Compliance filing per 35: Amendment to OATT Order No. 792 Compliance Filing—SGIP/SGIA to be effective 12/31/9998.
Filed Date: 10/21/14.
Accession Number: 20141021–5131.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER14–2573–001.
Applicants: New York Independent System Operator, Inc.
Description: Compliance filing per 35: NYISO compliance in response to deficiency letter w/SGIA/SGIP tariff revisions to be effective 12/31/9998.
Filed Date: 10/21/14.
Accession Number: 20141021–5146.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER14–2583–001.
Applicants: ISO New England Inc., New England Power Pool Participants Committee.
Description: Compliance filing per 35: Response to FERC's Letter Regarding the Deficiency of a Filing to be effective 12/31/9998.
Filed Date: 10/21/14.
Accession Number: 20141021–5152.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER15–46–000.
Applicants: Dragon Energy, LLC.
Description: Supplement to October 6, 2014 Dragon Energy, LLC tariff filing.
Filed Date: 10/14/14.
Accession Number: 20141014–5498.
Comments Due: 5 p.m. ET 11/4/14.

Docket Numbers: ER15–135–000.
Applicants: PJM Interconnection, L.L.C.
Description: § 205(d) rate filing per 35.13(a)(2)(iii): Revisions to the OATT re DR Operational Resource RPM Transition Mechanism to be effective 12/19/2014.
Filed Date: 10/20/14.
Accession Number: 20141020–5160.
Comments Due: 5 p.m. ET 11/10/14.

Docket Numbers: ER15–136–000.
Applicants: PJM Interconnection, L.L.C.
Description: § 205(d) rate filing per 35.13(a)(2)(iii): Original Service Agreement No. 4012; Queue W1–003–006;Z1–100–102 to be effective 9/18/2014.
Filed Date: 10/20/14.
Accession Number: 20141020–5165.
Comments Due: 5 p.m. ET 11/10/14.

Docket Numbers: ER15–137–000.
Applicants: Northern States Power Company, a Wisconsin corporation.
Description: § 205(d) rate filing per 35.13(a)(2)(iii): 2014–10–21 CDTT–TREMPLO–BNGR–BLMR–ACIF NOCs to be effective 10/31/2014.
Filed Date: 10/21/14.
Accession Number: 20141021–5082.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER15–138–000.
Applicants: Michigan Electric Transmission Company, LLC.
Description: § 205(d) rate filing per 35.13(a)(2)(iii): CIAC Agreement with Wolverine Power Supply Cooperative to be effective 12/22/2014.
Filed Date: 10/21/14.
Accession Number: 20141021–5091.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER15–139–000.
Applicants: Palo Duro Wind Interconnection Services, LLC.
Description: Baseline eTariff Filing per 35.1: Palo Duro Wind Interconnection Services, LLC Amended and Restated SFA to be effective 10/22/2014 under ER15–139 Filing Type: 390.
Filed Date: 10/21/14.
Accession Number: 20141021–5111.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER15–140–000.
Applicants: Dry Lake Wind Power II LLC.
Description: Tariff Withdrawal per 35.15: Cancellation to be effective 12/20/2014.
Filed Date: 10/21/14.
Accession Number: 20141021–5119.
Comments Due: 5 p.m. ET 11/12/14.

Docket Numbers: ER15–141–000.
Applicants: California Independent System Operator C, AES Huntington Beach, L.L.C.
Description: § 205(d) rate filing per 35.13(a)(2)(iii): Request for Approval of Extension of Contract Term to be effective 1/1/2015.
Filed Date: 10/21/14.
Accession Number: 20141021–5149.
Comments Due: 5 p.m. ET 11/12/14.

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: October 21, 2014.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2014–25705 Filed 10–28–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Combined Notice of Filings

Take notice that the Commission has received the following Natural Gas Pipeline Rate and Refund Report filings:

Filings Instituting Proceedings

Docket Numbers: RP14–1272–000.
Applicants: National Grid LNG, LLC.
Description: Supplemental Information of National Grid LNG, LLC.
Filed Date: 10/21/14.
Accession Number: 20141021–5182.
Comments Due: 5 p.m. ET 10/28/14.

Docket Numbers: RP15–55–000.
Applicants: Columbia Gulf Transmission, LLC.
Description: § 4(d) rate filing per 154.204: Negotiated & Non-Conforming Rate Agmts—WestSide to be effective 11/1/2014.
Filed Date: 10/21/14.
Accession Number: 20141021–5092.
Comments Due: 5 p.m. ET 11/3/14.

Docket Numbers: RP15–56–000.
Applicants: Transcontinental Gas Pipe Line Company.
Description: § 4(d) rate filing per 154.204: Virginia Southside Initial Rate Filing to be effective 12/1/2014.
Filed Date: 10/21/14.
Accession Number: 20141021–5098.
Comments Due: 5 p.m. ET 11/3/14.

Docket Numbers: RP15–57–000.
Applicants: Tennessee Gas Pipeline Company, L.L.C.
Description: § 4(d) rate filing per 154.204: Volume No. 2—Chesapeake Capacity Assignment to be effective 11/1/2014.
Filed Date: 10/21/14.
Accession Number: 20141021–5191.
Comments Due: 5 p.m. ET 11/3/14.

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.

Filings in Existing Proceedings

Docket Numbers: RP14–1195–001.
Applicants: Sierrita Gas Pipeline LLC.
Description: Compliance filing per 154.203: Compliance Filing to be effective 11/20/2014.
Filed Date: 10/20/14.
Accession Number: 20141020–5065.
Comments Due: 5 p.m. ET 11/3/14.

Any person desiring to protest in any of the above proceedings must file in accordance with Rule 211 of the Commission's Regulations (18 CFR 385.211) on or before 5:00 p.m. Eastern time on the specified comment date.

The filings are accessible in the Commission's eLibrary system by clicking on the links or querying the docket number.

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 October 22, 2014.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2014–25708 Filed 10–28–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Combined Notice of Filings

Take notice that the Commission has received the following Natural Gas Pipeline Rate and Refund Report filings:

Filings Instituting Proceedings

Docket Numbers: RP15–52–000.
Applicants: Saltville Gas Storage Company L.L.C.
Description: § 4(d) rate filing per 154.204: October 2014 Tariff Cleanup Filing to be effective 11/18/2014.
Filed Date: 10/17/14.
Accession Number: 20141017–5040.
Comments Due: 5 p.m. ET 10/29/14.

Docket Numbers: RP15–53–000.
Applicants: Centra Pipelines Minnesota Inc.
Description: § 4(d) rate filing per 154.204: Revised Index of Shippers Dec 2014 to be effective 12/1/2014.
Filed Date: 10/17/14.
Accession Number: 20141017–5107.
Comments Due: 5 p.m. ET 10/29/14.

Docket Numbers: RP15–54–000.
Applicants: Columbia Gas Transmission, LLC.
Description: § 4(d) rate filing per 154.204: Non-Conforming Service Agreement—PacSum to be effective 11/1/2014.
Filed Date: 10/17/14.
Accession Number: 20141017–5162.
Comments Due: 5 p.m. ET 10/29/14.

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: October 20, 2014.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2014–25707 Filed 10–28–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. PF14–18–000]

National Fuel Gas Supply Corporation Empire Pipeline, Inc.; Notice of Intent To Prepare an Environmental Assessment for the Planned Northern Access 2016 Project, Request for Comments on Environmental Issues, and Notice of Public Scoping Meetings

The staff of the Federal Energy Regulatory Commission (FERC or Commission) will prepare an environmental assessment (EA) that will discuss the environmental impacts of the Northern Access 2016 Project (Project) involving construction and operation of facilities by National Fuel Gas Supply Corporation (Supply) and Empire Pipeline Inc. (Empire) (collectively National Fuel) in Pennsylvania and New York. The

Commission will use this EA in its decision-making process to determine whether the project is in the public convenience and necessity.

This notice announces the opening of the scoping process the Commission will use to gather input from the public and interested agencies on the project. Your input will help the Commission staff determine what issues they need to evaluate in the EA. The Commission staff will also use the scoping process to help determine whether preparation of an environmental impact statement is more appropriate for this Project based upon the potential significance of the anticipated levels of impact. Please note that the scoping period will close on November 21, 2014.

You may submit comments in written form or verbally. Further details on how to submit written comments are in the Public Participation section of this notice. In lieu of or in addition to sending written comments, the Commission invites you to attend the public scoping meetings scheduled as follows:

FERC PUBLIC SCOPING MEETINGS NORTHERN ACCESS 2016 PROJECT

Date and time	Location
November 3, 2014, 7 p.m	Doyle Hall, St. Bonaventure University, 3261 W. State St., St. Bonaventure, NY 14778.
November 5, 2014, 7 p.m	Springville-Griffith High School, 290 North Buffalo Street, Springville, NY 14141.

National Fuel staff will be available from 6:00–7:00 p.m., prior to the public scoping meetings at the locations listed above.

This notice is being sent to the Commission's current environmental mailing list for this project. State and local government representatives are asked to notify their constituents of this planned project and encourage them to comment on their areas of concern.

If you are a landowner receiving this notice, a pipeline company representative may contact you about the acquisition of an easement to construct, operate, and maintain the planned facilities. The company would seek to negotiate a mutually acceptable agreement. However, if the Commission approves the project, that approval conveys with it the right of eminent domain. Therefore, if easement negotiations fail to produce an agreement, the pipeline company could initiate condemnation proceedings where compensation would be determined in accordance with state law.

A fact sheet prepared by the FERC entitled ''An Interstate Natural Gas Facility on My Land? What Do I Need To Know?'' is available for viewing on the FERC Web site (*www.ferc.gov*). This fact sheet addresses a number of typically asked questions, including the use of eminent domain and how to participate in the Commission's proceedings.

Summary of the Planned Project

National Fuel plans to construct and operate certain facilities in Pennsylvania and New York which collectively would provide about 350,000 dekatherms per day (Dth/d) of natural gas transportation service to the northeastern United States and Canada. Supply would provide approximately 350,000 Dth/d of new firm natural gas transportation service from a receipt point in McKean County, Pennsylvania to an interconnection with Empire's existing pipeline system in Niagara County, New York. Empire would provide approximately 350,000 Dth/d of new firm transportation service from such Supply interconnection to Empire's existing interconnection with TransCanada Pipelines Limited.

The planned project would consist of the following Supply components:

- Construction of approximately 97 miles of new 24-inch-diameter pipeline, from Sergeant Township, McKean County, Pennsylvania, to an interconnection with Supply's existing Line X-North, near Supply's existing Porterville Compressor Station in the Town of Elma, Erie County, New York;
- an addition of approximately 5,000 horsepower to Porterville Compressor Station; and
- an interconnection with Tennessee Gas Pipeline's 200 Line in the Town of Wales, Erie County, New York.

The planned Project would also consist of the following Empire components:

- Construction of a 24-inch pipeline segment of approximately 4 miles, replacing 3.3 miles of existing 16-inch Supply pipeline and 0.7 miles of existing Empire pipeline in the towns of Wheatfield and Pendleton, Niagara County, New York;
- construction of a new, approximately 22,000 horsepower compressor station in the Town of Pendleton, Niagara County, New York; and
- construction of a new natural gas dehydration facility in the Town of Wheatfield, Niagara County, New York.

The general location of the planned project facilities is shown in Appendix 1.[1]

Land Requirements for Construction

National Fuel is still in the planning phase of the Project and workspace requirements have not been finalized. However, National Fuel is planning on using a 75-foot-wide construction right-of-way for the 24-inch-diameter pipeline segments. Following construction, National Fuel would retain a 50-foot-wide easement for operation of the pipelines. National Fuel would also require land for additional workspaces at road, railroad, waterbody, and wetland crossings; topsoil storage; access roads; storage or pipeyards; and for other purposes during construction. About 92 percent of the planned pipeline route parallels existing power line or pipeline rights-of-way.

The EA Process

The National Environmental Policy Act (NEPA) requires the Commission to take into account the environmental impacts that could result from an action whenever it considers the issuance of a Certificate of Public Convenience and Necessity. NEPA also requires us[2] to discover and address concerns the public may have about proposals. This process is referred to as scoping. The main goal of the scoping process is to focus the analysis in the EA on important environmental issues. By this

[1] The appendices referenced in this notice are not being printed in the **Federal Register**. Copies of appendices were sent to all those receiving this notice in the mail and are available at *www.ferc.gov* using the link called ''eLibrary'' or from the Commission's Public Reference Room, 888 First Street NE., Washington, DC 20426, or call (202) 502–8371. For instructions on connecting to eLibrary, refer to the last page of this notice.

[2] ''We,'' ''us,'' and ''our'' refer to the environmental staff of the Commission's Office of Energy Projects.

notice, the Commission requests public comments on the scope of issues to address in the EA.

In the EA, we will discuss impacts that could occur as a result of the construction and operation of the planned Project under these general headings:

- Geology and soils;
- water resources and wetlands;
- vegetation and wildlife;
- fisheries and aquatic resources;
- threatened, endangered, and other special-status species;
- land use, recreation, special interest areas, and visual resources;
- socioeconomics;
- cultural resources;
- air quality and noise;
- reliability and safety; and
- cumulative environmental impacts.

We will also evaluate possible alternatives to the planned Project or portions of the Project, and make recommendations on how to lessen or avoid impacts on the various resource areas.

Although no formal application has been filed, we have already initiated our NEPA review under the Commission's pre-filing process. The purpose of the pre-filing process is to encourage early involvement of interested stakeholders and to identify and resolve issues before the FERC receives an application. As part of our pre-filing review, we participated in public open house meetings sponsored by National Fuel in the project area in August 2014 to explain the environmental review process to interested stakeholders. We have also begun to contact federal and state agencies to discuss their involvement in the scoping process and the preparation of the EA.

The EA will present our independent analysis of the issues. The EA will be available in the public record through eLibrary. Depending on the comments received during the scoping process, we may also publish and distribute the EA to the public for an allotted comment period. We will consider all comments on the EA before we make our recommendations to the Commission. We will publish and distribute the EA for public comment. To ensure we have the opportunity to consider and address your comments, please follow the instructions in the Public Participation section beginning on page 6.

With this notice, we are asking agencies with jurisdiction and/or special expertise with respect to environmental issues related to this Project to formally cooperate with us in the preparation of the EA.[3] Agencies that would like to request cooperating agency status should follow the instructions for filing comments provided under the Public Participation section of this notice. Currently, the U.S. Army Corps of Engineers has expressed its intention to participate as a cooperating agency in the preparation of the EA to satisfy its NEPA responsibilities related to this Project.

Consultations Under Section 106 of the National Historic Preservation Act

In accordance with the Advisory Council on Historic Preservation's implementing regulations for section 106 of the National Historic Preservation Act, we are using this notice to initiate consultation with the applicable State Historic Preservation Offices (SHPOs) and to solicit their views and those of other government agencies, interested Indian tribes, and the public on the Project's potential effects on historic properties.[4] We will define the project-specific Area of Potential Effects (APE) in consultation with the SHPOs as the project develops. On natural gas facility projects, the APE at a minimum encompasses all areas subject to ground disturbance (examples include construction right-of-way, contractor/pipe storage yards, compressor stations, and access roads). Our EA for this project will document our findings on the impacts on historic properties and summarize the status of consultations under section 106.

Currently Identified Environmental Issues

We have already identified several issues that we think deserve attention based on a preliminary review of the planned facilities, comments made to us at National Fuel's open houses, preliminary consultations with other agencies, and the environmental information provided by National Fuel. This preliminary list of issues may be changed based on your comments and our analysis:

- Forested areas including fragmentation;
- agricultural areas including impacts on soils;
- property values;
- surface water;
- groundwater including wells and springs;
- wildlife and vegetation;
- federal and state-listed threatened, endangered, and sensitive species;
- eminent domain; and
- cumulative impacts.

Public Participation

You can make a difference by providing us with your specific comments or concerns about the project. Your comments should focus on the potential environmental effects, reasonable alternatives, and measures to avoid or lessen environmental impacts. The more specific your comments, the more useful they will be. To ensure that your comments are timely and properly recorded, please send your comments so that the Commission receives them in Washington, DC on or before November 21, 2014.

For your convenience, there are three methods you can use to submit your comments to the Commission. In all instances, please reference the project docket number (PF14–18–000) with your submission. The Commission encourages electronic filing of comments and has expert staff available to assist you at (202) 502–8258 or *efiling@ferc.gov.*

(1) You can file your comments electronically using the *eComment* feature located on the Commission's Web site (*www.ferc.gov*) under the link to *Documents and Filings.* This is an easy method for interested persons to submit brief, text-only comments on a project;

(2) You can file your comments electronically using the *eFiling* feature located on the Commission's Web site (*www.ferc.gov*) under the link to *Documents and Filings.* With eFiling, you can provide comments in a variety of formats by attaching them as a file with your submission. New eFiling users must first create an account by clicking on ''*eRegister.''* You must select the type of filing you are making. If you are filing a comment on a particular project, please select ''Comment on a Filing''; or

(3) You can file a paper copy of your comments by mailing them to the following address: Kimberly D. Bose, Secretary, Federal Energy Regulatory Commission, 888 First Street NE., Room 1A, Washington, DC 20426.

Environmental Mailing List

The environmental mailing list includes federal, state, and local government representatives and agencies; elected officials; environmental and public interest groups; Native American Tribes; other interested parties; and local libraries and newspapers. This list also includes

[3] The Council on Environmental Quality regulations addressing cooperating agency responsibilities are at Title 40, Code of Federal Regulations, Part 1501.6.

[4] The Advisory Council on Historic Preservation's regulations are at Title 36, Code of Federal Regulations, Part 800. Historic properties are defined in those regulations as any prehistoric or historic district, site, building, structure, or object included in or eligible for inclusion in the National Register of Historic Places.

all affected landowners (as defined by the Commission's regulations) who are potential right-of-way grantors, whose property may be used temporarily for project purposes, or who own homes within certain distances of aboveground facilities, and anyone who submits comments on the project. We will update the environmental mailing list as the analysis proceeds to ensure that we send the information related to this environmental review to all individuals, organizations, and government entities interested in and/or potentially affected by the planned project.

If we publish and distribute the EA, copies will be sent to the environmental mailing list for public review and comment. If you would prefer to receive a paper copy of the document instead of a CD version or would like to remove your name from the mailing list, please return the attached Information Request (appendix 2).

Becoming an Intervenor

Once National Fuel files its application with the Commission, you may want to become an ''intervenor'' which is an official party to the Commission's proceeding. Intervenors play a more formal role in the process and are able to file briefs, appear at hearings, and be heard by the courts if they choose to appeal the Commission's final ruling. An intervenor formally participates in the proceeding by filing a request to intervene. Instructions for becoming an intervenor are in the User's Guide under the ''e-filing'' link on the Commission's Web site. Please note that the Commission will not accept requests for intervenor status at this time. You must wait until the Commission receives a formal application for the project.

Additional Information

Additional information about the project is available from the Commission's Office of External Affairs, at (866) 208–FERC, or on the FERC Web site (*www.ferc.gov*) using the eLibrary link. Click on the eLibrary link, click on ''General Search'' and enter the docket number, excluding the last three digits in the Docket Number field (i.e., PF14–18). Be sure you have selected an appropriate date range. For assistance, please contact FERC Online Support at *FercOnlineSupport@ferc.gov* or toll free at (866) 208–3676, or for TTY, contact (202) 502–8659. The eLibrary link also provides access to the texts of formal documents issued by the Commission, such as orders, notices, and rulemakings.

In addition, the Commission offers a free service called eSubscription which allows you to keep track of all formal issuances and submittals in specific dockets. This can reduce the amount of time you spend researching proceedings by automatically providing you with notification of these filings, document summaries, and direct links to the documents. Go to *http://www.ferc.gov/docs-filing/esubscription.asp.*

Public meetings or site visits will be posted on the Commission's calendar located at *www.ferc.gov/EventCalendar/EventsList.aspx* along with other related information.

Dated: October 22, 2014.

Kimberly D. Bose,

Secretary.

[FR Doc. 2014–25627 Filed 10–28–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Docket No. ER15–114–000]

Alterna Springerville 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 Alterna Springerville 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 November 12, 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 electronic 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: October 22, 2014.

Nathaniel J. Davis, Sr.,

Deputy Secretary.

[FR Doc. 2014–25710 Filed 10–28–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No., 14627–000]

Symphony Hydro LLC; Notice of Preliminary Permit Application Accepted for Filing and Soliciting Comments, Motions To Intervene, and Competing Applications

On June 26, 2014, Symphony Hydro LLC filed an application for a preliminary permit, pursuant to section 4(f) of the Federal Power Act (FPA), proposing to study the feasibility of the Symphony Hydro Project to be located on Mississippi River, near the city of Minneapolis, Hennepin County, Minnesota. The sole purpose of a preliminary permit, if issued, is to grant the permit holder priority to file a license application during the permit term. A preliminary permit does not authorize the permit holder to perform any land-disturbing activities or otherwise enter upon lands or waters owned by others without the owners' express permission.

The proposed project would consist of the following: (1) Two new 1.5-foot-thick by 56-foot-wide by 60-foot-high reinforced concrete bulkheads containing two variable speed 1,700-

kilowatt (kW) turbine/generators mounted on roller frames for a combined nameplate capacity of 3.4 megawatts; (2) two 6-foot-square pad-mounted metal boxes, one containing plant controls and the other containing a 13.8-kilovolt (kV) step-up distribution transformer; (3) a 13.8-kV transmission line; and (4) appurtenant facilities. The estimated annual generation of the Symphony Hydro Project would be 18,000 megawatt-hours.

Applicant Contact: Robert H. Shulte, Symphony Hydro LLC, 1742 Patriot Road, Northfield, MN 55057–1221; Phone: (952) 949–2676.

FERC Contact: Tyrone A. Williams; Phone: (202) 502–6331, Email: *tyrone.williams@ferc.gov.*

Deadline for filing comments, motions to intervene, competing applications (without notices of intent), or notices of intent to file competing applications: 60 days from the issuance of this notice. Competing applications and notices of intent must meet the requirements of 18 CFR 4.36. The Commission strongly encourages electronic filing. Please file comments, motions to intervene, notices of intent, and competing applications 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–14627–000.

More information about this project, including a copy of the application, can be viewed or printed on the ''eLibrary'' link of Commission's Web site at *http://www.ferc.gov/docs-filing/elibrary.asp.* Enter the docket number (P–14627) in the docket number field to access the document. For assistance, contact FERC Online Support.

Dated: October 22, 2014.

Kimberly D. Bose,

Secretary.

[FR Doc. 2014–25625 Filed 10–28–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No.14638–000]

Las Vegas Wash Hydro, LLC; Notice of Preliminary Permit Application Accepted for Filing and Soliciting Comments, Motions To Intervene, and Competing Applications

On October 2, 2014, the Las Vegas Wash Hydro, LLC, filed an application for a preliminary permit, pursuant to section 4(f) of the Federal Power Act (FPA), proposing to study the feasibility of the Las Vegas Wash Hydroelectric Project to be located on Las Vegas Wash, in the city of Lake Las Vegas, Clark County, Nevada. The sole purpose of a preliminary permit, if issued, is to grant the permit holder priority to file a license application during the permit term. A preliminary permit does not authorize the permit holder to perform any land-disturbing activities or otherwise enter upon lands or waters owned by others without the owners' express permission.

The proposed project would use the existing Las Vegas Wash and associated diversion and penstocks. The source of water through the project is waste streams from the metropolitan area of Las Vegas, NV. Flows would return to the Las Vegas Wash at or near the existing point of return. The proposed project would be on privately owned lands and prescriptive easement right-of-ways. The existing Las Vegas Wash pipelines are owned by the City of Henderson, NV, and located on private lands by easement. The project would consist of the following: (1) An existing concrete diversion/inlet structure with two gates; (2) two existing 10,204-foot-long, 84-inch-diameter, side-by-side penstocks that pass beneath Lake Las Vegas; (3) a new connection to the existing penstocks; (4) a new powerhouse located adjacent to the existing outfall structure for the Las Vegas Wash, containing one 2.1-megawatt Francis turbine; (5) a switchyard; and (6) a 900-foot-long, 15-kV transmission line, which would interconnect into the utility distribution system owned by NV Energy. Existing roads would access the project. The project would operate in a run-of-river mode using flows of the Las Vegas Wash consistent with historical operations. One of the two penstocks would be used for bypass flows. The estimated annual generation of the Las Vegas Wash Hydroelectric Project would be 16.5 gigawatt-hours.

Applicant Contact: Mr. Ted Sorenson, P.E., Sorenson Engineering, 5203 S. 11th East, Idaho Falls, Idaho 83404; phone: (208) 522–8069.

FERC Contact: Claire McGrath; phone: (202) 502–8290.

Deadline for filing comments, motions to intervene, competing applications (without notices of intent), or notices of intent to file competing applications: 60 days from the issuance of this notice. Competing applications and notices of intent must meet the requirements of 18 CFR 4.36.

The Commission strongly encourages electronic filing. Please file comments, motions to intervene, notices of intent, and competing applications 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–14638–000.

More information about this project, including a copy of the application, can be viewed or printed on the ''eLibrary'' link of Commission's Web site at *http://www.ferc.gov/docs-filing/elibrary.asp.* Enter the docket number (P–14638) in the docket number field to access the document. For assistance, contact FERC Online Support.

Dated: October 22, 2014.

Kimberly D. Bose,

Secretary.

[FR Doc. 2014–25626 Filed 10–28–14; 8:45 am]

BILLING CODE 6717–01–P

FEDERAL COMMUNICATIONS COMMISSION

[WT Docket No. 14–161; DA 14–1478]

Enhancements to the Commission's Universal Licensing System and Antenna Structure Registration System for Providing Access to Official Electronic Authorizations and Seeks Comment on Final Procedures

AGENCY: Federal Communications Commission.

ACTION: Notice.

SUMMARY: In this document, the Wireless Telecommunications Bureau (Bureau) seeks comment on certain procedures for implementing access to official authorizations electronically in the Commission's Universal Licensing System or Antenna Structure Registration System, while providing options for receiving authorizations on paper through the U.S. Postal Service.

DATES: Comments are due on or before November 10, 2014.

ADDRESSES: All filings in response to the Notice must refer to WT Docket No. 14–161. The Wireless Telecommunications Bureau strongly encourages parties to file comments electronically. Comment may be submitted electronically by the following methods:

- Federal Communications Commission's Web site: *http://www.fcc.gov/cgb/ecfs/.* Follow the instructions for submitting comments.
- By email. To obtain instructions for filing by email, filers should send an email to *ecfs@fcc.gov,* and include the following words in the body of the message, ''get form.'' A sample form and directions will be sent in response.
- Paper Filers: Parties who choose to file by paper must file an original and one copy of each filing. 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, Attn: WTB/MD, Office of the Secretary, Federal Communications Commission. All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th Street SW., Room TW–A325, Washington, DC 20554. All hand deliveries must be held together with rubber bands or fasteners. All envelopes must be disposed of before entering the building. 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. U.S. Postal Service first-class mail, Express Mail, and Priority Mail should be addressed to 445 12th Street SW., Washington, DC 20554.
- In addition, Parties are requested to send one copy of their comments to Best Copy and Printing, Inc., Portals II, 445 12th Street SW., Room CY–B402, Washington, DC 20554, (800) 378–3160, email *FCC@BCPIWEB.com.*

People with Disabilities: Contact the FCC 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 FURTHER INFORMATION CONTACT: Mary Bucher at (202) 418–2656 or via email at *Mary.Bucher@fcc.gov.*

SUPPLEMENTARY INFORMATION: This is a summary of Public Notice (DA 14–1478) released on October 10, 2014. The complete text of the Public Notice is available for viewing via the Commission's ECFS Web site by entering the docket number, WT Docket No. 14–161. The complete text of the Public Notice is also available for public inspection and copying from 8:00 a.m. to 4:30 p.m. Eastern Time (ET) Monday through Thursday or from 8:00 a.m. to 11:30 a.m. ET on Fridays in the FCC Reference Information Center, 445 12th Street SW., Room CY–B402, Washington, DC 20554, telephone 202–488–5300, fax 202–488–5563, or you may contact BCPI at its Web site: *http://www.BCPIWEB.com.* When ordering documents from BCPI, please provide the appropriate FCC document number, for example, DA 14–1478.

In the Notice, the Bureau announces enhancements to the Commission's Universal Licensing System (ULS) and Antenna Structure Registration (ASR) System to allow all commercial, private and public safety wireless service licensees and ASR registrants electronic access to their current official authorizations in ''Active'' status. For purposes of the Notice, the term ''authorization'' includes all current commercial, private, and public safety wireless service licenses, commercial radio operator permits, vessel exemptions, and spectrum leases in ''Active'' status and authorized in parts 1, 13, 20, 22, 24, 26, 27, 74, 80, 87, 90, 95, 97 and 101 of the Commission's rules. The term also includes all current FCC Forms 854R, Antenna Structure Registrations, in ''Active'' status, including ''Granted'' or ''Constructed,'' and authorized under part 17 of the Commission's rules. The term does not include current authorizations in any status other than ''Active,'' including, for example, current authorizations in ''Expired,'' ''Cancelled,'' or ''Terminated'' status in ULS, or ''Cancelled,'' ''Dismantled,'' or ''Terminated'' status in the ASR System. In addition, the term does not include spectrum subleases or private commons arrangements, which the Commission will continue to process on a manual basis, nor does the term include authorizations archived in ULS. Antenna Structure Registrations are not archived in the ASR System. Finally, while other Commission Bureaus manage other licensing systems, the enhancements in the Notice apply only to ULS and the ASR System. As of September 1 of this year, 2,153,265 current authorizations in Active status were stored in ULS and the ASR System, and paper copies of official authorizations were mailed to licensees and registrants. The Commission's ''Report on FCC Process Reform'' released earlier this year recommended that, ''to the extent permitted by Federal records retention requirements,'' licensing Bureaus ''should eliminate paper copies of licenses.'' The Report further stated that ''[c]onsideration should be given whether to have a transition period during which certain classes of licensees (such as small, rural providers or amateur radio operators) are excluded or permitted to opt-out of an electronic-only approach.''

To implement this recommendation, upon adoption of final procedures, the Commission will stop providing paper copies of current authorizations to licensees and registrants unless it is notified that the licensee or registrant wishes to continue receiving official authorizations on paper. In the interim, the Commission will continue to print and mail out official authorizations unless it is notified that licensees or registrants wish to stop receiving official authorizations on paper. The Bureau takes the following actions:

- The Bureau deems the electronic version of an authorization stored in ULS or the ASR System as the official Commission document. All licensees and registrants can access, through License Manager in ULS or ASR Dashboard (formerly ASR Manager) in the ASR System, the official electronic versions of their current authorizations in Active status, whether granted prior to or after release of the Notice. Only Commission licensees and registrants are afforded access to their official electronic authorizations through License Manager or ASR Dashboard.
- The Bureau seeks comment on certain aspects of its proposed modernized procedures for implementing access to official authorizations electronically through License Manager, through ASR Dashboard, and by email, while providing options for continuing to receive authorizations on paper through the U.S. Postal Service.
- The Bureau initiates an ''interim test period,'' which will continue until final procedures become effective. During the interim test period, licensees and registrants may elect to stop receiving authorizations on paper through the U.S. Postal Service. If no such election is made, the Commission will continue to print and mail out

paper authorizations upon grant of applications to licensees and registrants. Regardless of their election, all licensees and registrants may access official electronic authorizations online and provide feedback to the Bureau through the public comment process.

• The general public will continue to be able to access unofficial reference copies of authorizations through ULS or the ASR System.

The Notice provides for a 30-day comment period on the procedures proposed below. For promulgating ''rules of agency organization, procedure, or practice''—so-called ''procedural rules''—section 4 of the Administrative Procedure Act (APA) exempts agencies like the Federal Communications Commission from the general APA requirements to provide the public with advance notice and opportunity for comment. While the enhancements to ULS and the ASR System that the Bureau is planning to implement fall within this exemption, the Bureau has nevertheless decided to solicit public comment, which the Bureau believes will better inform its decision-making in this particular proceeding. The Bureau anticipates issuing a further public notice announcing the adoption and implementation of final procedures in the near term. Thus, interested parties are encouraged to take advantage of the interim test period and provide detailed comments to the Bureau.

Authorizations—Official Electronic Authorizations, Electronic Access, Duplicate Copies, and Unofficial Reference Copies

Currently, once an application is granted, ULS or the ASR System generates an authorization from information provided in the granted application. The authorization is then printed on paper, placed in a postage-paid envelope, and mailed out through the U.S. Postal Service to the licensee or registrant. The Bureau finds that an electronic, online authorization can be considered the official Commission authorization under both the Federal Records Act of 1950 and the Communications Act of 1934, as amended. The Bureau therefore deems the electronic version of an authorization generated from the grant of an application and stored in ULS or the ASR System to be the Commission's official document. The Bureau notes that while it is deeming the electronic version of an authorization stored in ULS to be the Commission's official document, lifetime commercial radio operator licenses issued prior to implementation of ULS remain valid even though the license itself is not stored in ULS. The Commission currently mails the official copy of a paper authorization only to the licensee or registrant. In keeping with this practice, under the modernized process, a licensee or registrant may access its official electronic authorizations by securely logging into License Manager in ULS or ASR Dashboard in the ASR System, after which the licensee or registrant can download, save, and print copies of its authorizations, to the extent needed.

Making the official electronic authorization available to a licensee through License Manager in ULS or to a registrant through its ASR Dashboard in the ASR System allows the licensee or registrant to obtain an additional copy of an official authorization without Commission action in the event its existing copy is lost or destroyed. While under this enhanced process the need to request a duplicate paper license or registration will be virtually eliminated, the Commission will retain the capability in ULS and the ASR System that allows licensees and registrants to file applications requesting duplicate paper copies of official authorizations. The Bureau notes that if a licensee elects to submit an application for a duplicate paper license, the licensee would file its application along with any application fee required under Commission rules.

The Commission will continue providing unofficial reference copies of authorizations online through ULS and the ASR System. The reference copy includes the most recent information on the authorization, thus providing the public with current licensing or registration data without compromising the official status of the official authorization.

Proposed Enhancements

The Bureau seeks comment on certain aspects of the modernization process, under which it is seeking to eliminate the distribution of paper authorizations to the greatest extent possible. Under the proposed procedures, once an application is granted, ULS or the ASR System will generate an official electronic authorization. The Commission, however, will no longer print out the authorization on paper and mail it to the licensee or registrant unless it is notified that the licensee or registrant wishes to continue receiving its official authorization(s) on paper.

Official Electronic Authorizations Obtained Through License Manager or ASR Dashboard. The Commission now provides all licensees and registrants, through License Manager or ASR Dashboard, access to the official electronic versions of their current authorizations in Active status, whether granted prior to or after release of the Notice. As described in detail below, links to download authorizations in ULS can be found on the License Manager homepage and a registrant may download authorizations through its ASR Dashboard. In addition, licensees and registrants may download more than one authorization at a time. The Bureau seeks comment on whether this process for providing current official electronic authorizations in Active status through License Manager or ASR Dashboard sufficiently meets the needs of licensees or registrants wishing to use that option.

Official Electronic Authorizations Delivered Through Email. The Bureau also proposes a second method by which a licensee or registrant could obtain its authorizations electronically. Under this proposal, the Commission would send the official electronic authorization via email to a licensee or registrant upon grant of an application if the applicant included a valid email address under ''Applicant Information'' (licensee) in a ULS application form or under ''Antenna Structure Ownership Information'' (registrant) in an ASR System application. While in most cases a single authorization would be attached to a single email, the Bureau also proposes to attach all authorizations granted on the same day within the same system to a single email, to the extent capacity allows. The Bureau notes that this would be a voluntary process and if a licensee or registrant did not wish to provide an email address in an application, it could instead obtain official electronic authorizations through License Manager or ASR Dashboard. While the Commission would email the licensee or registrant its official authorizations, the Bureau notes that its proposal does not include sending an official electronic authorization to a ''contact'' listed on the application. Finally, the Bureau proposes to send official electronic authorizations to valid licensee or registrant email addresses regardless of whether a licensee or registrant obtained its authorization(s) electronically through License Manager or ASR Dashboard, or elected to continue receiving official authorizations on paper through the U.S. Postal Service. The Bureau seeks comment on its proposal for sending official electronic authorizations, upon grant of an application, to the email address voluntarily included with

licensee or registrant information in the application.

Options for Continuing To Receive Official Authorizations on Paper. While the default process under its proposal is to stop printing and mailing out official authorizations, the Bureau also proposes options by which a licensee or registrant could notify the Commission that it wished to continue receiving its official authorization(s) on paper. First, both License Manager and ASR Dashboard now include a setting that allows a licensee or registrant to notify the Commission whether it wishes to receive official authorization(s) on paper. Once final procedures become effective designating electronic delivery as the default, if a licensee or registrant wished to continue receiving official authorizations on paper, the licensee or registrant could change the setting so that once an application was granted, the Commission would print and mail out on paper the resulting official authorization(s) associated with the licensee's or registrant's FCC Registration Number (FRN). Licensees or registrants that use more than one FRN would be required to change the default setting for each FRN in each applicable system, ULS and ASR, to the extent they wished to receive official paper authorizations specifically associated with a particular FRN. The Bureau further notes that, under its proposal, while the default setting would be set so that the Commission would no longer print and mail out official paper authorizations, the setting would have no effect on how the Commission processed other applicant, licensee or registrant correspondence and notices generated by ULS or the ASR System. The proposed procedure for changing the setting is detailed below.

Second, a licensee or registrant could contact the Licensing Support Center via phone, web or mail to request paper authorizations. Using any of these methods, which are also detailed below, the licensee or registrant would be required to provide its FRN(s), and whether its request applied to ULS or the ASR System, or both. After the Commission processed the request, once any pending or future application associated with the FRN(s) that the licensee or registrant provided was granted, the resulting authorization(s) would be printed on paper and mailed through the U.S. Postal Service to the licensee or registrant at the licensee or registrant address specified on the application. The Bureau notes that if a licensee or registrant elects to receive paper authorizations using any of these options, the licensee or registrant would also continue to have access to their authorizations electronically through License Manager or ASR Dashboard. Finally, the Bureau notes that the process for obtaining duplicate paper copies of licenses or registrations by filing an application, along with any applicable filing fee, through ULS or the ASR System would remain available under its proposal. The Bureau seeks comment on these options for licensees and registrants that wish to continue receiving their official authorizations on paper by mail.

The Bureau's intent is to provide access to official electronic authorizations and to address associated issues with regard to making documents available electronically using today's technology, while also accommodating those who wish or need to continue receiving paper authorizations through the U.S. Postal Service. The Bureau is also aware that over time, this enhanced process will continue to change as technology evolves. That said, the Bureau is also interested in whether there are other issues that need to be addressed in this transition to official electronic authorizations, and how those issues may be resolved.

The Interim Test Period

In conjunction with seeking comment on certain proposed procedures, the Bureau is initiating an ''interim test period,'' which will continue until final procedures become effective. In particular, the Commission has enhanced ULS and the ASR System to make some of the options included in the Bureau's proposal available for voluntary use during this interim test period so that licensees and registrants can evaluate their experience in accessing official electronic authorizations online and provide feedback to the Bureau through the public comment process. All licensees and registrants can access through License Manager or ASR Dashboard the official electronic versions of their current authorizations in Active status, whether granted prior to or after release of the Notice.

They may also elect to stop receiving paper copies. During this interim test period, once a pending application is granted, and ULS or the ASR System has generated the official authorization, the Commission will continue to print the authorization on paper, place it in a postage-paid envelope, and mail it through the U.S. Postal Service to the licensee or registrant, unless the licensee or registrant elects to stop receiving paper copies using the setting now included in both License Manager and ASR Dashboard. If a licensee or registrant wishes to stop receiving official authorizations on paper during the interim test period, the licensee or registrant must change the setting so that the Commission will no longer print and mail out on paper any official authorizations associated with the licensee's or registrant's FRN. The procedure for changing the setting is detailed below.

Posting and Record Retention Rules

Finally, some of the Commission's wireless service-specific rules require licensees to retain current authorizations as part of their station records, and, for some services, licensees must post paper copies of their station authorizations at certain locations. In addition, Commission rules require antenna structure owners to post the Antenna Structure Registration Number at each facility, and to provide all tenant licensees (and permittees) on the structure access to a copy of the FCC Form 854R, Antenna Structure Registration. The Bureau notes that enhancing the Commission's licensing and Antenna Structure Registration systems to replace official paper authorizations with official electronic authorizations does not affect these rules. The Bureau further notes that the Commission recently adopted revisions to its part 17 rules, which become effective October 24, 2014, including modified requirements for posting Antenna Structure Registration Numbers and mailing registrations to tenant licensees and permittees. The enhancements described in the Notice are independent of the proposals adopted in that rulemaking.

Instructions for Downloading Authorizations

ULS. The Commission is currently providing both temporary and permanent links on the License Manager homepage to download authorizations in ULS. The temporary link, ''download your official electronic authorizations *now,''* can be found on a green bar across the top of the License Manager homepage. The permanent link, ''Download Electronic Authorizations,'' can be found in the navigation bar on the left side of the License Manager homepage.

ASR. The link to download Antenna Structure Registrations, ''Download Official Registration,'' can be found on the registrant's ASR Dashboard homepage as well as under the ''My Registrations'' tab on its ASR Dashboard.

Instructions for Selecting Electronic or Paper Authorizations During the Interim Test Period

Instructions for Continuing To Receive Paper Authorizations During the Interim Test Period

ULS. The Commission is also providing both temporary and permanent links in ULS on the License Manager homepage to access the new default setting that allows licensees and registrants to notify the Commission whether they wish to receive authorizations on paper through the U.S. Postal Service. The temporary link, ''Change your paper authorization preferences *here,*'' can be found on a green bar across the top of the License Manager homepage. The permanent link, ''Set Paper Authorization Preferences,'' can be found in the navigation bar on the left side of the License Manager homepage. Once accessed, the default setting will look like this during the interim test period:

''Receive Paper Authorizations?
x Yes __ No''

ASR. The default setting in the ASR System is located on the home page of a registrant's ASR Dashboard and will look like this during the interim test period:

''Receive Paper Registrations?
x Yes __ No''

If a licensee or registrant wishes to continue receiving official authorizations on paper during the interim test period, they do not need to make any changes to the settings in License Manager or ASR Dashboard.

Instructions for Selecting Electronic-Only Authorizations During the Interim Test Period

If a licensee or registrant wishes to stop receiving official authorizations on paper during the interim test period, the licensee or registrant must change the setting(s) described above by checking the ''No'' box. If the setting is changed to ''No,'' the Commission will no longer print and mail out on paper any official authorizations associated with the licensee's or registrant's FRN(s).

Instructions for Selecting Electronic or Paper Authorizations Upon Implementation of Final Procedures

Instructions for Continuing To Obtain Electronic-Only Authorizations Upon Implementation of Final Procedures

ULS. Upon adoption of final procedures, the Commission would continue to provide, for a period of time, the same temporary and permanent links described in the interim test period instructions on the License Manager homepage to access the default setting in ULS. Once accessed, the default setting would look like this upon implementation of final procedures:

''Receive Paper Authorizations?
__ Yes x No''

ASR. Upon adoption of final procedures, the default setting in the ASR System would be located on the homepage of the registrant's ASR Dashboard and would look like this upon implementation of final procedures:

''Receive Paper Registrations?
__ Yes x No''

Upon adoption of final procedures, if a licensee or registrant wished to only obtain official authorizations electronically through ULS or the ASR System, they would not need to make any changes to the settings in License Manager or ASR Dashboard. If the licensee or registrant did not change the setting, the Commission would no longer print and mail out on paper official authorizations associated with the licensee's or registrant's FRN(s).

Instructions for Obtaining Paper Authorizations Upon Implementation of Final Procedures

Once the Bureau implements final procedures, if a licensee or registrant wished to receive official authorizations on paper, the licensee or registrant could change the setting(s) described above by checking the ''Yes'' box.

OR

The licensee or registrant could contact the Licensing Support Center via phone, Web or mail. All requests would be required to include the licensee's or registrant's FRN(s), and whether the request applied to ULS or the ASR System, or both.

Phone: (877) 480–3201, Option 2; TTY (888) 225–5322, Option 2.

Web: https://esupport.fcc.gov/request.htm.

Mail: Send a letter to the Wireless Telecommunications Bureau, Technologies, Systems and Innovation Division, 1270 Fairfield Road, Gettysburg, Pennsylvania 17325–7245.

If a licensee or registrant changed the setting(s) described above to ''Yes'' or used any of these other options, once an application was granted, the Commission would print and mail out on paper the resulting official authorization(s) associated with the licensee's or registrant's FRN(s). Finally, the Bureau notes that if a licensee or registrant elected to receive paper authorizations upon implementation of final procedures, the licensee or registrant would also continue to have access to their authorizations electronically through License Manager or ASR Dashboard.

This proceeding has been designated as a ''permit-but-disclose'' proceeding 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 that data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where the 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 § 1.1206(b) of the Commission's rules. In proceedings governed by § 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 to those documents 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.

Federal Communications Commission.

Jessica Almond,

Chief of Staff, Wireless Telecommunications Bureau.

[FR Doc. 2014–25749 Filed 10–28–14; 8:45 am]

BILLING CODE 6712–01–P

FEDERAL MARITIME COMMISSION

Notice of Agreements Filed

The Commission hereby gives notice of the filing of the following agreements under the Shipping Act of 1984. Interested parties may submit comments on the agreements to the Secretary, Federal Maritime Commission, Washington, DC 20573, within twelve days of the date this notice appears in the **Federal Register**. Copies of the agreements are available through the Commission's Web site (*www.fmc.gov*) or by contacting the Office of Agreements at (202) 523–5793 or *tradeanalysis@fmc.gov.*

Agreement No.: 008005–011.

Title: New York Terminal Conference Agreement.

Parties: American Stevedoring Inc.; Port Newark Container Terminal LLC; Universal Maritime Service Corp.; GCT Bayonne LP; and GCT New York LP.

Filing Party: George J. Lair, New York Terminal Conference, P.O. Box 875, Chatham, NJ 07928.

Synopsis: The amendment changes the name of Global Terminal and Container Services, LLC to GCT Bayonne LP, and the name of New York Container Terminal, LLC to GCT New York LP.

Agreement No.: 012293–002.

Title: Maersk/MSC Vessel Sharing Agreement.

Parties: A.P. Moller-Maersk A/S trading under the name of Maersk Line; and MSC Mediterranean Shipping Company S.A.

Filing Party: Wayne Rohde, Esq., Cozen O'Connor, 1627 I Street NW., Suite 1100, Washington, DC 20006.

Synopsis: The amendment would add United Arab Emirates to the geographic scope of the agreement.

Agreement No.: 012300.

Title: The COSCON/KL/YMUK/Hanjin/ELJSA Slot Allocation and Sailing Agreement.

Parties: COSCO Container Lines Company, Limited; Kawasaki Kisen kaisha, Ltd.; Yang Ming (UK) Ltd.; Hanjin Shipping Co., Ltd.; and Evergreen Line Joint Service Agreement.

Filing Party: Eric. C. Jeffrey, Esq., Nixon Peabody LLP, 401 9th Street NW., Suite 900, Washington, DC 20004.

Synopsis: The agreement would authorize the parties to share and coordinate sailings and space in the trade between the United States, on the one hand, and North Asia, South Asia, Middle East (including the Persian Gulf region), Northern Europe, Mediterranean, Egypt, Panama, Mexico, Jamaica, and Canada, on the other hand.

Agreement No.: 200955–003.

Title: GCT New York/GCT Bayonne Agreement.

Parties: Global Terminal & Container Services, LLC. and New York Container Terminal, LLC.

Filing Party: Carol N. Lambos, Esq., The Lambos Firm, LLP, 303 South Broadway, Suite 410, Tarrytown, NY 10591.

Synopsis: The amendment changes the name of New York Container Terminal, LLC to GCT New York LP and Global Terminal and Container Services, LLC to GCT Bayonne LP. The amendment also changes the name of the agreement to reflect the name changes.

Agreement No.: 201222–001.

Title: Port of Seattle/Port of Tacoma Rate Discussion Agreement.

Parties: Port of Seattle and Port of Tacoma.

Filing Party: Thomas H. Tanaka, Senior Port Counsel, Port of Seattle, 2711 Alaskan Way, Seattle, WA 98121; and Carolyn Lake, Port General Legal Counsel, Port of Tacoma, 501 South G Street, Tacoma, WA 98405.

Synopsis: The Agreement would allow for the establishment of a seaport alliance.

By Order of the Federal Maritime Commission.

Dated: October 24, 2014.

Rachel E. Dickon,

Assistant Secretary.

[FR Doc. 2014–25715 Filed 10–28–14; 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 part 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 December 29, 2014.

ADDRESSES: You may submit comments, identified by *FR 3059 or FR 4100,* 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 Acting Clearance Officer—John Schmidt—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 Conduct Under OMB Delegated Authority the Following Survey

1. *Report title:* 2016 Survey of Consumer Finances (SCF).

Agency form number: FR 3059.

OMB control number: 7100–0287.

Frequency: One-time survey.

Reporters: U.S. families.

Estimated annual reporting hours: Pretest: 188 hours and Main survey: 8,750 hours.

Estimated average hours per response: Pretest, 75 minutes; and Main survey, 75 minutes.

Number of respondents: Pretest, 150; and Main survey, 7,000.

General description of report: This information collection is voluntary (12 U.S.C. 225a. and 263). The information collected on the FR 3059 is exempt from disclosure in identifiable form under the Confidential Information Protection and Statistical Efficiency Act (CIPSEA) and section (b)(3) of the Freedom of Information Act. 44 U.S.C. 3501, note, and 5 U.S.C. 552(b)(3).

Abstract: This would be the twelfth triennial SCF since 1983, the beginning of the current series. This survey is the only source of representative information on the structure of U.S. families' finances. The survey would collect data on the assets, debts, income, work history, pension rights, use of financial services, and attitudes of a sample of U.S. families. Because the ownership of some assets is relatively concentrated in a small number of families, the survey would make a special effort to ensure proper representation of such assets by systematically oversampling wealthier families.

Proposal to Approve Under OMB Delegated Authority the Extension for Three Years, Without Revision, of the Following Report

1. *Report title:* The Recordkeeping and Disclosure Requirements Associated with the Guidance on Response Programs for Unauthorized Access to Customer Information.

Agency form number: FR 4100.

OMB control number: 7100–0309.

Frequency: Develop customer notice, one-time; Incident notification, event-generated.

Reporters: Financial institutions.

Estimated annual reporting hours: Develop response program, 456 hours; Incident notification, 5,436 hours.

Estimated average hours per response: Develop response program, 24 hours; Incident notification, 36 hours.

Number of respondents: Develop response program, 19; Incident notification, 151.

General description of report: This information collection is mandatory (15 U.S.C. 6801(b)). Since the Federal Reserve does not collect information associated with the FR 4100, any issue of confidentiality would not generally be an issue. However, confidentiality may arise if the Federal Reserve were to obtain a copy of a customer notice during the course of an examination or were to receive a copy of a Suspicious Activity Report (SAR; FR 2230; OMB No. 7100–0212). In such cases the information would be exempt from disclosure to the public under the Freedom of Information Act (5 U.S.C 552(b)(3), (4), and (8)). Also, a federal employee is prohibited by law from disclosing a SAR or the existence of a SAR (31 U.S.C. 5318(g)).

Abstract: The FR 4100 is the information collection associated with the *Interagency Guidance on Response Programs for Unauthorized Access to Customer Information and Customer Notice* (security guidelines), which was published in the **Federal Register** in March 2005 (70 FR 15736). Trends in customer information theft and the accompanying misuse of that information led to the issuance of these security guidelines applicable to financial institutions. The security guidelines are designed to facilitate timely and relevant notification to affected customers and the appropriate regulatory authority of the financial institutions. The security guidelines provide specific direction regarding the development of response programs and customer notifications.

Board of Governors of the Federal Reserve System, October 24, 2014.

Robert deV. Frierson,

Secretary of the Board.

[FR Doc. 2014–25696 Filed 10–28–14; 8:45 am]

BILLING CODE 6210–01–P

GENERAL SERVICES ADMINISTRATION

[Notice–CPL 2014–01; Docket No. 2104–01; Sequence 33]

The General Services Administration's Labor Management Relations Council (GLMRC)

AGENCY: Office of Human Resources Management, U.S. General Services Administration (GSA).

ACTION: Notice.

SUMMARY: The Administrator of U.S. General Services Administration has determined that the establishment of the GSA Labor Management Relations Council (GLMRC), a Federal Advisory Committee is necessary and in the public's interest. A charter for the GLMRC has been prepared and will be filed no earlier than 15 days following the publication of this notice. In addition, this notice establishes criteria and procedures for the nomination of GLMRC members.

DATES: *Effective:* October 29, 2014.

FOR FURTHER INFORMATION CONTACT: Ms. Temple L. Wilson, Designated Federal Officer, General Services Administration, Labor Management Relations Council, Administration, 1800 F Street NW., Washington, DC 20405, email *glmrc@gsa.gov.*

SUPPLEMENTARY INFORMATION:

Background & Authority: The GSA Office of Human Resources Management, Office of Human Resource Services provides comprehensive

human capital management solutions in such areas as staffing, labor relations, training, performance management and organizational development.

SUPPLEMENTARY INFORMATION: This notice advises of the establishment of the GLMRC in compliance with Executive Order 13522, and is published in accordance with the provisions of the Federal Advisory Committee Act (Pub L. 92–463).

The purpose of the GLMRC is to promote collaboration between managers and employees, through their exclusive representatives, for continued delivery of the highest quality services to the American taxpayer. The GLMRC, serving as a complement to the existing collective bargaining process, will provide a non-adversarial forum for management and employees' exclusive representatives to discuss workplace challenges and problems and endeavor to develop solutions jointly. The GLMRC will seek to provide advice that allows employees through their exclusive representatives to have pre-decisional involvement (PDI) in all workplace matters to the fullest extent practicable and by making a good-faith attempt to resolve concerns related to any proposed changes in conditions of employment, including those involving the subjects set forth in 5 U.S.C. 7106(b)(1). The GLMRC will evaluate and document changes in employee satisfaction, labor-management relations climate, and organizational performance. The GLMRC is a non-discretionary FACA committee. The functions of the GLMRC are advisory only.

An individual who is a Federally-registered lobbyist in their individual capacity may not serve on the GLMRC. GLMRC members will not receive compensation. Travel reimbursements are permitted. The meetings are open to public observers, unless prior notice has been provided for a closed meeting.

Nominations for Advisory Committee Appointment: There is no prescribed format for nominations. Individuals may nominate themselves or other individuals. A nomination package should include the following information for each nominee: (1) A letter of nomination stating the name, affiliation, and contact information for the nominee, membership capacity he/she will serve, nominee's field(s) of expertise, description of their interest, and qualifications (2) a complete professional biography or resume of the nominee; and (3) the name, return address, email address, and daytime telephone number at which the nominator can be contacted. GSA will consider nominations of all qualified individuals, to ensure that the GLMRC includes the areas of labor management subject matter expertise needed. Potential candidates may be asked to provide detailed information concerning financial interests that might be affected by recommendations of the GLMRC to permit evaluation of possible sources of conflicts of interest. The nomination period for interested candidates will close 30 days after publication of this notice. All nominations should be submitted in sufficient time to be received by 5:00 p.m. Eastern Standard Time on the closing date and be addressed to email address: *glmrc@gsa.gov* or by mail to:

General Services Administration, Office of Human Resource Management, 1800 F Street NW., Washington, DC 20405.

Dated: October 23, 2014.

Susan Scheider,

Director, Labor Relations.

[FR Doc. 2014–25719 Filed 10–28–14; 8:45 am]

BILLING CODE 6820–34–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Committee on Vital and Health Statistics: Teleconference

Pursuant to the Federal Advisory Committee Act, the Department of Health and Human Services (HHS) announces the following advisory committee meeting.

Name: National Committee on Vital and Health Statistics (NCVHS) Full Committee Teleconference.

Time and Date: November 7, 2014; 10:00 a.m.–11:00 a.m. EST.

Place: Teleconference—scheduled to begin at 10:00 a.m. Eastern Standard Time. To participate in the teleconference, please use the following url *http://www.ncvhs.hhs.gov/* to take you to the NCVHS homepage where registration information and the link to join the call will be available.

Status: Open, however teleconference access limited only by availability of telephone ports. There will be a public comment period during the final 15 minutes of the teleconference.

Purpose: The purpose of this teleconference of the full committee of the NCVHS is to discuss and vote for approval the NCVHS Privacy, Confidentiality & Security Subcommittee Community Data User Toolkit.

Contact Person for More Information: Debbie M. Jackson, Interim Executive Secretary, NCVHS, National Center for Health Statistics, Centers for Disease Control and Prevention, 3311 Toledo Road, Room 2402, Hyattsville, Maryland 20782, telephone (301) 458–4614.

Program information as well as summaries of meetings and a roster of committee members are available on the NCVHS home page of the HHS Web site: *http://www.ncvhs.hhs.gov/*, where further information including an agenda will be posted when available.

Dated: October 23, 2014.

James Scanlon,

Deputy Assistant Secretary for Planning and Evaluation, (Science and Data Policy), Office of the Assistant Secretary for Planning and Evaluation.

[FR Doc. 2014–25689 Filed 10–28–14; 8:45 am]

BILLING CODE 4151–05–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for Children and Families

Submission for OMB Review; Comment Request

Title: Title IV–E Foster Care Eligibility Review, Child and Family Service Reviews, and Multi-Ethnic Placement Act Anti-Discrimination Enforcement Corrective Action Plan; Final Rule.

OMB No.: 0970–0214.

Description: The following five separate activities are associated with this information collection: Foster Care Eligibility Review (FCER) Program Improvement Plan; Child and Family Services Reviews (CFSR) state agency Statewide Assessment; CFSR On-site Review; CFSR Program Improvement Plan; and Multi-Ethnic Placement Act Anti-Discrimination Enforcement Corrective Action Plan. The collection of information for review of federal payments to states for foster care maintenance payments (45 CFR 1356.71(i)) is authorized by title IV–E of the Social Security Act (the Act), section 474 [42 U.S.C. 674]. The FCER ensure that states claim title IV–E funds only on behalf of title IV–E eligible children. The collection of information for review of state child and family services programs (45 CFR 1355.33(b), 1355.33(c) and 1355.35(a)) is to determine whether such programs are in substantial conformity with state plan requirements under parts B and E of the Act and is authorized by section 1123(a) [42 U.S.C. 1320a–1a] of the Act. The CFSR looks at both the outcomes related to safety, permanency and well-being of children served by the child welfare system and at seven systemic factors that support the outcomes. Section 474(d) of the Act [42 U.S.C. 674] deploys enforcement provisions (45 CFR 1355.38(b) and (c)) for the requirements at section 471(a)(18) [42 U.S.C. 671], which prohibit the delay or denial of foster and

adoptive placements based on the race, color, or national origin of any of the individuals involved. The enforcement provisions include the execution and completion of corrective action plans when a state is in violation of section 471(a)(18) of the Act. The information collection is needed: (1) To ensure compliance with title IV–E foster care eligibility requirements; (2) to monitor state plan requirements under titles IV–B and IV–E of the Act, as required by federal statute; and (3) to enforce the title IV–E anti-discrimination requirements through state corrective action plans. The resultant information will allow ACF to determine if states are in compliance with state plan requirements and are achieving desired outcomes for children and families, help ensure that claims by states for title IV–E funds are made only on behalf of title IV–E eligible children, and require states to revise applicable statutes, rules, policies and procedures, and provide proper training to staff, through the development and implementation of corrective action plans. These reviews not only address compliance with eligibility requirements but also assist states in enhancing the capacities to serve children and families. In computing the number of burden hours for this information collection, ACF based the annual burden estimates on ACF's and states' experiences in conducting reviews and developing program improvement plans.

Respondents: State Title IV–B and Title IV–E Agencies.

ANNUAL BURDEN ESTIMATES

Instrument	Number of respondents	Number of responses per respondent	Average burden hours per response	Total burden hours
45 CFR 1356.7(i) Program Improvement Plan (FCER)	2	1	90	180
45 CFR 1366.33(b) Statewide Assessment (CFSR)	13	1	120	1,560
45 CFR 1355.33(c) On-site Review (CFSR)	13	1	1,186	15,418
45 CFR 1355.35(a) Program Improvement Plan (CFSR)	13	1	300	3,900
45 CFR 1355.38(b) and (c) Corrective Action	1	1	780	780

Estimated Total Annual Burden Hours: 21,838.

Additional Information: Copies of the proposed collection may be obtained by writing to the Administration for Children and Families, Office of Planning, Research and Evaluation, 370 L'Enfant Promenade SW., Washington, DC 20447, Attn: ACF Reports Clearance Officer. All requests should be identified by the title of the information collection. Email address: *infocollection@acf.hhs.gov.*

OMB Comment: OMB is required to make a decision concerning the collection of information between 30 and 60 days after publication of this document in the **Federal Register**. Therefore, a comment is best assured of having its full effect if OMB receives it within 30 days of publication. Written comments and recommendations for the proposed information collection should be sent directly to the following: Office of Management and Budget, Paperwork Reduction Project, Fax: 202–395–7285, Email: *OIRA_SUBMISSION@OMB.EOP.GOV,* Attn: Desk Officer for the Administration for Children and Families.

Robert Sargis,

Reports Clearance Officer.

[FR Doc. 2014–25644 Filed 10–28–14; 8:45 am]

BILLING CODE 4184–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Administration for Children and Families

Proposed Information Collection Activity; Comment Request

Proposed Projects

Title: Intergovernmental Reference Guide (IRG).

OMB No.: 0970–0209.

Description: The Intergovernmental Reference Guide (IRG) is a centralized and automated repository of state and tribal profiles, which contains high-level descriptions of each state and tribe's child support enforcement (CSE) program. These profiles provide state and tribal CSE agencies, and foreign countries with an effective and efficient method for updating and accessing information needed to process intergovernmental child support cases.

The IRG information collection activities are authorized by: (1) 42 U.S.C. 652(a)(7), which requires OCSE to provide technical assistance to state child support enforcement agencies to help them establish effective systems for collecting child and spousal support; (2) 42 U.S.C. 666(f), which requires states to enact the Uniform Interstate Family Support Act; and (3) 45 CFR 303.7, which requires state child support agencies to provide services in intergovernmental cases.

Respondents: All state and tribal CSE agencies.

ANNUAL BURDEN ESTIMATES

Instrument	Number of respondents	Number of responses per respondent	Average burden hours per response	Total burden hours
Intergovernmental Referral Guide: State Profile Guidance—(States and Territories)	54	18	0.30	291.60
Intergovernmental Referral Guide: Tribal Profile Guidance	60	18	0.30	324.00

Estimated Total Annual Burden Hours: 615.60.

In compliance with the requirements of Section 506(c)(2)(A) of the Paperwork Reduction Act of 1995, the Administration for Children and Families is soliciting public comment on the specific aspects of the information collection described above. Copies of the proposed collection of information can be obtained and comments may be forwarded by writing

to the Administration for Children and Families, Office of Planning, Research and Evaluation, 370 L'Enfant Promenade SW., Washington, DC 20447, Attn: ACF Reports Clearance Officer. Email address: *infocollection@acf.hhs.gov.* All requests should be identified by the title of the information collection.

The Department specifically requests comments on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information; (c) the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology. Consideration will be given to comments and suggestions submitted within 60 days of this publication.

Robert Sargis,

Reports Clearance Officer.

[FR Doc. 2014–25684 Filed 10–28–14; 8:45 am]

BILLING CODE 4184–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2011–N–0231]

Agency Information Collection Activities; Submission for Office of Management and Budget Review; Comment Request; Adverse Experience Reporting for Licensed Biological Products; and General Records

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) is announcing that a proposed collection of information has been submitted to the Office of Management and Budget (OMB) for review and clearance under the Paperwork Reduction Act of 1995.

DATES: Fax written comments on the collection of information by November 28, 2014.

ADDRESSES: To ensure that comments on the information collection are received, OMB recommends that written comments be faxed to the Office of Information and Regulatory Affairs, OMB, Attn: FDA Desk Officer, FAX: 202–395–7285, or emailed to *oira_submission@omb.eop.gov.* All comments should be identified with the OMB control number 0910–0308. Also include the FDA docket number found in brackets in the heading of this document.

FOR FURTHER INFORMATION CONTACT: FDA PRA Staff, Office of Operations, Food and Drug Administration, 8455 Colesville Rd., COLE–14526, Silver Spring, MD 20993–0002, *PRAStaff@fda.hhs.gov.*

SUPPLEMENTARY INFORMATION: In compliance with 44 U.S.C. 3507, FDA has submitted the following proposed collection of information to OMB for review and clearance.

Adverse Experience Reporting for Licensed Biological Products; and General Records—21 CFR Part 600—(OMB Control Number 0910–0308)—Extension

Under the Public Health Service (PHS) Act (42 U.S.C. 262), FDA may only approve a biologics license application for a biological product that is safe, pure, and potent. When a biological product is approved and enters the market, the product is introduced to a larger patient population in settings different from clinical trials. New information generated during the postmarketing period offers further insight into the benefits and risks of the product, and evaluation of this information is important to insure its safe use. FDA issued the Adverse Experience Reporting (AER) requirements in part 600 (21 CFR part 600) to enable FDA to take actions necessary for the protection of the public health in response to reports of adverse experiences related to licensed biological products.[1]

The primary purpose of FDA's AER system is to identify potentially serious safety problems with licensed biological products. Although the premarket approval process is meant to disclose a general safety profile of a biological product's comparatively common adverse effects, the larger and more diverse patient populations exposed to the licensed biological product provides the opportunity to collect information on rare, latent, and long-term effects. In addition, production and/or distribution problems have contaminated biological products in the past. AER reports are obtained from a variety of sources, including manufacturers, patients, physicians, foreign regulatory agencies, and clinical investigators. Identification of new and unexpected safety issues through the analysis of the data in AERS contributes directly to increased public health protection. For example, evaluation of these safety issues enables FDA to take focused regulatory action. Such action may include, but is not limited to, important changes to the product's labeling (such as adding a new warning), coordination with manufacturers to ensure adequate corrective action is taken, and removal of a biological product from the market when necessary.

Section 600.80(c)(1) requires licensed manufacturers or any person whose name appears on the label of a licensed biological product to report each adverse experience that is both serious and unexpected, whether foreign or domestic, as soon as possible but in no case later than 15 calendar days of initial receipt of the information by the licensed manufacturer. These reports are known as postmarketing 15-day Alert reports. This section also requires licensed manufacturers to submit any follow-up reports within 15 calendar days of receipt of new information or as requested by FDA, and if additional information is not obtainable, to maintain records of the unsuccessful steps taken to seek additional information. In addition, this section requires a person who submits an adverse action report to the licensed manufacturer, rather than FDA, to maintain a record of this action.

Section 600.80(e) requires licensed manufacturers to submit a 15-day Alert report for an adverse experience obtained from a postmarketing clinical study only if the licensed manufacturer concludes that there is a reasonable possibility that the product caused the adverse experience. Section 600.80(c)(2) requires licensed manufacturers to report each adverse experience not reported in a postmarketing 15-day Alert report at quarterly intervals, for 3 years from the date of issuance of the biologics license, and then at annual intervals. The majority of these periodic reports are submitted annually since a large percentage of currently licensed biological products have been licensed longer than 3 years. Section 600.80(i) requires licensed manufacturers to maintain for a period of 10 years records of all adverse experiences known to the licensed manufacturer, including raw data and any correspondence relating to the adverse experiences. Section 600.81 requires licensed manufacturers to submit, at an interval of every 6 months, information about the quantity of the product distributed under the biologics

[1] Please note that throughout the regulations referenced in relation to these information collections, licensed biological products refers to biologics licensed under any provision of section 351 of the PHS Act.

license, including the quantity distributed to distributors.

These distribution reports provide FDA with important information about products distributed under biologics licenses, including the quantity, certain lot numbers, labeled date of expiration, the fill lot numbers for the total number of dosage units of each strength or potency distributed (e.g., 50,000 per 10-milliliter vials), and date of release. FDA may require the licensed manufacturer to submit distribution reports under this section at times other than every 6 months. Under § 600.90, a licensed manufacturer may submit a waiver request for any requirements that apply to the licensed manufacturer under §§ 600.80 and 600.81. A waiver request submitted under § 600.90 must include supporting documentation.

Manufacturers of biological products for human use must keep records of each step in the manufacture and distribution of a product including any recalls. These recordkeeping requirements serve preventative and remedial purposes by establishing accountability and traceability in the manufacture and distribution of products. These requirements also enable FDA to perform meaningful inspections. Section 600.12 requires, among other things, that records must be made concurrently with the performance of each step in the manufacture and distribution of products. These records must be retained for no less than 5 years after the records of manufacture have been completed or 6 months after the latest expiration date for the individual product, whichever represents a later date. In addition, under § 600.12, manufacturers must maintain records relating to the sterilization of equipment and supplies, animal necropsy records, and records in cases of divided manufacturing responsibility with respect to a product. Under § 600.12(b)(2), manufacturers are also required to maintain complete records pertaining to the recall from distribution of any product. Furthermore, § 610.18(b) requires, in part, that the results of all periodic tests for verification of cultures and determination of freedom from extraneous organisms be recorded and maintained. The recordkeeping requirements for §§ 610.12(g), 610.13(a)(2), 610.18(d), 680.2(f) and 680.3(f) are approved under OMB control number 0910–0139.

Respondents to this collection of information include manufacturers of biological products and any person whose name appears on the label of a licensed biological product. In table 1, the number of respondents is based on the estimated number of manufacturers that are subject to those regulations or that submitted the required information to the Center for Biologics Evaluation and Research and Center for Drugs Evaluation and Research, FDA, in fiscal year (FY) 2013. Based on information obtained from FDA's database system, there were 131 licensed biologics manufacturers. This number excludes those manufacturers who produce Whole Blood or components of Whole Blood and in vitro diagnostic licensed products, because of the exemption under § 600.80(k). The total annual responses are based on the number of submissions received by FDA in FY 2013. There were an estimated 92,470 15-day Alert reports, 132,667 periodic reports, and 334 lot distribution reports submitted to FDA. The number of 15-day Alert reports for postmarketing studies under § 600.80(e) is included in the total number of 15-day Alert reports. FDA received 64 requests from 35 manufacturers for waivers under § 600.90, of which 63 were granted. The hours per response are based on FDA experience. The burden hours required to complete the MedWatch Form for § 600.80(c)(1), (e), and (f) are reported under OMB control number 0910–0291.

In the **Federal Register** of April 7, 2014 (79 FR 19097), FDA published a 60-day notice requesting public comment on the proposed collection of information. FDA received one comment; however, this comment did not address the information collection.

FDA estimates the burden of this collection of information as follows:

TABLE 1—ESTIMATED ANNUAL REPORTING BURDEN [1]

21 CFR section	Number of respondents	Number of responses per respondent	Total annual responses	Average burden per response	Total hours
600.80(c)(1) and 600.80(e)	131	705.88	92,470	1	92,470
600.80(c)(2)	131	1,012.73	132,667	28	3,714,676
600.81	131	2.55	334	1	334
600.90	35	1.83	64	1	64
Total					3,807,544

[1] There are no capital costs or operating and maintenance costs associated with this collection of information.

In table 2, the number of respondents is based on the number of manufacturers subject to those regulations. Based on information obtained from FDA's database system, there were 334 licensed manufacturers of biological products in FY 2013. However, the number of recordkeepers listed for § 600.12(a) through (e) excluding (b)(2) is estimated to be 164. This number excludes manufacturers of blood and blood components because their burden hours for recordkeeping have been reported under § 606.160 in OMB control number 0910–0116. The total annual records is based on the annual average of lots released in FY 2013 (6,887), number of recalls made (1,679), and total number of adverse experience reports received (225,137) in FY 2013. The hours per record are based on FDA experience.

FDA estimates the burden of this recordkeeping as follows:

TABLE 2—ESTIMATED ANNUAL RECORDKEEPING BURDEN [1]

21 CFR section	Number of recordkeepers	Number of records per recordkeeper	Total annual records	Average burden per recordkeeping	Total hours
600.12 [2]	164	41.99	6,887	32	220,384
600.12(b)(2)	334	5.03	1,679	24	40,296

TABLE 2—ESTIMATED ANNUAL RECORDKEEPING BURDEN [1]—Continued

21 CFR section	Number of recordkeepers	Number of records per recordkeeper	Total annual records	Average burden per recordkeeping	Total hours
600.80(c)(1) and 600.80(i)	131	1,718.60	225,137	1	225,137
Total					485,817

[1] There are no capital costs or operating and maintenance costs associated with this collection of information.
[2] The recordkeeping requirements in § 610.18(b) are included in the estimate for § 600.12.

Dated: October 23, 2014.

Leslie Kux,

Assistant Commissioner for Policy.

[FR Doc. 2014–25637 Filed 10–28–14; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2014–N–1009]

Agency Information Collection Activities; Submission for Office of Management and Budget Review; Comment Request; Information Request Regarding pH of Smokeless Tobacco Products

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) is announcing that a proposed collection of information has been submitted to the Office of Management and Budget (OMB) for review and clearance under the Paperwork Reduction Act of 1995.

DATES: Fax written comments on the collection of information by November 28, 2014.

ADDRESSES: To ensure that comments on the information collection are received, OMB recommends that written comments be faxed to the Office of Information and Regulatory Affairs, OMB, Attn: FDA Desk Officer, FAX: 202–395–7285, or emailed to *oira_submission@omb.eop.gov.* All comments should be identified with the OMB control number 0910–NEW and title ''Information Request Regarding pH of Smokeless Tobacco Products.'' Also include the FDA docket number found in brackets in the heading of this document.

FOR FURTHER INFORMATION CONTACT: FDA PRA Staff, Office of Operations, Food and Drug Administration, 8455 Colesville Rd., COLE–14526, Silver Spring, MD 20993–0002, *PRAStaff@fda.hhs.gov.*

SUPPLEMENTARY INFORMATION: In compliance with 44 U.S.C. 3507, FDA has submitted the following proposed collection of information to OMB for review and clearance.

Information Request Regarding pH of Smokeless Tobacco Products—(OMB Control Number 0910–NEW)

On June 22, 2009, President Obama signed the Family Smoking Prevention and Tobacco Control Act (the Tobacco Control Act) (Pub. L. 111–31) into law. The Tobacco Control Act amended the Federal Food, Drug, and Cosmetic Act (the FD&C Act) by granting FDA authority to regulate the manufacture, marketing, and distribution of tobacco products to protect the public health generally and to reduce tobacco use by minors.

Section 904(b) of the FD&C Act (21 U.S.C. 387d(b)) states that at the request of the Secretary, each tobacco product manufacturer or importer, or agents thereof, must submit:

- Any or all documents (including underlying scientific information) relating to research activities, and research findings, conducted, supported, or possessed by the manufacturer (or agents thereof) on the health, toxicological, behavioral, or physiological effects of tobacco products and their constituents (including smoke constituents), ingredients, components, and additives.
- Any or all documents (including underlying scientific or financial information) relating to research activities, and research findings, conducted, supported, or possessed by the manufacturer (or agents thereof) that relate to the issue of whether a reduction in risk to health from tobacco products can occur upon the employment of technology available or known to the manufacturer.
- Any or all documents (including underlying scientific or financial information) relating to marketing research involving the use of tobacco products or marketing practices and the effectiveness of such practices used by tobacco manufacturers and distributors.

If the Secretary requests information from the manufacturer of a tobacco product not manufactured in the United States, the importer of the tobacco product is required to supply the information. FDA is requesting OMB approval of an information collection under section 904(b) of the FD&C Act. To become better informed about the impact of the use of tobacco products on the public health, FDA would request information about the effects of product pH in smokeless tobacco products from all tobacco product manufacturers. FDA would send letters to tobacco product manufacturers and importers who FDA has identified as having an obligation to respond based on information before the Agency. The requested information would include information about research requested under section 904(b) of the FD&C Act as well as information to be provided voluntarily beyond the inquiries described in section 904(b).

I. Information Requested

The proposed request would include the following information:

All documents (including underlying scientific information and financial information) relating to research activities and research findings conducted, supported, or possessed by the respondent or the respondent's agents relating to a specified set of topics listed in this document. The request includes but is not limited to documents relating to research findings and activities, if any, that the respondent possesses as the result of acquiring or merging with another company. For purposes of the request, ''research'' would include, but would not be limited to, focus groups, surveys, experimental clinical studies, toxicological and biochemical assays, in vivo and in vitro assays including animal testing, laboratory formulation and processing testing, taste panels, and assessments of the effectiveness of product marketing practices. The request would apply to research relating to any and all smokeless tobacco products, including but not limited to those products for research, investigational use, developmental studies, test marketing, and/or commercial marketing, and also to the

components, parts, or accessories of such products. For products not manufactured in the United States, the request would apply to the extent the respondent has imported such products into the United States.

II. Topics

Under section 904(b) of the FD&C Act, FDA would request all documents and underlying scientific and financial information relating to research activities, research findings, and marketing research for smokeless tobacco products developed since January 1, 1980, on the following topics:

- The effect of product pH on ratio of free/bound (unprotonated/protonated) nicotine;
- the effect of product pH on user behavior;
- the effect of product pH on user subjective effects and experiences including, but not limited to, sensory effects in the mouth and throat, liking, craving and withdrawal symptoms, stimulation, concentration, and anxiety;
- the effect of product pH on user physiological responses including, but not limited to, heart rate, blood pressure, temperature, and nicotine pharmacokinetics; and
- for smokeless tobacco products that have a pH of 7.2 or less, marketing research that includes attractiveness or appeal to new users, inexperienced users, and/or to persons under the age of 25.

Research and development of methodology for adjusting the pH of smokeless tobacco products would be specifically excluded from this 904(b) request.

III. Limitations on Types of Documents and Information

With respect to the topics listed, FDA would request only the following documents and information:

- Study proposals, original implemented protocols (including all amendments), analysis plans, agreements, notebooks, data collection tools, including but not limited to, forms and assessment scales for planned, ongoing, or completed studies, surveys, and other research, whether for external release or internal use;
- final data analyses and reports regarding studies, surveys, data compilations, or other research, whether for external or internal use (if there were no final analyses, interim data analyses would be included in the request);
- posters and/or presentations exhibited or to be exhibited at external meetings or conferences if the underlying data has not been presented in other documents and information within the request;
- manuscripts, articles, editorials, and letters that have been submitted for publication but not yet published (e.g., in review, accepted, rejected); and
- underlying data (e.g., in the form of spreadsheets, datasets, charts, tables, and diagrams) analyzed to produce any of the data analyses, reports, posters, manuscripts, or articles requested previously in this notice.

FDA would request only the final versions of documents, or in the absence of a final version, the most recent draft of each document. Published (i.e., publically available) press releases, abstracts, editorials, letters, manuscripts, material safety data sheets, and Department of Health and Human Services correspondences, would not be requested, although FDA would appreciate a list of such publications provided as a separate appendix. Data supporting summary reports would be included in the request, and FDA would ask that spreadsheets or datasets be submitted both in PDF and in a file type and structured format that allows for meaningful review and analysis of the data (e.g., Excel (.xls), comma separated values (.csv), or SAS transport (.xpt) file formats). Also, FDA would request relevant data submissions be accompanied by the name and version of the software used to create the file, and names and definitions of variables and copies of programs and macros needed to generate the analyses. FDA would also ask that respondents include any data analyses that stratify scientific results by gender, race, ethnicity, age, or other similar factors.

To provide context and background for each document, FDA would ask the respondent to include a load file containing metadata (e.g., manufacturer, date, author(s)) for each document. Also in the metadata load file, FDA would ask the respondents to identify the presence of each document in the University of California San Francisco Legacy Tobacco Documents Library (LTDL) as one of the following: Present with the Bates number (begin Bates number to end Bates number), not present, or unknown.

As an option, information responsive to the request that has been previously provided to FDA under sections 904(a)(1), 904(a)(3), 904(c)(1), 904(c)(2), or 904(c)(3) of the FD&C Act would not have to be resubmitted as long as the document was fully referenced in the metadata load file.

IV. Additional Information

FDA would ask the respondent to submit voluntarily the following additional information, as applicable, to provide context and background for FDA:

- A summary (one to five pages in length) for each of the topics previously mentioned in this notice, that includes the number and type of documents included, and a high level overview of the content; and
- an explanation of the scientific and business reasons, rationale, or justification for developing and marketing smokeless tobacco products with different pH values, including expected and observed perception and behavior of current and potential consumers.

This is a new collection of information. FDA would use the information to assess the effects of pH of smokeless tobacco products on consumers and the public health. In the **Federal Register** of July 23, 2014 (79 FR 42797), FDA published a 60-day notice requesting public comment on the proposed collection of information. Four commenters submitted nine comments that were PRA related.

(Comment 1) The Agency should request all document versions, including drafts, as well as comments on those versions and reasons for changes made in subsequent versions.

(Response) FDA believes the request to prepare a submission that includes drafts including related metadata will be overly burdensome for the respondent. Additionally, a request to be provided the reason for changes made in subsequent versions is beyond the inquiries described in section 904(b). FDA clarified the request to note the original implemented protocol is to be submitted. FDA would contact manufacturers, if additional information is needed to facilitate the Agency's review of the submission.

(Comment 2) Do not limit the request to SAS datasets as to not exclude other statistical software.

(Response) It is FDA's intent that data not be excluded from the request based upon the statistical analysis software used. The proposed request asks that data be provided in a file type and structured format that allows for meaningful review and analysis of the data. The request was clarified to note that SAS.xpt is a recommended format for datasets.

(Comment 3) The Agency should request the LTDL tobacco identification (TID) number or URL since these are unique to the document.

(Response) Because the manufacturer does not assign the TID number or URL, FDA believes requesting this information would be overly burdensome for the respondent and

therefore would request only the Bates number(s) as proposed, given that this information is assigned by the manufacturer.

(Comment 4) It would be overly burdensome for the respondent to locate data and provide the requested software for information dating back to January 1, 1970, and FDA should focus the information for more recent times.

(Response) FDA believes the time period for this request should coincide with the commercial availability of smokeless tobacco products with different pH values because industry research on this topic is limited in the public domain. FDA has considered the scientific value of the data and information as well as the burden on respondents to provide such information to FDA. Therefore, FDA revised the request to ask for documents developed since January 1, 1980.

(Comment 5) The burden for the collection was underestimated given that it is likely older documents may only exist in hard copy and, if found, would be in remote storage that would be mostly searched manually.

(Response) The burden was revised given that this portion of the request may be performed manually.

(Comment 6) The burden for the collection was underestimated given that respondents would need to perform document-by-document search of a third party site to provide the requested metadata from LTDL.

(Response) The burden was revised given that this portion of the request may be performed manually.

(Comment 7) It would be overly burdensome for respondents to provide the amount of metadata requested for documents previously submitted to FDA in lieu of providing the Agency with all of the responsive documents it locates.

(Response) FDA clarified the purpose of the metadata load file and also clarified that the respondent has the option to provide metadata for previously submitted documents.

(Comment 8) It would take at least 90 days to provide a response to the request.

(Response) Given the Agency's experience with previous submissions under section 904(a)(4) and 904(b) of the FD&C Act, FDA would request a response within 60 days from the date of the letter and request respondents that anticipate difficulties with the document production to contact FDA within 30 days of the date of the letter. FDA will provide assistance in resolving any technical difficulties and facilitate compliance with the timeline.

(Comment 9) The Agency previously estimated an average of 200 hours per response for the Agency's request for dissolvable tobacco products in 2011.

(Response) FDA has since learned from experience with document submissions under section 904(a)(4) and 904(b) of the FD&C Act that some respondents have electronic document systems. Thus, estimates for this collection reflect automation capabilities for processing and managing document submissions.

FDA estimates the burden of this collection of information as follows:

TABLE 1—ESTIMATED ANNUAL REPORTING BURDEN [1]

Type of respondent gathering product pH information	Number of respondents	Number of responses per respondent	Total annual responses	Average burden hours per response	Total hours	Total capital costs
Tobacco product manufacturers and importers with LTDL collections	3	1	3	165	495	$29
Additional tobacco product manufacturers and importers with previous submissions to FDA	3	1	3	175	525	186
Other manufacturers who have no documents, do not manufacture smokeless tobacco products, or do not anticipate manufacturing these products	119	1	119	5	595	59
Total					1,615	274

[1] There are no operating and maintenance costs associated with this collection of information.

We estimate the capital costs associated with this document to be $274. This estimate is based upon: (1) 3 Submissions being submitted by mailing an average of 10 CDs per envelope ($29), (2) 3 submissions being submitted by mailing a package of paper documents weighing an average of 50 pounds total ($186), and (3) 119 submissions of 1 business class letter describing that no documents are available (119 × $0.49 (the price of a first class business stamp), or $59).

FDA is drawing from tobacco health document submissions under section 904(a)(4) and 904(b) of the FD&C Act, our interaction with the public, and our experience to inform the burden estimates associated with this information collection. Additionally, based upon comments in response to the **Federal Register** notice, FDA is revising its initial estimates of annualized burden hours.

FDA estimates the burden for this collection of information to be 1,615 hours. FDA estimates it will receive 125 submissions. Based upon the expected number of tobacco product manufacturers and importers, their burden has been broken into three tiers:

- FDA anticipates documents for this request will be submitted by three tobacco product manufacturers and importers that have document collections within LTDL. Manufacturers one through three were estimated to take 201, 206, and 85 hours respectively, for an approximate average of 165 hours per response, to process and prepare a submission (i.e., cover letter, documents and information, and metadata load file). Total burden hours for this portion of the collection are expected to be 495 hours.
- FDA anticipates documents to also be submitted by three additional tobacco product manufacturers and importers that provided health documents under section 904(a)(4). Manufacturers four through six were estimated to take 304, 118, and 91 hours respectively, for an approximate average of 175 hours per response, to process and prepare a submission (i.e., cover letter, documents and information, and metadata load file). Total burden hours for this portion of the collection are expected to be 525 hours.
- FDA estimates that 119 manufacturers and importers will not possess documents responsive to this request. These manufacturers do not have documents, do not manufacture smokeless tobacco products, or do not

anticipate manufacturing these tobacco products and are estimated to take approximately 5 hours each to conduct a review of their records, draft and send a letter to FDA indicating that they do not have documents to submit. Total burden hours for this portion of the collection are expected to be 595 hours.

Dated: October 23, 2014.

Leslie Kux,

Assistant Commissioner for Policy.

[FR Doc. 2014–25638 Filed 10–28–14; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

[Docket No. FDA–2014–N–1575]

Best Practices for Communication Between the Food and Drug Administration and Investigational New Drug Sponsors During Drug Development; Request for Comments

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice; establishment of docket, request for comments.

SUMMARY: The Food and Drug Administration (FDA) is announcing the establishment of a docket to receive suggestions, recommendations, and comments from interested parties, including academic institutions, regulated industry, and other interested organizations on best practices for communication between FDA and investigational new drug application (IND) sponsors during drug development. These comments will help FDA identify and ultimately establish best practices to be included in a draft guidance for industry and review staff.

DATES: Submit either electronic or written comments by December 29, 2014.

ADDRESSES: 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: Rachel E. Hartford, Center for Drug Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 22, Rm. 6312, Silver Spring, MD 20993–0002, 301–796–0331, email: *ONDEnhancedComm@fda.hhs.gov;* or Stephen Ripley, Center for Biologics Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 71, Rm. 7301, Silver Spring, MD 20993–0002, 240–402–7911.

SUPPLEMENTARY INFORMATION:

I. Background

One of FDA's performance commitments made as part of the fifth authorization of the Prescription Drug User Fee Act (PDUFA) under Title I of the Food and Drug Administration Safety and Innovation Act (Pub. L. 112–144), related to promoting innovation through enhanced communication between FDA and sponsors during drug (including biological product) development, is for FDA to publish draft guidance for industry and review staff describing best practices for communication between FDA and IND sponsors during drug development. (A copy of the PDUFA Reauthorization Performance Goals and Procedures; Fiscal Years 2013 Through 2017 is available on the FDA Web site at *http://www.fda.gov/downloads/forindustry/userfees/prescriptiondruguserfee/ucm270412.pdf.*)

The guidance will describe FDA's philosophy regarding timely interactive communication with IND sponsors as a core activity and the scope of appropriate interactions between the review team and the sponsor, outline the types of advice that are appropriate for sponsors to seek from FDA in pursuing their drug development program, describe the general expectations for the timing of FDA response to IND sponsor inquiries of simple and clarifying questions or referral of more complex questions to the formal meeting process, and describe best practices and communication methods (including the value of person-to-person scientific dialogue) to facilitate interactions between the FDA review team and the IND sponsor during drug development. We anticipate that the best practices will include expectations and agreement on appropriate methods (e.g., when teleconferencing or secure email may be the most appropriate means of communication) and frequency of such communications.

II. Establishment of a Docket and Request for Comments

To help FDA identify and ultimately establish best practices to be included in a draft guidance, FDA is requesting public suggestions, recommendations, and comments for each aspect of the best practices mentioned above. FDA will consider all comments submitted. FDA generally will not respond directly to the person or organization submitting the comment.

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.*

Dated: October 22, 2014.

Leslie Kux,

Assistant Commissioner for Policy.

[FR Doc. 2014–25641 Filed 10–28–14; 8:45 am]

BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Office of Inspector General

Solicitation of Information and Recommendations for Revising OIG's Non-Binding Criteria for Implementing Permissive Exclusion Authority Under Section 1128(b)(7) of the Social Security Act

AGENCY: Office of Inspector General (OIG), HHS.

ACTION: Notice; Extension of comment period.

SUMMARY: This document announces an extension of the public comment period for the OIG **Federal Register** notice published on July 11, 2014 (79 FR 40114). The notice solicited input from the public on revising the criteria used by OIG in implementing its permissive exclusion authority under Section 1128(b)(7) of the Social Security Act. Due to a technical problem, the public may have been unable to submit comments at *http://www.regulations.gov* during the comment period. Accordingly, we are extending the comment period to ensure that the public has an opportunity to provide input.

DATES: To ensure consideration, public comments must be delivered to the address provided below by no later than 5 p.m. on December 29, 2014.

ADDRESSES: In commenting, please refer to file code OIG–1271–N. Because of staff and resource limitations, we cannot

accept comments by facsimile (FAX) transmission.

You may submit comments in one of three ways (no duplicates, please):

1. *Electronically.* You may submit electronic comments on specific recommendations and proposals through the Federal eRulemaking Portal at *http://www.regulations.gov.*

2. *By regular, express, or overnight mail.* You may send written comments to the following address: Patrice Drew, Office of Inspector General, Department of Health and Human Services, Attention: OIG–1271–N, Room 5296, Cohen Building, 330 Independence Avenue SW., Washington, DC 20201. Please allow sufficient time for mailed comments to be received before the close of the comment period.

3. *By hand or courier.* If you prefer, you may deliver, by hand or courier, your written comments before the close of the comment period to Patrice Drew, Office of Inspector General, Department of Health and Human Services, Cohen Building, 330 Independence Avenue SW., Washington, DC 20201. Because access to the interior of the Cohen Building is not readily available to persons without Federal Government identification, commenters are encouraged to schedule their delivery with one of our staff members at (202) 619–1368.

For information on viewing public comments, please see the Supplementary Information section.

FOR FURTHER INFORMATION CONTACT: Patrice Drew, Department of Health and Human Services, Office of Inspector General, Office of External Affairs, at (202) 619–1368.

SUPPLEMENTARY INFORMATION:

Inspection of Public Comments: All comments received before the end of the comment period are available for viewing by the public. All comments will be posted on *http://www.regulations.gov* as soon as possible after the closing of the comment period. Comments received timely will also be available for public inspection as they are received at Office of Inspector General, Department of Health and Human Services, Cohen Building, 330 Independence Avenue SW., Washington, DC 20201, Monday through Friday of each week from 10 a.m. to 4 p.m. To schedule an appointment to view public comments, phone (202) 619–1368.

Background: The OIG published on a notice entitled, ''Solicitation of Information and Recommendations for Revising OIG's Non-Binding Criteria for Implementing Permissive Exclusion Authority Under Section 1128(b)(7) of the Social Security Act,'' on July 11, 2014 (79 FR 40114). The notice solicited input from the public on the revision of the criteria used by OIG in implementing its permissive exclusion authority under Section 1128(b)(7) of the Social Security Act. Due to a technical problem, the public may have been unable to submit comments during the comment period at *http://www.regulations.gov.* Accordingly, we are extending the comment period to ensure that the public has an opportunity to provide input.

Dated: October 22, 2014.

Daniel R. Levinson,

Inspector General.

[FR Doc. 2014–25681 Filed 10–28–14; 8:45 am]

BILLING CODE 4152–01–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; Effect of Exercise Modality During Weight Loss on Bone Health in Older Adults.

Date: December 11, 2014.

Time: 11:00 a.m. to 12:00 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: Ramesh Vemuri, Ph.D., Chief, Scientific Review Branch, National Institute on Aging, National Institutes of Health, 7201 Wisconsin Avenue, Suite 2C–212, Bethesda, MD 20892, 301–402–7700, *rv23r@nih.gov.*

(Catalogue of Federal Domestic Assistance Program No. 93.866, Aging Research, National Institutes of Health, HHS).

Dated: October 23, 2014.

Melanie J. Gray,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2014–25649 Filed 10–28–14; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Center for Scientific Review; Amended Notice of Meeting

Notice is hereby given of a change in the meeting of the Center for Scientific Review Special Emphasis Panel, November 14, 2014, 12:00 p.m. to November 14, 2014, 02:00 p.m., National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD, 20892 which was published in the **Federal Register** on October 22, 2014, 78 FR 63136.

The meeting will be held on November 11, 2014 instead of November 14, 2014. The meeting time and location remains the same. The meeting is closed to the public.

Dated: October 23, 2014.

Carolyn Baum,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2014–25648 Filed 10–28–14; 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 Population Sciences and Epidemiology Area Review.

Date: November 13, 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, (Telephone Conference Call).

Contact Person: Karin F Helmers, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 3148, MSC 7770, Bethesda, MD 20892, (301) 254–9975, *helmersk@csr.nih.gov.*

Name of Committee: Center for Scientific Review Special Emphasis Panel Clinical Trial Planning Grant for Interventions and Services to Improve Treatment and Prevention of HIV/AIDS.

Date: November 19, 2014.

Time: 11:00 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, (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.*

Name of Committee: Center for Scientific Review Special Emphasis Panel Cellular and Molecular Neuroscience.

Date: November 20, 2014.

Time: 1:00 p.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: Laurent Taupenot, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4188, MSC 7850, Bethesda, MD 20892, 301–435–1203, *laurent.taupenot@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: October 23, 2014.

Carolyn Baum,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2014–25647 Filed 10–28–14; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HOMELAND SECURITY

[Docket No. DHS–2014–0045]

Homeland Security Advisory Council—New Tasking

AGENCY: The Office of Policy, DHS.

ACTION: Notice of task assignment for the Homeland Security Advisory Council.

SUMMARY: The Secretary of the Department of Homeland Security (DHS), Jeh Johnson tasked his Homeland Security Advisory Council (HSAC) to establish a DHS Employee Morale Task Force on Thursday, October 9, 2014. The DHS Employee Morale Task Force will provide recommendations on how to improve employee morale throughout the DHS enterprise. This notice informs the public of the establishment of the DHS Employee Morale Task Force and is not a solicitation for membership.

FOR FURTHER INFORMATION CONTACT: Mike Miron, Director, Homeland Security Advisory Council and the DHS Employee Morale Task Force at 202–447–3135 or *mike.miron@dhs.gov.*

SUPPLEMENTARY INFORMATION: The Homeland Security Advisory Council provides organizationally independent, strategic, timely, specific, and actionable advice and recommendations for the consideration of the Secretary of the Department of Homeland Security on matters related to homeland security. The Homeland Security Advisory Council is comprised of leaders of local law enforcement, first responders, state and local government, the private sector, and academia.

Tasking: The DHS Employee Morale Task Force should develop findings and recommendations in the following topic areas. The DHS Employee Morale Task Force should address, among other closely related topics, the following questions: (1) What are the core or root causes of continued low morale in the Department of Homeland Security? (2) How can DHS strengthen its leadership cadre, in order to both enhance mission effectiveness and also increase employee morale? (3) How can DHS work as a whole, across the agencies and recognizing their distinct cultures, to build a greater sense of belonging and improve employee morale? (4) Referencing the 2007 HSAC DHS Morale Assessment: which of those recommendations were successfully implemented? For those items that were not but still remain relevant, what changes should be made to increase the likelihood of successful implementation and organizational adoption?

Schedule: The DHS Employee Morale Task Force's findings and recommendations will be submitted to the Homeland Security Advisory Council for their deliberation and vote during a public meeting. Once the report is approved it will be sent to the Secretary for his review and acceptance. DHS Employee Morale Task Force findings and recommendations should be submitted to the Homeland Security Advisory Council no later than nine months after the publication of the date of this tasking.

Dated: October 21, 2014.

Ben Haiman,

Deputy Executive Director, Homeland Security Advisory Council, DHS.

[FR Doc. 2014–25660 Filed 10–28–14; 8:45 am]

BILLING CODE 9110–9M–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

[Docket No. USCG–2014–0956]

Merchant Marine Personnel Advisory Committee

AGENCY: Coast Guard, DHS.

ACTION: Notice of Federal Advisory Committee Teleconference Meeting.

SUMMARY: The Merchant Marine Personnel Advisory Committee will meet, via teleconference, to discuss Task Statement 87, concerning review of the policy documents providing guidance on the Coast Guard final rule entitled, ''Implementation of the Amendments to the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978, and Changes to National Endorsements.'' This meeting will be open to the public.

DATES: The teleconference meeting will take place on Tuesday, December 9, 2014, from 1 p.m. until 3:30 p.m. Eastern Standard Time. Please note that this meeting may adjourn early if all business is finished.

Written comments for distribution to Committee members and inclusion on the Merchant Marine Personnel Advisory Committee Web site must be submitted on or before November 25, 2014. Contact Mr. Breyer as indicated in the **FOR FURTHER INFORMATION CONTACT** section of this notice no later than December 3, 2014, to register as a speaker.

ADDRESSES: To participate by phone, contact the Alternate Designated Federal Officer listed below in the **FOR FURTHER INFORMATION CONTACT** section to obtain teleconference information. Note the number of teleconference lines is limited and will be available on a first-come, first-served basis. To join those participating in this teleconference from U.S. Coast Guard Headquarters, come to Room 6J07–02, 2703 Martin Luther King Jr. Ave. SE., Washington, DC 20593–7509. Due to security at the Coast Guard Headquarters building, members of the public wishing to attend must register, on or before December 3, 2014, with Mr. Davis Breyer, Alternate Designated

Federal Officer of the Merchant Marine Personnel Advisory Committee, at (202) 372–1445 or *davis.j.breyer@uscg.mil.* All visitors to Coast Guard Headquarters must provide identification in the form of a Government issued picture identification card for access to the facility. Please arrive at least 30 minutes before the planned start of the meeting in order to allow time to pass through security.

For information on facilities or services for individuals with disabilities or to request special assistance, contact the Alternate Designated Federal Officer listed below in the **FOR FURTHER INFORMATION CONTACT** section as soon as possible.

To facilitate public participation, we are inviting public comment on the issues to be considered by the Committee as listed in the ''Agenda'' section below. Written comments must be identified by Docket No. USCG–2014–0956 and submitted by one of the following methods:

- *Federal eRulemaking Portal: http://www.regulations.gov.* Follow the instructions for submitting comments (preferred method to avoid delays in processing).
- *Fax:* 202–493–2251.
- *Mail:* Docket Management Facility (M–30), U.S. Department of Transportation, West Building Ground Floor, Room W12–140, 1200 New Jersey Avenue SE., Washington, DC 20590–0001.
- *Hand delivery:* Same as the mail address above, between 9 a.m. and 5 p.m., Monday through Friday, except Federal Holidays. The telephone number is 202–366–9329.

Instructions: All submissions must include the words ''Department of Homeland Security'' and the docket number for this action. Comments received will be posted without alteration at *http://regulations.gov,* including any personal information provided. You may review a Privacy Act notice regarding our public dockets in the January 17, 2008, issue of the **Federal Register** (73 FR 3316).

Docket: For access to the docket to read documents or comments related to this notice, go to *http://www.regulations.gov,* enter the docket number in the Search box, press enter, and then click on the item you wish to view.

A public oral comment period will be held after the working group report. Speakers are requested to limit their comments to 3 minutes. Please note that the public oral comment period will end following the last call for comments.

This notice may be viewed in our online docket, USCG–2014–0956, at *http://www.regulations.gov.*

FOR FURTHER INFORMATION CONTACT: Mr. Davis Breyer, Alternate Designated Federal Officer, telephone 202–372–1445, or at *davis.j.breyer@uscg.mil.*

If you have any questions on viewing or submitting material to the docket, call Cheryl Collins, Program Manager, Docket Operations, telephone 202–366–9826 or 1–800–647–5527.

SUPPLEMENTARY INFORMATION: Notice of this meeting is given under the Federal Advisory Committee Act, Title 5, United States Code, Appendix.

The Merchant Marine Personnel Advisory Committee is an advisory Committee established under the Secretary's authority in section 871 of the Homeland Security Act of 2002, Title 6, United States Code, section 451, and chartered under the provisions of the Federal Advisory Committee Act. The Committee acts solely in an advisory capacity to the Secretary of the Department of Homeland Security through the Commandant of the Coast Guard and the Director of Commercial Regulations and Standards on matters relating to personnel in the U.S. merchant marine, including but not limited to training, qualifications, certification, documentation, and fitness standards. The Committee will advise, consult with, and make recommendations reflecting its independent judgment to the Secretary.

A copy of all meeting documentation is available at *https://homeport.uscg.mil* by using these key strokes: Missions; Port and Waterways Safety; Advisory Committees; MERPAC; and then use the Announcements key. Alternatively, you may contact Mr. Breyer as noted in the **FOR FURTHER INFORMATION CONTACT** section above.

Agenda

The agenda for the December 9, 2014, Committee teleconference meeting is as follows:

(1) Introduction;

(2) Roll call of Committee members and determination of a quorum;

(3) Designated Federal Officer announcements;

(4) Report from the Task Statement 87 working group chairperson concerning review of the policy documents providing guidance on the Coast Guard final rule entitled, ''Implementation of the Amendments to the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers, 1978, and Changes to National Endorsements'', which was published in the **Federal Register** on December 24, 2013, (78 FR 77795).

(5) Public comment period/presentations.

(6) Discussion of working group recommendations. The Committee will review the information presented on this issue, deliberate on any recommendations presented by the working group and approve/formulate recommendations for the Department's consideration. Official action on these recommendations may be taken by the committee on this date.

(7) Closing remarks.

(8) Adjournment of meeting.

Dated: October 24, 2014.

J.G. Lantz,

Director of Commercial Regulations and Standards.

[FR Doc. 2014–25686 Filed 10–28–14; 8:45 am]

BILLING CODE 9110–04–P

DEPARTMENT OF HOMELAND SECURITY

Transportation Security Administration

[Docket No. TSA–2001–11120]

Extension of Agency Information Collection Activity Under OMB Review: Imposition and Collection of Passenger Civil Aviation Security Service Fees

AGENCY: Transportation Security Administration, DHS.

ACTION: 30-day notice.

SUMMARY: This notice announces that the Transportation Security Administration (TSA) has forwarded the Information Collection Request (ICR), Office of Management and Budget (OMB) control number 1652–0001, abstracted below to OMB for review and approval of an extension of the currently approved collection under the Paperwork Reduction Act (PRA). The ICR describes the nature of the information collection and its expected burden. TSA published a **Federal Register** notice, with a 60-day comment period soliciting comments, of the following collection of information on August 18, 2014, 79 FR 48755. The collection involves air carriers and foreign air carriers maintaining an accounting system to account for the passenger civil aviation security service fees collected and reporting this information to TSA on a quarterly basis, as well as retaining the data used for these reports for a three-year rolling period.

DATES: Send your comments by November 28, 2014. A comment to OMB is most effective if OMB receives it within 30 days of publication.

ADDRESSES: Interested persons are invited to submit written comments on the proposed information collection to the Office of Information and Regulatory Affairs, OMB. Comments should be addressed to Desk Officer, Department of Homeland Security/TSA, and sent via electronic mail to *oira_submission@omb.eop.gov* or faxed to (202) 395–6974.

FOR FURTHER INFORMATION CONTACT: Christina A. Walsh, TSA PRA Officer, Office of Information Technology (OIT), TSA–11, Transportation Security Administration, 601 South 12th Street, Arlington, VA 20598–6011; email *TSAPRA@tsa.dhs.gov.*

SUPPLEMENTARY INFORMATION:

Comments Invited

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The ICR documentation is available at *http://www.reginfo.gov.* Therefore, in preparation for OMB review and approval of the following information collection, TSA is soliciting comments to—

(1) Evaluate whether the proposed information requirement is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(2) Evaluate the accuracy of the agency's estimate of the burden;

(3) Enhance the quality, utility, and clarity of the information to be collected; and

(4) Minimize the burden of the collection of information on those who are to respond, including using appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

Information Collection Requirement

Title: Imposition and Collection of Passenger Civil Aviation Security Service Fees.

Type of Request: Extension of a currently approved collection.

OMB Control Number: 1652–00001.

Forms(s): TSA-Form_2502.

Affected Public: Air carriers and foreign air carriers.

Abstract: TSA regulations, 49 CFR part 1510, require air carriers and foreign air carriers to collect the ''September 11th Security Service Fee'' from passengers and to remit the fee to TSA on a monthly basis. Air carriers and foreign air carriers are further required to submit quarterly reports to TSA that provide an accounting of the fees imposed, collected, refunded to passengers, and remitted to TSA and to retain this data for a rolling three-year period. TSA has temporarily suspended an additional requirement for air carriers with over 50,000 passengers to submit annual audits of its fee collections and remittance; this requirement may be reinstated in the future. In December 2013, the fee was statutorily restructured to be based on one-way trips rather than enplanements (the statute was further amended to state that the fee shall be $5.60 per one-way trip.) An interim final rule (IFR) to implement changes to the regulations required by these amendments to 49 U.S.C. 44940 was published in the **Federal Register** on June 20, 2014. *See* 79 FR 35462. This information collection request covers both the quarterly reports and the estimated impact should annual audits be reinstated in the future.

Number of Respondents: 173.

Estimated Annual Burden Hours: An estimated 2,792 hours annually.

Dated: October 22, 2014.

Christina A. Walsh,

TSA Paperwork Reduction Act Officer, Office of Information Technology.

[FR Doc. 2014–25663 Filed 10–28–14; 8:45 am]

BILLING CODE 9110–05–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[FWS–R2–ES–2014–N216; FXES11130200000–156–FF02ENEH00]

Receipt of an Incidental Take Permit Application for Participation in the Oil and Gas Industry Conservation Plan for the American Burying Beetle in Oklahoma

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Notice of availability; request for public comments.

SUMMARY: Under the Endangered Species Act, as amended (Act), we, the U.S. Fish and Wildlife Service, invite the public to comment on an incidental take permit application for take of the federally listed American burying beetle resulting from activities associated with the construction, operation, maintenance, repair, and decommissioning of oil and gas pipelines and related well field activities in Oklahoma. If approved, the permit would be issued under the approved *Oil and Gas Industry Conservation Plan Associated with Issuance of Endangered Species Act Section 10(a)(1)(B) Permits for the American Burying Beetle in Oklahoma* (ICP).

DATES: To ensure consideration, written comments must be received on or before November 28, 2014.

ADDRESSES: You may obtain copies of all documents and submit comments on the applicant's ITP application by one of the following methods. Please refer to the permit number when requesting documents or submitting comments.

○ *U.S. Mail:* U.S. Fish and Wildlife Service, Division of Endangered Species—HCP Permits, P.O. Box 1306, Room 6034, Albuquerque, NM 87103.

○ *Electronically: fw2_hcp_permits@fws.gov.*

FOR FURTHER INFORMATION CONTACT: Marty Tuegel, Branch Chief, by U.S. mail at Environmental Review, P.O. Box 1306, Room 6034, Albuquerque, NM 87103; or by telephone at 505–248–6651.

SUPPLEMENTARY INFORMATION:

Introduction

Under the Endangered Species Act, as amended (16 U.S.C. 1531 *et seq.;* Act), we, the U.S. Fish and Wildlife Service, invite the public to comment on an incidental take permit (ITP) application for take of the federally listed American burying beetle (*Nicrophorus americanus*) resulting from activities associated with the construction, operation, maintenance, repair, and decommissioning of oil and gas pipelines and related well field activities in Oklahoma. If approved, the permit would be issued to the applicant under the *Oil and Gas Industry Conservation Plan Associated with Issuance of Endangered Species Act Section 10(a)(1)(B) Permits for the American Burying Beetle in Oklahoma* (ICP). The ICP was made available for comment on April 16, 2014 (79 FR 21480), and approved on May 21, 2014 (publication of the FONSI notice was on July 25, 2014; 79 FR 43504). The ICP and the associated environmental assessment/finding of no significant impact are available on the Web site at *http://www.fws.gov/southwest/es/oklahoma/ABBICP.* However, we are no longer taking comments on these documents.

Applications Available for Review and Comment

We invite local, State, Tribal, and Federal agencies, and the public to comment on the following application under the ICP, for incidental take of the federally listed American burying beetle (*Nicrophorus americanus;* ABB). Please

refer to the appropriate permit number (TE–48815B) when requesting application documents and when submitting comments. Documents and other information the applicants have submitted with this application are available for review, subject to the requirements of the Privacy Act (5 U.S.C. 552a) and Freedom of Information Act (5 U.S.C. 552).

Permit TE–43609B

Applicant: ONEOK Partners, L.P., Tulsa, OK.

Applicant requests a new permit for gas upstream and midstream production, including geophysical exploration (seismic) and construction, maintenance, operation, repair, and decommissioning of gas well field infrastructure, as well as construction, maintenance, operation, repair, decommissioning, and reclamation of gas gathering, transmission, and distribution pipeline infrastructure within Oklahoma.

Public Availability of Comments

Written comments we receive become part of the public record associated with this action. 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 request in your comment that we withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so. We will not consider anonymous comments. All submissions from organizations or businesses, and from individuals identifying themselves as representatives or officials of organizations or businesses, will be made available for public disclosure in their entirety.

Authority

We provide this notice under section 10(c) of the Act (16 U.S.C. 1531 *et seq.*) and its implementing regulations (50 CFR 17.22) and the National Environmental Policy Act (42 U.S.C. 4321 *et seq.*) and its implementing regulations (40 CFR 1506.6).

Dated: October 22, 2014.

Joy E. Nicholopoulos,

Acting, Regional Director, Southwest Region, Fish and Wildlife Service.

[FR Doc. 2014–25729 Filed 10–28–14; 8:45 am]

BILLING CODE 4310–55–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[LLORB00000.L17110000.PH0000. LXSS020H0000.15XL1109AF; HAG15–0025]

Steens Mountain Advisory Council Meeting

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of public meeting.

SUMMARY: In accordance with the Federal Land Policy and Management Act and the Federal Advisory Committee Act of 1972, and the U.S. Department of the Interior, Bureau of Land Management (BLM), the Steens Mountain Advisory Council (SMAC) will meet as indicated below:

DATES: November 13, 2014 from 1 p.m. to 4 p.m. and November 14, 2014 from 8:30 a.m. to 12 p.m., at the Bureau of Land Management (BLM) Burns District Office, 28910 Highway 20 West, Hines, Oregon. Daily sessions may end early if all business items are accomplished ahead of schedule.

FOR FURTHER INFORMATION CONTACT: Tara Martinak, Public Affairs Specialist, BLM Burns District Office, 28910 Highway 20 West, Hines, Oregon 97738, (541) 573–4519, or email *tmartina@blm.gov.* 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: The SMAC was initiated August 14, 2001, pursuant to the Steens Mountain Cooperative Management and Protection Act (CMPA) of 2000 (Pub. L. 106–399). The SMAC provides representative counsel and advice to the BLM regarding new and unique approaches to management of the land within the bounds of the Steens Mountain CMPA; recommends cooperative programs and incentives for landscape management that meet human needs; and advises the BLM on maintenance and improvement of the ecological and economic integrity of the area. Agenda items for the November 13–14 sesson include a lengthy discussion on managing wildfire for multiple objectives; a review of wildland fire stabilization and rehabilitation efforts; and regular business items such as approving the previous meeting's minutes, member round-table, the Designated Federal Official's update and planning the next meeting's agenda. A public comment period will be available each day of each meeting. The public is welcome to attend all sessions. Unless otherwise approved by the SMAC Chair, the public comment period will last no longer than 30 minutes, and each speaker may address the SMAC for a maximum of five minutes.

Brendan Cain,

Burns District Manager.

[FR Doc. 2014–25733 Filed 10–28–14; 8:45 am]

BILLING CODE 4310–33–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[LLOR957000–L63100000–HD0000–15XL1116AF: HAG15–0028]

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. 28 S., R. 11 W., accepted October 6, 2014
T. 20 S., R. 9 W., accepted October 6, 2014
T. 37 S., R. 2 E., accepted October 6, 2014
T. 31 S., R. 4 W., accepted October 6, 2014
T. 41 S., R. 43 E., accepted October 6, 2014
T. 38 S., R. 42 E., accepted October 6, 2014
T. 38 S., R. 41 E., accepted October 6, 2014
T. 37 S., R. 42 E., accepted October 6, 2014
T. 36 S., R. 43 E., accepted October 6, 2014
T. 36 S., R. 42 E., accepted October 6, 2014
T. 36 S., R. 41 E., accepted October 6, 2014
T. 36 S., R. 40 E., accepted October 6, 2014
T. 35 S., R. 42 E., accepted October 6, 2014
T. 35 S., R. 41 E., accepted October 6, 2014
T. 29 S., R. 46 E., accepted October 6, 2014

ADDRESSES: A copy of the plats may be obtained from the Public Room at the Bureau of Land Management, Oregon State Office, 1220 S.W. 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 S.W. 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. 2014–25730 Filed 10–28–14; 8:45 am]

BILLING CODE 4310–33–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[LLNVS00000 L19200000.PH0000 LRSNCI530800 241A; MO#4500067839]

Notice of Termination of the Recreation Area Management Plan, a Comprehensive Transportation and Travel Management Plan for the Las Vegas Field Office, NV and Associated Environmental Impact Statement

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice.

SUMMARY: The Bureau of Land Management (BLM) Las Vegas Field Office, Las Vegas, Nevada, intends to terminate the process for preparing a Recreation Area Management Plan (RAMP), Comprehensive Transportation and Travel Management (CTTM) Plan, and associated Environmental Impact Statement (EIS) for the Las Vegas Field Office.

FOR FURTHER INFORMATION CONTACT: Chris Linehan, telephone 702–515–5236, or email *clinehan@blm.gov.* Persons who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Services (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 Notice of Intent To Prepare a RAMP, a CTTM Plan for the Las Vegas Field Office, Nevada and Associated EIS was published in the **Federal Register** (76 FR 5199) on Friday, January 28, 2011. The RAMP/CTTM Plan was intended to provide more specific management direction for those activities in the planning area based on the current Las Vegas and Pahrump Resource Management Plan (RMP). However, because the RMP is currently under revision and any changes to the plan may significantly change the RAMP/CTTM Plan under development, it was decided to delay the RAMP/CTTM PLAN until the Record of Decision for the RMP revision was complete. Due to a delay in the anticipated completion of the RMP revision, funding for RAMP/CTTM Plan will expire. As such, the BLM has decided that the RAMP/CTTM EIS process should be terminated.

Prior to the decision to terminate the process, public scoping meetings were held on March 1, 2, 3, 9, and 10, 2011, in Searchlight, Mesquite, Las Vegas, Goodsprings, and Overton respectively. Work also ensued on a draft EIS, but the draft EIS was neither completed nor released.

Authority: 40 CFR 1501.7; 43 CFR 1610.2 and 8342.1–2.

Mark Slaughter,

Acting Manager, Las Vegas Field Office.

[FR Doc. 2014–25691 Filed 10–28–14; 8:45 am]

BILLING CODE 4310–HC–P

DEPARTMENT OF THE INTERIOR

National Park Service

[NPS–NCR–WHHO–16864; PPNCWHHO00 PPMPSPD1Z.YM0000]

Notice of Public Meeting and Request for Comments

AGENCY: National Park Service, Interior.

ACTION: Notice/request for public meeting and public comments—The National Christmas Tree Lighting and the subsequent 28-day event.

SUMMARY: The National Park Service is seeking public comments and suggestions on the planning of the 2014 National Christmas Tree Lighting and the subsequent 28-day event. The general plan and theme for the event is the celebration of the holiday season with the display of the traditional American symbols of Christmas.

DATES: The meeting will be held on Thursday, November 6, 2014. Written comments will be accepted until November 6, 2014.

ADDRESSES: The meeting will be held at 9:00 a.m. on November 6, 2014, in Room 234 of the National Capital Region Headquarters Building, at 1100 Ohio Drive SW., Washington, DC (East Potomac Park). Written comments may be sent to the Manager, President's Park, National Park Service, 1100 Ohio Drive SW., Washington, DC 20242. Due to delays in mail delivery, it is recommended that comments be provided by telefax at (202) 208–1643 or by email to *Peter_Lonsway@nps.gov.*

FOR FURTHER INFORMATION CONTACT: Peter Lonsway weekdays between 7:30 a.m., and 4 p.m., at (202) 208–1631.

SUPPLEMENTARY INFORMATION: The National Park Service is seeking public comments and suggestions on the planning of the 2014 National Christmas Tree Lighting and the subsequent 28-day event, which opens on December 4, 2014, on the Ellipse (President's Park), south of the White House. The general plan and theme for the event is the celebration of the holiday season, where the park visitor will have the opportunity to view the lighting of the National Christmas tree, attend musical presentations and visit the yuletide displays of the traditional and familiar American symbols of Christmas, a national holiday. As in the past, these traditional and familiar American symbols will be the National Christmas Tree, the smaller trees representing the various states, District of Columbia and the territories, various seasonal musical presentations, and a traditional crèche which is not owned by the Government.

In order to facilitate this process, the National Park Service will hold a meeting at 9:00 a.m. on November 6, 2014, in Room 234 of the National Capital Region Headquarters Building, at 1100 Ohio Drive SW., Washington, DC (East Potomac Park).

Persons who would like to comment at the meeting should notify the National Park Service by November 6, 2014, by calling the White House Visitor Center weekdays between 7:30 a.m., and 4 p.m., at (202) 208–1631.

In addition, public comments and suggestions on the planning of the 2014

National Christmas Tree Lighting and the subsequent 28-day event may be submitted in writing. Written comments may be sent to the Manager, President's Park, National Park Service, 1100 Ohio Drive SW., Washington, DC 20242, and will be accepted until November 6, 2014. Before including your address, phone number, email address, or other personal identifying information in your comment, be advised that your entire comment—including your personal identifying information—may be made publicly available at any time. While you can ask in your comment to withhold from public review your personal identifying information, we cannot guarantee that we will be able to do so.

Dated: September 26, 2014.

John Stanwich,

National Park Service Liaison to the White House.

[FR Doc. 2014–25726 Filed 10–28–14; 8:45 am]

BILLING CODE 4310–DL–P

DEPARTMENT OF THE INTERIOR

Bureau of Ocean Energy Management

[MMAA104000]

Notice on Outer Continental Shelf Oil and Gas Lease Sales

AGENCY: Bureau of Ocean Energy Management (BOEM), Interior.

ACTION: List of Restricted Joint Bidders.

SUMMARY: Pursuant to the authority vested in the Director of the Bureau of Ocean Energy Management by the joint bidding provisions of 30 CFR 556.41, each entity within one of the following groups is restricted from bidding with any entity in any of the other following groups at Outer Continental Shelf oil and gas lease sales to be held during the bidding period November 1, 2014, through April 30, 2015. This List of Restricted Joint Bidders will cover the period November 1, 2014, through April 30, 2015, and replace the prior list published on May 5, 2014, which covered the period May 1, 2014, through October 31, 2014.

Group I
- BP America Production Company
- BP Exploration & Production Inc.
- BP Exploration (Alaska) Inc.

Group II
- Chevron Corporation
- Chevron U.S.A. Inc.
- Chevron Midcontinent, L.P.
- Unocal Corporation
- Union Oil Company of California
- Pure Partners, L.P.

Group III
- Exxon Mobil Corporation
- ExxonMobil Exploration Company

Group IV
- Petroleo Brasileiro S.A.
- Petrobras America Inc.

Group V
- Shell Oil Company
- Shell Offshore Inc.
- SWEPI LP
- Shell Frontier Oil & Gas Inc.
- SOI Finance Inc.
- Shell Gulf of Mexico Inc.

Group VI
- Statoil ASA
- Statoil Gulf of Mexico LLC
- Statoil USA E&P Inc.
- Statoil Gulf Properties Inc.

Group VII
- Total E&P USA, Inc.

Dated: October 20, 2014.

Walter D. Cruickshank,

Acting Director, Bureau of Ocean Energy Management.

[FR Doc. 2014–25651 Filed 10–28–14; 8:45 am]

BILLING CODE 4310–MR–P

DEPARTMENT OF THE INTERIOR

Office of Natural Resources Revenue

[Docket No. ONRR–2011–0006; DS63610000 DR2PS0000.CH7000 145D0102R2]

Agency Information Collection Activities: OCS Net Profit Share Payment Reporting—OMB Control Number 1012–0009; Comment Request

AGENCY: Office of Natural Resources Revenue (ONRR), Interior.

ACTION: Notice of extension.

SUMMARY: To comply with the Paperwork Reduction Act of 1995 (PRA), ONRR is notifying the public that we have submitted to the Office of Management and Budget (OMB) an information collection request (ICR) to renew approval of the paperwork requirements in the regulations under 30 CFR part 1220. This notice also provides the public a second opportunity to comment on the paperwork burden of these regulatory requirements.

DATES: OMB has up to 60 days to approve or disapprove this information collection request but may respond after 30 days; therefore, you should submit your public comments to OMB by November 28, 2014 for the assurance of consideration.

ADDRESSES: You may submit your written comments directly to the Desk Officer for the Department of the Interior (OMB Control Number 1012–0009), Office of Information and Regulatory Affairs, OMB, by email to *OIRA_Submission@omb.eop.gov* or telefax at (202) 395–5806. Please also mail a copy of your comments to Mr. Luis Aguilar, Regulatory Specialist, ONRR, P.O. Box 25165, MS 61030A, Denver, Colorado 80225–0165, or by email to *Luis.Aguilar@onrr.gov.* Please reference ICR 1012–0009 in your comments.

FOR FURTHER INFORMATION CONTACT: For questions on technical issues, contact Mr. James Smith, Audit and Compliance Management (ACM), ONRR, telephone (303) 231–3705, or email *james.smith@onrr.gov.* For other questions, contact Luis Aguilar, telephone (303) 231–3418, or email *luis.aguilar@onrr.gov.* You may also contact Mr. Aguilar to obtain copies, at no cost, of (1) the ICR and (2) the regulations that require us to collect the information. To see a copy of the entire ICR submitted to OMB, go to *http://www.reginfo.gov/public/PRAMain* and select ''Information Collection Review,'' then select ''Department of the Interior'' in the drop-down box under ''Currently Under Review.''

SUPPLEMENTARY INFORMATION:

Title: OCS Net Profit Share Payment Reporting—30 CFR part 1220.

OMB Control Number: 1012–0009.

Bureau Form Number: None.

Abstract: The Secretary of the U.S. Department of the Interior is responsible for collecting royalties from lessees who produce minerals from leased Federal and Indian lands and the Outer Continental Shelf (OCS). Under various laws, the Secretary's responsibility is to manage mineral resources production on Federal and Indian lands and the OCS, collect the royalties and other mineral revenues due, and distribute the funds collected under those laws. ONRR performs the royalty management functions and assists the Secretary in carrying out the Department's responsibility. Public laws pertaining to mineral leases on Federal and Indian lands and the OCS are posted at *http://www.onrr.gov/Laws_R_D/PublicLaws.htm.*

I. General Information

ONRR collects and uses this information to determine all allowable direct and allocable joint costs and credits under § 1220.011 incurred during the lease term, appropriate overhead allowance permitted on these costs under § 1220.012, and allowances for capital recovery calculated under § 1220.020. ONRR also collects this information to ensure royalties or net profit share payments are accurately valued and appropriately paid. This ICR affects only oil and gas leases on submerged Federal lands on the OCS.

II. Information Collections

Title 30 CFR part 1220 covers the net profit share lease (NPSL) program and establishes reporting requirements for determining the net profit share base under § 1220.021 and calculating net profit share payments due the Federal Government for the production of oil and gas from leases under § 1220.022.

A. NPSL Bidding System

To encourage exploration and development of oil and gas leases on submerged Federal lands on the Outer Continental Shelf (OCS), the Bureau of Ocean Energy Management, promulgated regulations at 30 CFR part 260—Outer Continental Shelf Oil and Gas Leasing. Also, BOEM promulgated specific implementing regulations for the NPSL bidding system at § 260.110(d). BOEM established the NPSL bidding system to balance a fair market return to the Federal Government for the lease of its public lands with a fair profit to companies risking their investment capital. The system provides an incentive for early and expeditious exploration and development and provides for sharing the risks by the lessee and the Federal Government. The NPSL bidding system incorporates a fixed capital recovery system as a means through which the lessee recovers costs of exploration and development from production revenues, along with a reasonable return on investment.

B. NPSL Capital Account

The Federal Government does not receive a profit share payment from an NPSL until the lessee shows a credit balance in its capital account; that is, cumulative revenues and other credits exceed cumulative costs. Lessees multiply the credit balance by the net profit share rate (30 to 50 percent), resulting in the amount of net profit share payment due the Federal Government.

ONRR requires lessees to maintain an NPSL capital account for each lease under § 1220.010, which transfers to a new owner when sold. Following the cessation of production, lessees are also required to provide either an annual or a monthly report to the Federal Government, using data from the capital account until the lease is terminated, expired, or relinquished.

C. NPSL Inventories

The NPSL lessees must notify the BOEM of their intent to take inventory so the BOEM Director may be represented at the taking of inventory under 1220.032. Each lessee must file a report after each inventory is taken, reporting the controllable material under § 1220.031.

D. NPSL Audits

When non-operators of an NPSL call for an audit, they must notify ONRR. When ONRR calls for an audit, the lessee must notify all non-operators on the lease. These requirements are located at § 1220.033.

III. OMB Approval

The information we collect under this ICR is essential in order to determine when net profit share payments are due and to ensure lessees properly value and pay royalties or net profit share payments.

We are requesting OMB approval to continue to collect this information. Not collecting this information would limit the Secretary's ability to discharge fiduciary duties and may also result in the inability to confirm the accurate royalty value. Proprietary information submitted to ONRR under this collection is protected, and no items of a sensitive nature are included in this information collection.

Frequency: Annually, monthly, and on occasion.

Estimated Number and Description of Respondents: 14 lessees.

Estimated Annual Reporting and Recordkeeping "Hour" Burden: 2,451 hours.

All fourteen lessees report monthly because all current NPSLs are in producing status. Because the requirements for establishment of capital accounts at § 1220.010(a) and capital account annual reporting at § 1220.031(a) are necessary only during non-producing status of a lease, we included only one response annually for these requirements, in case a new NPSL is established. We have not included in our estimates certain requirements performed in the normal course of business, which are considered usual and customary. The following table shows the estimated annual burden hours by CFR section and paragraph.

RESPONDENTS' ESTIMATED ANNUAL BURDEN HOURS

Citation 30 CFR 1220	Reporting & recordkeeping requirement	Hour burden	Number of annual responses	Annual burden hours
PART 1220—Accounting procedures for determining net profit share payment for outer continental shelf oil and gas leases				
§ 1220.010 NPSL capital account				
1220.010(a)	(a) For each NPSL tract, an NPSL capital account shall be established and maintained by the lessee for NPSL operations . . .	1	1	1
§ 1220.030 Maintenance of records				
1220.030(a) and (b)	(a) Each lessee . . . shall establish and maintain such records as are necessary . . .	1	14	14
§ 1220.031 Reporting and payment requirements				
1220.031(a)	(a) Each lessee subject to this part shall file an annual report during the period from issuance of the NPSL until the first month in which production revenues are credited to the NPSL capital account . . .	1	14	14

RESPONDENTS' ESTIMATED ANNUAL BURDEN HOURS—Continued

Citation 30 CFR 1220	Reporting & recordkeeping requirement	Hour burden	Number of annual responses	Annual burden hours
1220.031(b)	(b) Beginning with the first month in which production revenues are credited to the NPSL capital account, each lessee . . . shall file a report for each NPSL, not later than 60 days following the end of each month . . .	13	[1]168	2,184
1220.031(c)	(c) Each lessee subject to this Part 220 shall submit, together with the report required . . . any net profit share payment due . . .	Burden hours covered under § 1220.031(b).		
1220.031(d)	(d) Each lessee . . . shall file a report not later than 90 days after each inventory is taken . . .	8	14	112
1220.031(e)	(e) Each lessee . . . shall file a final report, not later than 60 days following the cessation of production . . .	4	14	56
§ 1220.032 Inventories				
1220.032(b)	(b) At reasonable intervals, but at least once every three years, inventories of controllable materiel shall be taken by the lessee. Written notice of intention to take inventory shall be given by the lessee at least 30 days before any inventory is to be taken so that the Director may be represented at the taking of inventory . . .	1	14	14
§ 1220.033 Audits				
1220.033(b)(1)	(b)(1) When nonoperators of an NPSL lease call an audit in accordance with the terms of their operating agreement, the Director shall be notified of the audit call . . .	2	14	28
1220.033(b)(2)	(b)(2) If DOI determines to call for an audit, DOI shall notify the lessee of its audit call and set a time and place for the audit . . . The lessee shall send copies of the notice to the nonoperators on the lease . . .	2	14	28
1220.033(e)	(e) Records required to be kept under § 1220.030(a) shall be made available for inspection by any authorized agent of DOI . . .	The Office of Regulatory Affairs determined that the audit process is exempt from the Paperwork Reduction Act of 1995 because MMS staff asks non-standard questions to resolve exceptions.		
Total Burden		.....	267	2,451

[1] (14 NPSL reports × 12 months = 168 reports)

Estimated Annual Reporting and Recordkeeping "Non-hour" Cost Burden: We have identified no "non-hour cost" burdens.

Public Disclosure Statement: The PRA (44 U.S.C. 3501 *et seq.*) provides that 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.

Comments: Before submitting an ICR to OMB, PRA section 3506(c)(2)(A) requires each agency to "* * * provide 60-day notice in the **Federal Register** * * * and otherwise consult with members of the public and affected agencies concerning each proposed collection of information * * *." Agencies must specifically solicit comments to: (a) Evaluate whether the proposed collection of information is necessary for the agency to perform its duties, including whether the information is useful; (b) evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information; (c) enhance the quality, usefulness, and clarity of the information to be collected; and (d) minimize the burden on the respondents, including the use of automated collection techniques or other forms of information technology.

To comply with the public consultation process, we published a notice in the **Federal Register** on May 20, 2014 (79 FR 28945), announcing that we would submit this ICR to OMB for approval. The notice provided the required 60-day comment period. We received no comments in response to the notice.

If you wish to comment in response to this notice, you may send your comments to the offices listed under the **ADDRESSES** section of this notice. OMB has up to 60 days to approve or disapprove the information collection but may respond after 30 days. Therefore, to ensure maximum consideration, OMB should receive public comments by November 28, 2014.

Public Comment Policy: We post all comments, including names and addresses of respondents, at *http://www.regulations.gov.* Before including your address, phone number, email address, or other personal identifying

information in your comment, be advised 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 view, we cannot guarantee that we will be able to do so.

Information Collection Clearance Officer: David Alspach (202) 219–8526.

Dated: October 21, 2014.

Gregory J. Gould,

Director for Office of Natural Resources Revenue.

[FR Doc. 2014–25727 Filed 10–28–14; 8:45 am]

BILLING CODE 4310–T2–P

DEPARTMENT OF THE INTERIOR

Bureau of Reclamation

[RR83550000, 145R5065C6, RX.59389832.1009676]

Quarterly Status Report of Water Service, Repayment, and Other Water-Related Contract Actions

AGENCY: Bureau of Reclamation, Interior.

ACTION: Notice.

SUMMARY: Notice is hereby given of contractual actions that have been proposed to the Bureau of Reclamation (Reclamation) and are new, discontinued, or completed since the last publication of this notice. This notice is one of a variety of means used to inform the public about proposed contractual actions for capital recovery and management of project resources and facilities consistent with section 9(f) of the Reclamation Project Act of 1939. Additional announcements of individual contract actions may be published in the **Federal Register** and in newspapers of general circulation in the areas determined by Reclamation to be affected by the proposed action.

ADDRESSES: The identity of the approving officer and other information pertaining to a specific contract proposal may be obtained by calling or writing the appropriate regional office at the address and telephone number given for each region in the **SUPPLEMENTARY INFORMATION** section.

FOR FURTHER INFORMATION CONTACT: Michelle Kelly, Reclamation Law Administration Division, Bureau of Reclamation, P.O. Box 25007, Denver, Colorado 80225–0007; telephone 303–445–2888.

SUPPLEMENTARY INFORMATION: Consistent with section 9(f) of the Reclamation Project Act of *1939,* and the rules and regulations published in 52 FR 11954, April 13, 1987 (43 CFR 426.22), Reclamation will publish notice of proposed or amendatory contract actions for any contract for the delivery of project water for authorized uses in newspapers of general circulation in the affected area at least 60 days prior to contract execution. Announcements may be in the form of news releases, legal notices, official letters, memorandums, or other forms of written material. Meetings, workshops, and/or hearings may also be used, as appropriate, to provide local publicity. The public participation procedures do not apply to proposed contracts for the sale of surplus or interim irrigation water for a term of 1 year or less. Either of the contracting parties may invite the public to observe contract proceedings. All public participation procedures will be coordinated with those involved in complying with the National Environmental Policy Act. Pursuant to the ''Final Revised Public Participation Procedures'' for water resource-related contract negotiations, published in 47 FR 7763, February 22, 1982, a tabulation is provided of all proposed contractual actions in each of the five Reclamation regions. When contract negotiations are completed, and prior to execution, each proposed contract form must be approved by the Secretary of the Interior, or pursuant to delegated or redelegated authority, the Commissioner of Reclamation or one of the regional directors. In some instances, congressional review and approval of a report, water rate, or other terms and conditions of the contract may be involved.

Public participation in and receipt of comments on contract proposals will be facilitated by adherence to the following procedures:

1. Only persons authorized to act on behalf of the contracting entities may negotiate the terms and conditions of a specific contract proposal.

2. Advance notice of meetings or hearings will be furnished to those parties that have made a timely written request for such notice to the appropriate regional or project office of Reclamation.

3. Written correspondence regarding proposed contracts may be made available to the general public pursuant to the terms and procedures of the Freedom of Information Act, as amended.

4. Written comments on a proposed contract or contract action must be submitted to the appropriate regional officials at the locations and within the time limits set forth in the advance public notices.

5. All written comments received and testimony presented at any public hearings will be reviewed and summarized by the appropriate regional office for use by the contract approving authority.

6. Copies of specific proposed contracts may be obtained from the appropriate regional director or his or her designated public contact as they become available for review and comment.

7. In the event modifications are made in the form of a proposed contract, the appropriate regional director shall determine whether republication of the notice and/or extension of the comment period is necessary.

Factors considered in making such a determination shall include, but are not limited to, (i) the significance of the modification, and (ii) the degree of public interest which has been expressed over the course of the negotiations. At a minimum, the regional director will furnish revised contracts to all parties who requested the contract in response to the initial public notice.

Definitions of Abbreviations Used in the Reports

ARRA American Recovery and Reinvestment Act of 2009
BCP Boulder Canyon Project
Reclamation Bureau of Reclamation
CAP Central Arizona Project
CUP Central Utah Project
CVP Central Valley Project
C–BT Colorado-Big Thompson Project
CRSP Colorado River Storage Project
FR Federal Register
IDD Irrigation and Drainage District
ID Irrigation District
LCWSP Lower Colorado Water Supply Project
M&I Municipal and Industrial
NMISC New Mexico Interstate Stream Commission
O&M Operation and Maintenance
OM&R Operation, maintenance, and replacement
P–SMBP Pick-Sloan Missouri Basin Program
PPR Present Perfected Right
RRA Reclamation Reform Act of 1982
SOD Safety of Dams
SRPA Small Reclamation Projects Act of 1956
USACE U.S. Army Corps of Engineers
WD Water District

Pacific Northwest Region: Bureau of Reclamation, 1150 North Curtis Road, Suite 100, Boise, Idaho 83706–1234, telephone 208–378–5344.

The Pacific Northwest Region has no updates to report for this quarter.

Mid-Pacific Region: Bureau of Reclamation, 2800 Cottage Way, Sacramento, California 95825–1898, telephone 916–978–5250.

The Mid-Pacific Region has no updates to report for this quarter.

Lower Colorado Region: Bureau of Reclamation, P.O. Box 61470 (Nevada Highway and Park Street), Boulder City, Nevada 89006–1470, telephone 702–293–8192.

New contract actions:

26. San Carlos Apache Tribe and the Town of Gilbert, CAP, Arizona: Execute Amendment No. 4 to a CAP water lease to extend the term of the lease in order for the San Carlos Apache Tribe to lease 20,000 acre-feet of its CAP water to the Town of Gilbert during calendar year 2015.

27. Fort McDowell Yavapai Nation and the Town of Gilbert, CAP, Arizona: Execute Amendment No. 4 to a CAP water lease to extend the term of the lease in order for Fort McDowell Yavapai Nation to lease 13,933 acre-feet of its CAP water to the Town of Gilbert during calendar year 2015.

28. San Carlos Apache Tribe and the Pascua Yaqui Tribe, CAP, Arizona: Execute a CAP water lease in order for the San Carlos Apache Tribe to lease 2,000 acre-feet of its CAP water to the Pascua Yaqui Tribe during calendar year 2015.

Upper Colorado Region: Bureau of Reclamation, 125 South State Street, Room 6107, Salt Lake City, Utah 84138–1102, telephone 801–524–3864.

The Upper Colorado Region has no updates to report for this quarter.

Great Plains Region: Bureau of Reclamation, 2021 4th Avenue North, Billings, Montana 59101, telephone 406–247–7752.

New contract actions:

58. Canyon Ferry Unit, P–SMBP, Montana: Renewal of 20 various individual water service contracts for small amounts of irrigation and municipal water use.

59. Edwards Farms, Nebraska Bostwick, P–SMBP: Consideration of a long-term Warren Act Contract.

60. Larry TenBensel, Frenchman Cambridge, P–SMBP: Consideration of a long-term Warren Act Contract.

61. Dickinson-Heart River Mutual Aid Corporation; Dickinson Unit, Heart Division; P–SMBP; North Dakota: Consideration of amending the long-term irrigation water service contract to modify the acres irrigated.

Completed contract actions:

22. Grey Reef Ranch, LLC, Kendrick Project, Wyoming: Renewal of a long-term Warren Act contract. Contract executed July 11, 2014.

35. Twin Lakes Dam, Fryingpan-Arkansas Project: Consideration of a contract action for repayment of SOD costs. Contract executed July 29, 2014.

36. John and Donna Vandenacre, Canyon Ferry Unit, P–SMBP, Montana. Consideration of a request to renew a long-term water service contract for up to 562.5 acre-feet of water from storage in Canyon Ferry Reservoir. Contract executed July 18, 2014.

49. Frenchman-Cambridge Division, P–SMP; Nebraska: Consideration of a Warren Act contract(s) with an individual landowner. Contract executed June 2014.

51. Nebraska-Bostwick and Frenchman-Cambridge ID; Bostwick and Frenchman-Cambridge Divisions; P–SMBP: Consideration of a temporary assignment of water from Nebraska-Bostwick ID to Frenchman-Cambridge ID. Contract executed June 26, 2014.

Dated: September 22, 2014.

Roseann Gonzales,

Director, Policy and Administration.

[FR Doc. 2014–25738 Filed 10–28–14; 8:45 am]

BILLING CODE 4332–90–P

INTERNATIONAL TRADE COMMISSION

[Investigation No. 701–TA–507 (Final)]

Non-Oriented Electrical Steel From Korea; Termination of Investigation

AGENCY: United States International Trade Commission.

ACTION: Notice.

SUMMARY: On October 14, 2014, the Department of Commerce published notice in the **Federal Register** of a negative final determination of subsidies in connection with the subject investigation concerning Korea (79 FR 61605). Accordingly, pursuant to section 207.40(a) of the Commission's Rules of Practice and Procedure (19 CFR § 207.40(a)), the countervailing duty investigation concerning non-oriented electrical steel from Korea (investigation No. 701–TA–507 (Final)) is terminated. The Commission's ongoing antidumping investigation involving non-oriented electrical steel from Korea (investigation No. 731–TA–1241) will continue.

DATES: *Effective Date:* October 14, 2014.

FOR FURTHER INFORMATION CONTACT: Edward Petronzio (202–205–3176), Office of Investigations, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436. Hearing-impaired individuals are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on 202–205–1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202–205–2000. General information concerning the Commission may also be obtained by accessing its Internet server (*http://www.usitc.gov*). The public record for these investigations may be viewed on the Commission's electronic docket (EDIS) at *http://edis.usitc.gov.*

Authority: This investigation is being terminated under authority of title VII of the Tariff Act of 1930; this notice is published pursuant to section 201.10 of the Commission's rules (19 CFR § 201.10).

By order of the Commission.

Issued: October 23, 2014.

Lisa R. Barton,

Secretary to the Commission.

[FR Doc. 2014–25659 Filed 10–28–14; 8:45 am]

BILLING CODE 7020–02–P

DEPARTMENT OF JUSTICE

Notice of Lodging of Consent Decree Under the Clean Water Act

Notice is hereby given that on October 23, 2014, the U.S. Department of Justice lodged a proposed consent decree with the United States District Court for the Southern District of New York in *United States* v. *Kiryas Joel Poultry Processing Plant, Inc.,* No. 14 Civ. 8458.

The United States filed a complaint in this action on the same day that the consent decree was lodged with the Court. The defendants are Kiryas Joel Poultry Processing Plant, Inc. and Kiryas Joel Meat Market Corporation. The complaint relates to the defendants' poultry processing plant located at 7 Dinev Court, Monroe, New York, and their pretreatment facility, located at or near 50 Bakertown Road, Monroe, New York. The complaint alleges that the defendants violated the Clean Water Act, 33 U.S.C. 1311, 1317, and 1319, by: (1) Discharging spills and overflows of untreated wastewater from their property into storm drains, catch basins and storm sewers that discharge directly into navigable waters, in violation of Section 301 of the Act; (2) failing to obtain a stormwater permit pursuant to Section 402 of the Act, and discharging stormwater associated with industrial processes in violation of Section 301 of the Act; and (3) discharging untreated wastewater at volumes that passed-through or interfered with a nearby publicly owned treatment works (''POTW''), which itself discharges to navigable waters, in violation of Section 307 of the Act.

The consent decree requires the defendants to pay a $330,000 civil penalty and to perform injunctive relief, including enhanced monitoring of the plant's effluent and the submission of,

and compliance with, contingency plans in the event of equipment failures, and any further pass-throughs or interferences at the POTW. The consent decree resolves the civil claims of the United States for the violations alleged in the complaint through the date of lodging of the consent decree, and civil claims that could have brought against the defendants by the United States pursuant to Sections 307 or 309 of the Act for (i) violations of a previously issued administrative order or (ii) certain violations of the Clean Water Act occurring through the date of lodging of the consent decree.

The publication of this notice opens a period for public comment on the consent decree. Comments should be addressed to the Assistant Attorney General, Environment and Natural Resources Division, and should refer to *United States* v. *Kiryas Joel Poultry Processing Plant, Inc.,* D.J. Ref. No. 90–5–1–1–10219. All comments must be received no later than 30 days after the publication date of this notice. Comments may be submitted either by email or by mail:

To submit comments:	Send them to:
By e-mail	*pubcomment-ees.enrd@usdoj.gov.*
By mail	Assistant Attorney General U.S. DOJ—ENRD, P.O. Box 7611, Washington, DC 20044–7611.

Public comments timely received will be filed on the public court docket.

During the public comment period, the consent decree may be examined and downloaded at this Justice Department Web site: *http://www.usdoj.gov/enrd/Consent_Decrees.html.* We will provide a paper copy of the Consent Decree upon written request and payment of reproduction costs. Please mail your request and payment to: Consent Decree Library, U.S. DOJ—ENRD, P.O. Box 7611, Washington, DC 20044–7611.

Please enclose a check or money order for $3.50 (25 cents per page reproduction cost) payable to the United States Treasury.

Robert E. Maher Jr.,

Assistant Section Chief, Environmental Enforcement Section, Environment and Natural Resources Division.

[FR Doc. 2014–25652 Filed 10–28–14; 8:45 am]

BILLING CODE 4410–15–P

DEPARTMENT OF LABOR

Office of the Secretary

Agency Information Collection Activities; Submission for OMB Review; Comment Request; Investment Advice Participants and Beneficiaries

ACTION: Notice.

SUMMARY: On October 31, 2014, the Department of Labor (DOL) will submit the Employee Benefits Security Administration (EBSA) sponsored information collection request (ICR) titled, ''Investment Advice Participants and Beneficiaries,'' 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 December 1, 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=201409-1210-001* (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–EBSA, Office of Management and Budget, Room 10235, 725 17th Street NW., Washington, DC 20503; by Fax: 202–395–5806 (this is not a toll-free number); or by email: *OIRA_submission@omb.eop.gov.* Commenters are encouraged, but not required, to send a courtesy copy of any comments by mail or courier to the U.S. Department of Labor—OASAM, Office of the Chief Information Officer, Attn: Departmental Information Compliance Management Program, Room N1301, 200 Constitution Avenue NW., Washington, DC 20210; or by email: *DOL_PRA_PUBLIC@dol.gov.*

FOR FURTHER INFORMATION CONTACT: Michel Smyth by telephone at 202–693–4129, TTY 202–693–8064, (these are not toll-free numbers) or by email at *DOL_PRA_PUBLIC@dol.gov.*

Authority: 44 U.S.C. 3507(a)(1)(D).

SUPPLEMENTARY INFORMATION: This ICR seeks to extend PRA authority for the Investment Advice Participants and Beneficiaries information collection requirements codified in regulations 29 CFR 2550–408g–1. The regulatory provision contains the following information collection requirements: (1) A fiduciary adviser must furnish an initial disclosure that provides detailed information to participants about an advice arrangement before initially providing investment advice; (2) a fiduciary adviser must annually engage an independent auditor to audit the investment advice arrangement for compliance with the regulation; (3) if the fiduciary adviser provides the investment advice through the use of a computer model, then—before providing the advice—the fiduciary adviser must obtain a written certification from an eligible investment expert as to the computer model's compliance with certain standards (e.g., applies generally accepted investment theories, unbiased operation, and objective criteria) set forth in the regulation; and (4) a fiduciary adviser must maintain records with respect to the investment advice provided in reliance on the regulation necessary to determine whether the applicable requirements of the regulation have been satisfied. Employee Retirement Income Security Act of 1974 sections 408(b)(14) and 408(g) authorize this information collection. *See* 29 U.S.C. 1108(b)(14), 1108(g).

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 1210–0134.

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 October 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 May 21, 2014 (79 FR 29208).

Interested parties are encouraged to send comments to the OMB, Office of Information and Regulatory Affairs at the address shown in the **ADDRESSES** section by December 1, 2014. In order to help ensure appropriate consideration, comments should mention OMB Control Number 1210–0134. 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–EBSA.

Title of Collection: Investment Advice Participants and Beneficiaries.

OMB Control Number: 1210–0134.

Affected Public: Private Sector—businesses or other for-profits.

Total Estimated Number of Respondents: 10,000.

Total Estimated Number of Responses: 20,544,000.

Total Estimated Annual Time Burden: 1,981,000 hours.

Total Estimated Annual Other Costs Burden: $276,474,000.

Dated: October 23, 2014.

Michel Smyth,

Departmental Clearance Officer.

[FR Doc. 2014–25678 Filed 10–28–14; 8:45 am]

BILLING CODE 4510–29–P

DEPARTMENT OF LABOR

Office of the Secretary

Agency Information Collection Activities; Submission for OMB Review; Comment Request; Employee Retirement Income Security Act of 1974 Section 408(a) Prohibited Transaction Provisions Exemption Application Procedure

ACTION: Notice.

SUMMARY: The Department of Labor (DOL) is submitting the Employee Benefits Security Administration (EBSA) sponsored information collection request (ICR) titled, ''Employee Retirement Income Security Act of 1974 Section 408(a) Prohibited Transaction Provisions Exemption Application Procedure,'' 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 November 28, 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= 201408-1210-002* (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–EBSA Office of Management and Budget, Room 10235, 725 17th Street NW., Washington, DC 20503; by Fax: 202–395–5806 (this is not a toll-free number); or by email: *OIRA_submission@omb.eop.gov.* Commenters are encouraged, but not required, to send a courtesy copy of any comments by mail or courier to the U.S. Department of Labor—OASAM, Office of the Chief Information Officer, Attn: Departmental Information Compliance Management Program, Room N1301, 200 Constitution Avenue NW., Washington, DC 20210; or by email: *DOL_PRA_PUBLIC@dol.gov.*

FOR FURTHER INFORMATION CONTACT: Michel Smyth by telephone at 202–693–4129, TTY 202–693–8064, (these are not toll-free numbers) or by email at *DOL_PRA_PUBLIC@dol.gov.*

Authority: 44 U.S.C. 3507(a)(1)(D).

SUPPLEMENTARY INFORMATION: This ICR seeks to extend PRA authority for the Employee Retirement Income Security Act of 1974 (ERISA) prohibited transaction provisions exemption application procedure specified by ERISA section 408(a). *See* 29 U.S.C. 1108. This information collection provides the Secretary with information needed to grant an exemption for a transaction ERISA sections 406 and/or 407(a) would otherwise prohibit.

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 1210–0060.

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 October 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 May 21, 2014 (79 FR 29208).

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 1210–0060. 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–EBSA.

Title of Collection: Employee Retirement Income Security Act of 1974 Section 408(a) Prohibited Transaction Provisions Exemption Application Procedure.

OMB Control Number: 1210–0060.

Affected Public: Private Sector—businesses or other for profits.

Total Estimated Number of Respondents: 43.

Total Estimated Number of Responses: 20,500.

Total Estimated Annual Time Burden: 2,200 hours.

Total Estimated Annual Other Costs Burden: $1,200,000.

Dated: October 16, 2014.

Michel Smyth,

Departmental Clearance Officer.

[FR Doc. 2014–25679 Filed 10–28–14; 8:45 am]

BILLING CODE 4510–29–P

DEPARTMENT OF LABOR

Employment and Training Administration

[TA–W–85,417; TA–W–85,417A]

West Linn Paper Company a Subsidiary of Belgravia Investments, Inc. Including On-Site Leased Workers From Galt Foundation West Linn, Oregon; Columbia River Logistics, Inc. (CRL) a Subsidiary of Belgravia Investments, Inc. Including On-Site Leased Workers From Resource Staffing Vancouver, Washington; Amended Certification Regarding Eligibility To Apply for Worker Adjustment Assistance

In accordance with Section 223 of the Trade Act of 1974, as amended (''Act''), 19 U.S.C. 2273, the Department of Labor issued a Certification of Eligibility to Apply for Worker Adjustment Assistance on August 18, 2014, applicable to workers of West Linn Paper Company, a subsidiary of Belgravia Investments, Inc., including on-site leased workers from Galt Foundation, West Linn, Oregon (TA–W–85,417). The Department's Notice of Determination was published in the **Federal Register** on September 9, 2014 (Volume 79 FR Page 53450).

At the request of a state workforce office, the Department reviewed the certification for workers of the subject firm. The firm is engaged in the production of coated paper.

The investigation confirmed that worker separations at Columbia River Logistics, Inc. (CRL), including on-site leased workers from Resource Staffing, Vancouver, Washington, (TA–W–85,417) are attributable to increased imports of coated paper, as are worker separations at the West Linn, Oregon facility.

The amended notice applicable to TA–W–85,417 and TA–W–85,417A is hereby issued as follows:

''All workers of West Linn Paper Company, a subsidiary of Belgravia Investments, Inc., including on-site leased workers from Galt Foundation, West Linn, Oregon (TA–W–85,417) and Columbia River Logistics, Inc., including Resource Staffing, Vancouver, Washington (TA–W–85,417A) who became totally or partially separated from employment on or after July 8, 2013 through August 18, 2016, and all workers in the group threatened with total or partial separation from employment on the date of certification through two years from the date of certification, are eligible to apply for adjustment assistance under Chapter 2 of Title II of the Trade Act of 1974, as amended.''

Signed in Washington, DC this 9th day of October, 2014.

Michael W. Jaffe,

Certifying Officer, Office of Trade Adjustment Assistance.

[FR Doc. 2014–25683 Filed 10–28–14; 8:45 am]

BILLING CODE 4510–FN–P

DEPARTMENT OF LABOR

Employment and Training Administration

Investigations Regarding Eligibility To Apply for Worker Adjustment Assistance

Petitions have been filed with the Secretary of Labor under Section 221 (a) of the Trade Act of 1974 (''the Act'') and are identified in the Appendix to this notice. Upon receipt of these petitions, the Director of the Office of Trade Adjustment Assistance, Employment and Training Administration, has instituted investigations pursuant to Section 221 (a) of the Act.

The purpose of each of the investigations is to determine whether the workers are eligible to apply for adjustment assistance under Title II, Chapter 2, of the Act. The investigations will further relate, as appropriate, to the determination of the date on which total or partial separations began or threatened to begin and the subdivision of the firm involved.

The petitioners or any other persons showing a substantial interest in the subject matter of the investigations may request a public hearing, provided such request is filed in writing with the Director, Office of Trade Adjustment Assistance, at the address shown below, not later than November 10, 2014.

Interested persons are invited to submit written comments regarding the subject matter of the investigations to the Director, Office of Trade Adjustment Assistance, at the address shown below, not later than November 10, 2014.

The petitions filed in this case are available for inspection at the Office of the Director, Office of Trade Adjustment Assistance, Employment and Training Administration, U.S. Department of Labor, Room N–5428, 200 Constitution Avenue NW., Washington, DC 20210.

Signed at Washington, DC, this 16th day of October 2014.

Michael W. Jaffe,

Certifying Officer, Office of Trade Adjustment Assistance.

APPENDIX

[14 TAA Petitions instituted between 10/6/14 and 10/10/14]

TA–W	Subject firm (petitioners)	Location	Date of institution	Date of petition
85576	Senior Aerospace Composites (State/One-Stop)	Wichita, KS	10/06/14	10/03/14
85577	British Airways (Union)	Jamaica, NY	10/07/14	10/06/14
85578	Avery Dennison (Company)	Lenoir, NC	10/08/14	10/07/14
85579	KEYSTONE WEAVING MILLS (Workers)	Lebanon, PA	10/08/14	10/07/14
85580	Ardagh Glass (Union)	Salem, NJ	10/08/14	09/25/14
85581	At&T Mobility (Workers)	Atlanta, GA	10/09/14	10/08/14
85582	Ethox Medical LLC (Company)	Buffalo, NY	10/09/14	10/08/14
85583	Metalfab Tool & Machine, Inc (State/One-Stop)	Mio, MI	10/09/14	10/06/14
85584	Wacom Technology Corporation (Workers)	Vancouver, WA	10/09/14	10/03/14
85585	AGCO (State/One-Stop)	Beloit, KS	10/10/14	10/09/14
85586	Delta Dental (Union)	Mechanicburg, PA	10/10/14	10/09/14
85587	OMCO Machining Concepts (Union)	Winchester, IN	10/10/14	10/09/14
85588	Dominion Enterprises (Workers)	Norfolk, VA	10/10/14	10/09/14
85589	Original Chili Bowl—Windsor Foods (Workers)	Tulsa, OK	10/10/14	09/19/14

[FR Doc. 2014–25682 Filed 10–28–14; 8:45 am]

BILLING CODE 4510–FN–P

DEPARTMENT OF LABOR

Employment and Training Administration

Investigations Regarding Eligibility To Apply for Worker Adjustment Assistance

Petitions have been filed with the Secretary of Labor under Section 221(a) of the Trade Act of 1974 (''the Act'') and are identified in the Appendix to this notice. Upon receipt of these petitions, the Director of the Office of Trade Adjustment Assistance, Employment and Training Administration, has instituted investigations pursuant to Section 221(a) of the Act.

The purpose of each of the investigations is to determine whether the workers are eligible to apply for adjustment assistance under Title II, Chapter 2, of the Act. The investigations will further relate, as appropriate, to the determination of the date on which total or partial separations began or threatened to begin and the subdivision of the firm involved.

The petitioners or any other persons showing a substantial interest in the subject matter of the investigations may request a public hearing, provided such request is filed in writing with the Director, Office of Trade Adjustment Assistance, at the address shown below, not later than November 10, 2014.

Interested persons are invited to submit written comments regarding the subject matter of the investigations to the Director, Office of Trade Adjustment Assistance, at the address shown below, not later than November 10, 2014.

The petitions filed in this case are available for inspection at the Office of the Director, Office of Trade Adjustment Assistance, Employment and Training Administration, U.S. Department of Labor, Room N–5428, 200 Constitution Avenue NW., Washington, DC 20210.

Signed at Washington, DC this 9th day of October 2014.

Michael W. Jaffe,

Certifying Officer, Office of Trade Adjustment Assistance.

APPENDIX

[15 TAA petitions instituted between 9/29/14 and 10/3/14]

TA–W	Subject firm (petitioners)	Location	Date of institution	Date of petition
85561	Air System Components, Inc. (Company)	Ponca City, OK	09/29/14	09/26/14
85562	Unimin Corporation (Workers)	Gleason, TN	09/29/14	09/27/14
85563	Nordyne (Company)	Boonville, MO	09/30/14	09/29/14
85564	Prestolite Electric Incorporated (Company)	Arcade, NY	09/30/14	09/29/14
85565	Carl Zeiss Vision, Inc. (State/One-Stop)	Independence, MO	09/30/14	09/29/14
85566	Evergreen Packaging (State/One-Stop)	Clinton, IA	10/01/14	09/30/14
85567	GE Industrial of PR, LLC (State/One-Stop)	Vega Baja, PR	10/01/14	09/30/14
85568	SILLCO (Workers)	Huntingdon, TN	10/01/14	09/30/14
85569	Metrie Inc (Workers)	Monroe, WA	10/02/14	10/01/14
85570	Heritage Home Group (Lane Venture Plant 14 in Conover, NC) (Workers).	Conover, NC	10/02/14	10/01/14
85571	VLOC (Workers)	Trinity, FL	10/02/14	10/01/14
85572	Newport Corporation (Workers)	Stratford, CT	10/02/14	09/30/14
85573	MotivePower (Union)	Boise, ID	10/02/14	09/26/14
85574	Verso Paper Corporation (State/One-Stop)	Bucksport, ME	10/03/14	10/02/14
85575	Amfire Mining Co, LLC (Workers)	Portage, PA	10/03/14	10/02/14

[FR Doc. 2014–25655 Filed 10–28–14; 8:45 am]

BILLING CODE 4510–FN–P

DEPARTMENT OF LABOR

Employment and Training Administration

Notice of Determinations Regarding Eligibility To Apply for Worker Adjustment Assistance and Alternative Trade Adjustment Assistance

In accordance with Section 223 of the Trade Act of 1974, as amended (19 U.S.C. 2273) the Department of Labor herein presents summaries of determinations regarding eligibility to apply for trade adjustment assistance for workers (TA–W) number and alternative trade adjustment assistance (ATAA) by (TA–W) number issued during the period of October 6, 2014 through October 10, 2014.

In order for an affirmative determination to be made for workers of a primary firm and a certification issued regarding eligibility to apply for worker adjustment assistance, each of the group eligibility requirements of Section 222(a) of the Act must be met.

I. Section (a)(2)(A) all of the following must be satisfied:

A. a significant number or proportion of the workers in such workers' firm, or an appropriate subdivision of the firm, have become totally or partially separated, or are threatened to become totally or partially separated;

B. the sales or production, or both, of such firm or subdivision have decreased absolutely; and

C. increased imports of articles like or directly competitive with articles produced by such firm or subdivision have contributed importantly to such workers' separation or threat of separation and to the decline in sales or production of such firm or subdivision; or

II. Section (a)(2)(B) both of the following must be satisfied:

A. a significant number or proportion of the workers in such workers' firm, or an appropriate subdivision of the firm, have become totally or partially separated, or are threatened to become totally or partially separated;

B. there has been a shift in production by such workers' firm or subdivision to a foreign country of articles like or directly competitive with articles which are produced by such firm or subdivision; and

C. One of the following must be satisfied:

1. the country to which the workers' firm has shifted production of the articles is a party to a free trade agreement with the United States;

2. the country to which the workers' firm has shifted production of the articles to a beneficiary country under the Andean Trade Preference Act, African Growth and Opportunity Act, or the Caribbean Basin Economic Recovery Act; or

3. there has been or is likely to be an increase in imports of articles that are like or directly competitive with articles which are or were produced by such firm or subdivision.

Also, in order for an affirmative determination to be made for secondarily affected workers of a firm and a certification issued regarding eligibility to apply for worker adjustment assistance, each of the group eligibility requirements of Section 222(b) of the Act must be met.

(1) significant number or proportion of the workers in the workers' firm or an appropriate subdivision of the firm have become totally or partially separated, or are threatened to become totally or partially separated;

(2) the workers' firm (or subdivision) is a supplier or downstream producer to a firm (or subdivision) that employed a group of workers who received a certification of eligibility to apply for trade adjustment assistance benefits and such supply or production is related to the article that was the basis for such certification; and

(3) either—

(A) the workers' firm is a supplier and the component parts it supplied for the firm (or subdivision) described in paragraph (2) accounted for at least 20 percent of the production or sales of the workers' firm; or

(B) a loss or business by the workers' firm with the firm (or subdivision) described in paragraph (2) contributed importantly to the workers' separation or threat of separation.

In order for the Division of Trade Adjustment Assistance to issue a certification of eligibility to apply for Alternative Trade Adjustment Assistance (ATAA) for older workers, the group eligibility requirements of Section 246(a)(3)(A)(ii) of the Trade Act must be met.

1. Whether a significant number of workers in the workers' firm are 50 years of age or older.

2. Whether the workers in the workers' firm possess skills that are not easily transferable.

3. The competitive conditions within the workers' industry (i.e., conditions within the industry are adverse).

Affirmative Determinations for Worker Adjustment Assistance

The following certifications have been issued. The date following the company name and location of each determination references the impact date for all workers of such determination.

None.

Affirmative Determinations for Worker Adjustment Assistance and Alternative Trade Adjustment Assistance

The following certifications have been issued. The date following the company name and location of each determination references the impact date for all workers of such determination.

The following certifications have been issued. The requirements of Section 222(a)(2)(A) (increased imports) and Section 246(a)(3)(A)(ii) of the Trade Act have been met.

85,412, Nestle Professional Beverages, Dade City, Florida. July 1, 2013.

85,509, Lighting Science Group Corporation, Satellite Beach, Florida. August 26, 2013.

85,510, General Motors Company, Marion, Indiana. August 18, 2013.

85,523, Katzkin Leather, Inc., Montebello, California. September 8, 2013.

85,526, Finck Cigar Company, San Antonio, Texas. August 25, 2013.

85,529, Sanyo Manufacturing Corporation, Forrest City, Arkansas. December 15, 2013.

85,536, Motorola Solutions, Inc., San Jose, California. September 2, 2013.

85,537, Cargill Meat Solutions Corporation, Milwaukee, Wisconsin. September 15, 2013.

85,541, TSI Evolve, Effingham, Illinois, September 18, 2013.

85,542, Benchmark Electronics, Nashua, New Hampshire. September 18, 2013.

85,547, Foxconn Assembly LLC/ Foxconn Hon Hai Logistics LLC, Houston, Texas. September 22, 2013.

85,552, Ferrara Candy Company, Chattanooga, Tennessee. August 4, 2013.

85,552A, Leased Workers from Elite Staffing and IH Services, Chattanooga, Tennessee. September 24, 2013.

85,558, Speedline Technologies, Inc., Franklin, Massachusetts, September 25, 2013.

85,563, Nordyne, Boonville, Missouri. September 29, 2013.

85,567, GE Industrial of PR, LLC., Vega Baja, Puerto Rico. September 30, 2013.

Negative Determinations for Alternative Trade Adjustment Assistance

In the following cases, it has been determined that the requirements of 246(a)(3)(A)(ii) have not been met for the reasons specified.

The Department has determined that criterion (1) of Section 246 has not been met. The firm does not have a significant number of workers 50 years of age or older.

None.

Negative Determinations for Worker Adjustment Assistance and Alternative Trade Adjustment Assistance

In the following cases, the investigation revealed that the eligibility criteria for worker adjustment assistance have not been met for the reasons specified.

Because the workers of the firm are not eligible to apply for TAA, the workers cannot be certified eligible for ATAA.

None.

The investigation revealed that criteria (a)(2)(A)(I.B.) (Sales or production, or both, did not decline) and (a)(2)(B)(II.B.) (shift in production to a foreign country) have not been met.

85,525, Amgen Inc., Longmont, Colorado.

The investigation revealed that criteria (a)(2)(A)(I.C.) (increased imports) and (a)(2)(B)(II.B.) (shift in production to a foreign country) have not been met.

85,517, M&D Industries, Inc., Clarendon, Pennsylvania.

The workers' firm does not produce an article as required for certification under Section 222 of the Trade Act of 1974.

85,429, San Bernardino Sun (SBSUN)/ Inland Valley Daily Bulletin (IVDB), Ontario, California.
85,435, American IT Solutions, Danbury, Connecticut.
85,462, Microsoft Corporation, Santa Monica, California.
85,500, J.R. Simplot Company, Moses Lake, Washington.
85,500A, J.R. Simplot Company, Othello, Washington.
85,530, Shure Incorporated, El Paso, Texas.

Determinations Terminating Investigations of Petitions for Worker Adjustment Assistance

After notice of the petitions was published in the **Federal Register** and on the Department's Web site, as required by Section 221 of the Act (19 U.S.C. 2271), the Department initiated investigations of these petitions.

None.

I hereby certify that the aforementioned determinations were issued during the period of October 6, 2014 through October 10, 2014. These determinations are available on the Department's Web site www.tradeact/taa/taa_search_form.cfm under the searchable listing of determinations or by calling the Office of Trade Adjustment Assistance toll free at 888–365–6822.

Signed at Washington, DC, this 16th day of October 2014.

Michael W. Jaffe,

Certifying Officer, Office of Trade Adjustment Assistance.

[FR Doc. 2014–25680 Filed 10–28–14; 8:45 am]

BILLING CODE 4510–FN–P

DEPARTMENT OF LABOR

Employment and Training Administration

Notice of Determinations Regarding Eligibility To Apply for Worker Adjustment Assistance and Alternative Trade Adjustment Assistance

In accordance with Section 223 of the Trade Act of 1974, as amended (19 U.S.C. 2273) the Department of Labor herein presents summaries of determinations regarding eligibility to apply for trade adjustment assistance for workers (TA–W) number and alternative trade adjustment assistance (ATAA) by (TA–W) number issued during the period of September 29, 2014 through October 3, 2014.

In order for an affirmative determination to be made for workers of a primary firm and a certification issued regarding eligibility to apply for worker adjustment assistance, each of the group eligibility requirements of Section 222(a) of the Act must be met.

I. Section (a)(2)(A) all of the following must be satisfied:

A. A significant number or proportion of the workers in such workers' firm, or an appropriate subdivision of the firm, have become totally or partially separated, or are threatened to become totally or partially separated;

B. the sales or production, or both, of such firm or subdivision have decreased absolutely; and

C. increased imports of articles like or directly competitive with articles produced by such firm or subdivision have contributed importantly to such workers' separation or threat of separation and to the decline in sales or production of such firm or subdivision; or

II. Section (a)(2)(B) both of the following must be satisfied:

A. A significant number or proportion of the workers in such workers' firm, or an appropriate subdivision of the firm, have become totally or partially separated, or are threatened to become totally or partially separated;

B. there has been a shift in production by such workers' firm or subdivision to a foreign country of articles like or directly competitive with articles which are produced by such firm or subdivision; and

C. One of the following must be satisfied:

1. The country to which the workers' firm has shifted production of the articles is a party to a free trade agreement with the United States;

2. the country to which the workers' firm has shifted production of the articles to a beneficiary country under the Andean Trade Preference Act, African Growth and Opportunity Act, or the Caribbean Basin Economic Recovery Act; or

3. there has been or is likely to be an increase in imports of articles that are like or directly competitive with articles which are or were produced by such firm or subdivision.

Also, in order for an affirmative determination to be made for secondarily affected workers of a firm and a certification issued regarding eligibility to apply for worker adjustment assistance, each of the group eligibility requirements of Section 222(b) of the Act must be met.

(1) Significant number or proportion of the workers in the workers' firm or an appropriate subdivision of the firm have become totally or partially separated, or are threatened to become totally or partially separated;

(2) the workers' firm (or subdivision) is a supplier or downstream producer to a firm (or subdivision) that employed a group of workers who received a certification of eligibility to apply for trade adjustment assistance benefits and such supply or production is related to the article that was the basis for such certification; and

(3) either—

(A) the workers' firm is a supplier and the component parts it supplied for the firm (or subdivision) described in paragraph (2) accounted for at least 20 percent of the production or sales of the workers' firm; or

(B) a loss or business by the workers' firm with the firm (or subdivision) described in paragraph (2) contributed importantly to the workers' separation or threat of separation.

In order for the Division of Trade Adjustment Assistance to issue a certification of eligibility to apply for Alternative Trade Adjustment Assistance (ATAA) for older workers, the group eligibility requirements of Section 246(a)(3)(A)(ii) of the Trade Act must be met.

1. Whether a significant number of workers in the workers' firm are 50 years of age or older.

2. Whether the workers in the workers' firm possess skills that are not easily transferable.

3. The competitive conditions within the workers' industry (i.e., conditions within the industry are adverse).

Affirmative Determinations for Worker Adjustment Assistance

The following certifications have been issued. The date following the company name and location of each determination references the impact date for all workers of such determination.

None.

Affirmative Determinations for Worker Adjustment Assistance and Alternative Trade Adjustment Assistance

The following certifications have been issued. The date following the company name and location of each determination references the impact date for all workers of such determination.

The following certifications have been issued. The requirements of Section 222(a)(2)(A) (increased imports) and Section 246(a)(3)(A)(ii) of the Trade Act have been met.

85,469, Litho-Krome Company, LLC, Midland, Georgia. August 6, 2013.

85,518, Scherer & Trier USA, Saline, Michigan, September 5, 2013.

85,521, CIVCO, Kalona, Iowa. September 9, 2013.

85,522, Marlow Industries, Inc., Dallas, Texas. September 8, 2013.

85,524, Sunspring America, Inc., Henderson, Kentucky. August 19, 2013.

85,533, Modine Manufacturing Company, Ringwood, Illinois, September 11, 2013.

85,535, UTI Integrated Logistics, LLC, EL Paso, Texas, September 4, 2013.

85,418, Three Dimensional Graphics, Danvers, Massachusetts. July 7, 2013.

Negative Determinations for Alternative Trade Adjustment Assistance

In the following cases, it has been determined that the requirements of 246(a)(3)(A)(ii) have not been met for the reasons specified.

None.

Negative Determinations for Worker Adjustment Assistance and Alternative Trade Adjustment Assistance

In the following cases, the investigation revealed that the eligibility criteria for worker adjustment assistance have not been met for the reasons specified.

Because the workers of the firm are not eligible to apply for TAA, the workers cannot be certified eligible for ATAA.

The investigation revealed that criteria (a)(2)(A)(I.C.) (increased imports) and (a)(2)(B)(II.B.) (shift in production to a foreign country) have not been met.

85,488, Sig Sauer, Inc., Newington, New Hampshire.

85,496, Remington Arms, Inc., Ilion, New York.

85,513, Heartland Footwear, Inc., Pocahontas, Arkansas.

The workers' firm does not produce an article as required for certification under Section 222 of the Trade Act of 1974.

85,373, General Electric International, Inc., Plainville, Connecticut.

85,466, GrafTech International Holdings, Inc., Emporium, Pennsylvania.

Determinations Terminating Investigations of Petitions for Worker Adjustment Assistance

After notice of the petitions was published in the **Federal Register** and on the Department's Web site, as required by Section 221 of the Act (19 U.S.C. 2271), the Department initiated investigations of these petitions.

None.

I hereby certify that the aforementioned determinations were issued during the period of *September 29, 2014 through October 3, 2014.* These determinations are available on the Department's Web site *www.tradeact/taa/taa_search_form.cfm* under the searchable listing of determinations or by calling the Office of Trade Adjustment Assistance toll free at 888–365–6822.

Signed at Washington, DC, this 9th day of October 2014.

Michael W. Jaffe,

Certifying Officer, Office of Trade Adjustment Assistance.

[FR Doc. 2014–25654 Filed 10–28–14; 8:45 am]

BILLING CODE 4510–FN–P

DEPARTMENT OF LABOR

Employment and Training Administration

[TA–W–85,013]

TRW Integrated Chassis Systems, LLC; North American Braking Division; A Subsidiary of TRW Automotive Including On-Site Leased Workers From Adecco and DM Burr; Saginaw, Michigan; Negative Determinations Regarding Eligibility To Apply for Worker Adjustment Assistance And Alternative Trade Adjustment Assistance

In accordance with Section 223 of the Trade Act of 1974, as amended (''Act''), 19 U.S.C. 2273, the Department of Labor herein presents the results of an investigation regarding certification of eligibility to apply for worker adjustment assistance.

Workers of a firm may be eligible for worker adjustment assistance if they satisfy the criteria of subsection (a) and (b) of Section 222 of the Act, 19 U.S.C. 2272(a) and (b). For the Department of Labor to issue a certification for workers under Section 222(a) of the Act, 19 U.S.C. 2272(a), the following three criteria must be met:

(1) The first criterion (set forth in Section 222(a)(1) of the Act, 19 U.S.C. 2272(a)(1)) requires that a significant number or proportion of the workers in such workers' firm, or an appropriate subdivision of the firm, have become totally or partially separated, or are threatened to become totally or partially separated

(2) The second criterion (set forth in Section 222(a)(2) of the Act, 19 U.S.C. 2272(a)(2)) may be satisfied in one of two ways:

(A) Increased Imports Path:

(i) Sales or production, or both, at the workers' firm must have decreased absolutely, AND

(ii) imports of articles like or directly competitive with articles produced by such firm or subdivision have increased; and

(iii) the increase described in clause (ii) contributed importantly to such workers' separation or threat of separation and to the decline in the sales or production of such firm or subdivision.

(B) Shift in Production Path:

(i) There has been a shift in production by such workers' firm or subdivision to a foreign country of articles like or directly competitive with articles which are produced by such firm or subdivision; and

(ii)(I) the country to which the workers' firm has shifted production of the articles is a party to a free trade agreement with the United States;

(II) the country to which the workers' firm has shifted production of the articles is a beneficiary country under the Andean Trade Preference Act, African Growth and Opportunity Act, or the Caribbean Basin Economic Recovery Act; or

(III) there has been or is likely to be an increase in imports of articles that are like or directly competitive with articles which are or were produced by such firm or subdivision.

For the Department to issue a secondary worker certification under Section 222(b) of the Act, 19 U.S.C. § 2272(b), to workers of a Supplier or a Downstream Producer, the following criteria must be met:

(1) A significant number or proportion of the workers in the workers' firm or an appropriate subdivision of the firm have become totally or partially separated, or are threatened to become totally or partially separated;

(2) the workers' firm is a Supplier or Downstream Producer to a firm that employed a group of workers who received a certification of eligibility under Section 222(a) of the Act, 19 U.S.C. 2272(a), and such supply or production is related to the article that was the basis for such certification; and

(3) either

(A) the workers' firm is a supplier and the component parts it supplied to the firm described in paragraph (2) accounted for at least 20 percent of the production or sales of the workers' firm; or

(B) a loss of business by the workers' firm with the firm described in paragraph (2) contributed importantly to the workers' separation or threat of separation.

Section 222(c) of the Act, 19 U.S.C. 2272(c), defines the terms ''Supplier'' and ''Downstream Producer.''

The investigation was initiated in response to a petition filed on January 13, 2014 by a company official on behalf of workers of TRW Integrated Chassis Systems, LLC, North American Braking Division, a subsidiary of TRW Automotive, Saginaw, Michigan (TRW Integrated Chassis Systems). The workers' firm is engaged in activities related to the production of rotor and knuckle components and brake corners. The workers are not separately identifiable by article produced. The subject worker group includes on-site leased workers from Adecco and DM Burr.

Workers of the subject firm are eligible to apply for Trade Adjustment Assistance (TAA) under petition TA–W–71,662, which expired on September 30, 2011.

The petition states ''At this time our customer . . . has decided to source our product to other suppliers''.

During the course of the investigation, information was collected from the workers' firm and its customers.

With respect to Section 222(a)(2)(B) of the Act, the investigation revealed that the subject firm did not shift production of rotor and knuckle components and brake corners to a foreign country.

With respect to Section 222(a)(2)(A)(ii) of the Act, the investigation revealed subject firm, customer, and aggregate U.S. imports of articles like or directly competitive with the rotor and knuckle components and brake corners produced by TRW Integrated Chassis Systems have not increased during the relevant period.

With respect to Section 222(b)(2) of the Act, the investigation revealed that TRW Integrated Chassis Systems is not a Supplier to a firm that employed a group of workers who received a certification of eligibility under Section 222(a) of the Act, 19 U.S.C. 2272(a).

With respect to Section 222(b)(2) of the Act, the investigation revealed that TRW Integrated Chassis Systems that does not act as a Downstream Producer to a firm that employed a group of workers who received a certification of eligibility under Section 222(a) of the Act, 19 U.S.C. 2272(a), based on an increase in imports from, or a shift in production to, Canada or Mexico.

In order for the Department to issue a certification of eligibility to apply for alternative trade adjustment assistance (ATAA), the worker group must be certified eligible to apply for trade adjustment assistance. Since the workers are denied eligibility to apply for TAA, the workers cannot be certified eligible for ATAA.

Conclusion

After careful review of the facts obtained in the investigation, I determine that all workers of TRW Integrated Chassis Systems, LLC, North American Braking Division, a subsidiary of TRW Automotive, including on-site leased workers from Adecco and DM Burr, Saginaw, Michigan, are denied eligibility to apply for adjustment assistance under Section 223 of the Trade Act of 1974, as amended, and are also denied eligibility to apply for alternative trade adjustment assistance under Section 246 of the Trade Act of 1974, amended.

Signed in Washington, DC this 26th day of February, 2014.

Del Min Amy Chen,

Certifying Officer, Office of Trade Adjustment Assistance.

Editorial Note: This document was received for publication by the Office of **Federal Register** on October 23, 2014.

[FR Doc. 2014–25656 Filed 10–28–14; 8:45 am]

BILLING CODE 4510–FN–P

DEPARTMENT OF LABOR

Occupational Safety and Health Administration

[Docket No. OSHA–H022k–2006–0062]

Preparations for the 28th Session of the UN Sub-Committee of Experts on the Globally Harmonized System of Classification and Labelling of Chemicals (UNSCEGHS)

AGENCY: Occupational Safety and Health Administration (OSHA), Department of Labor

ACTION: Notice of public meeting.

SUMMARY: This notice is to advise interested persons that on Wednesday, November 12, 2014, OSHA, as a representative of the U.S Interagency GHS (Globally Harmonized System of Classification and Labelling of Chemicals) Coordinating Group, will conduct a public meeting to discuss proposals in preparation for the 28th session of the United Nations Sub-Committee of Experts on the Globally Harmonized System of Classification and Labelling of Chemicals (UNSCEGHS) to be held December 10 to 12, 2014 in Geneva, Switzerland. OSHA, along with the U.S. Interagency GHS Coordinating Group, plans to consider the comments and information gathered at this public meeting when developing the U.S. Government positions for the UNSCEGHS meeting.

Also, on Wednesday, November 12, 2014, the Department of Transportation (DOT), Pipeline and Hazardous Materials Safety Administration (PHMSA) will conduct a public meeting (See Docket No. PHMSA–2014–0117, Notice No. 14–12) to discuss proposals in preparation for the 46th session of the United Nations Sub-Committee of Experts on the Transport of Dangerous Goods (UNSCOE TDG) to be held December 1 to December 9, 2014, in Geneva, Switzerland.

DATES: Wednesday, November 12, 2014.

ADDRESSES: Both meetings will be held at the DOT Headquarters Conference Center, West Building, 1200 New Jersey Avenue SE., Washington, DC 20590.

Times and Locations

PHMSA public meeting: 9:00 a.m. to 12:00 p.m. EDT, Conference Room 4.

OSHA public meeting: 1:00 p.m. to 4:00 p.m. EDT, Conference Room 4.

Registration: It is requested that attendees pre-register for these meetings by completing the form at: *https://www.surveymonkey.com/s/9WWZWR2.* Attendees may use the form to pre-register for the OSHA meeting, the PHMSA meeting, or both meetings.

Failure to pre-register may delay your access to the DOT building. Participants attending in person are encouraged to arrive early to allow time for security checks necessary to obtain access to the building.

Conference call-in and ''live meeting'' capability will be provided for both meetings. Specific information on call-in and live meeting access will be posted when available at: *http://www.osha.gov/dsg/hazcom/* and at: *http://www.phmsa.dot.gov/hazmat/regs/international.*

FOR FURTHER INFORMATION CONTACT: Maureen Ruskin, Office of Chemical Hazards-Metals, OSHA Directorate of Standards and Guidance, Department of Labor, Washington, DC 20210; telephone: (202) 693–1950, email: *ruskin.maureen@dol.gov.*

SUPPLEMENTARY INFORMATION:

The OSHA Meeting: OSHA is hosting an open informal public meeting of the U.S. Interagency GHS Coordinating Group to provide interested groups and individuals with an update on GHS-related issues and an opportunity to express their views orally and in writing for consideration in developing U.S. Government positions for the upcoming UNSCEGHS meeting. Interested stakeholders may also provide input on issues related to OSHA's activities in the U.S.—Canada Regulatory Cooperation Council (RCC) at the meeting.

General topics on the agenda include:

- Review of Working papers
- Correspondence Group updates
- Regulatory Cooperation Council (RCC) Update.

Information on the work of the UNSCEGHS including meeting agendas, reports, and documents from previous sessions, can be found on the United Nations Economic Commission for Europe (UNECE) Transport Division Web site located at the following web address: *http://www.unece.org/trans/danger/publi/ghs/ghs_welcome_e.html.* The UNSCEGHS bases its decisions on Working Papers. The Working Papers for the 28th session of the UNSCEGHS are located at: *http://www.unece.org/trans/main/dgdb/dgsubc4/c42014.html.*

Informal Papers submitted to the UNSCEGHS provide information for the Sub-committee and are used either as a mechanism to provide information to the Sub-committee or as the basis for future Working Papers. Informal Papers for the 28th session of the UNSCEGHS are located at: *http://www.unece.org/trans/main/dgdb/dgsubc4/c4inf28.html*

The PHMSA Meeting: The **Federal Register** notice and additional detailed information relating to PHMSA's public meeting will be available upon publication at *http://www.regulations.gov* (Docket No. PHMSA–2014–0117) and on the PHMSA Web site at: *http://www.phmsa.dot.gov/hazmat/regs/international.*

Authority and Signature

This document was prepared under the direction of David Michaels, Ph.D., MPH, Assistant Secretary of Labor for Occupational Safety and Health, U.S. Department of Labor, pursuant to sections 4, 6, and 8 of the Occupational Safety and Health Act of 1970 (29 U.S.C. 653, 655, 657), and Secretary's Order 1–2012 (77 FR 3912), (Jan. 25, 2012).

Signed at Washington, DC, on October 24, 2014.

David Michaels,

Assistant Secretary of Labor for Occupational Safety and Health.

[FR Doc. 2014–25690 Filed 10–28–14; 8:45 am]

BILLING CODE 4510–26–P

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[Notice (14–102)]

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: Wednesday, November 19, 2014, 9:00 a.m.–5:00 p.m., Local Time Thursday, November 20, 2014, 9:00 a.m.–3:30 p.m., Local Time.

ADDRESSES: NASA Headquarters, 300 E Street SW., Room1Q39 (Glennan Conference Room), Washington, DC 20024.

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: 180093 followed by the # sign. To join via WebEx on November 19, the link is *https://nasa.webex.com/,* the meeting number is 996 488 292 and the password is Meeting2014! (Password is case sensitive.) To join via WebEx on November 20, the link is *https://nasa.webex.com/,* the meeting number is 995 037 119 and the password is Meeting2014! (Password is case sensitive.) NOTE: If dialing in, please ''mute'' your telephone. The agenda for the meeting will include the following:

—NASA Workforce Overview.

—Grants Processing Overview.

—NASA Facilities Overview.

—NASA IT.

—Technical Capabilities Assessment Team Status.

Attendees will be requested to sign a register and to comply with NASA Headquarters security requirements, including the presentation of a valid picture ID before receiving access to NASA Headquarters. 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; passport information (number, country, telephone); visa information (number, type, expiration date); 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 full name and citizenship status 3 working days in advance by contacting Ms. Mary Dunn, via email at *mdunn@nasa.gov* or by telephone at 202–358–2789. 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. 2014–25703 Filed 10–28–14; 8:45 am]

BILLING CODE 7510–13–P

NUCLEAR REGULATORY COMMISSION

[Docket Nos. 52–027 and 52–028; NRC–2008–0441]

Virgil C. Summer Nuclear Station, Units 2 and 3; South Carolina Electric & Gas Company; Reclassification of Portions of Human Factors Verification and Validation Planning Documents

AGENCY: Nuclear Regulatory Commission.

ACTION: Exemption and combined license amendment; issuance.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) is granting an exemption to allow a departure from the certification information of Tier 2* of the generic design control document (DCD) and issuing License Amendment No. 18 to Combined Licenses (COL), NPF–93 and NPF–94. The COLs were issued to South Carolina Electric & Gas Company (SCE&G), and South Carolina Public Service Authority, (the licensee), for construction and operation of the Virgil C. Summer Nuclear Station (VCSNS), Units 2 and 3 located in Fairfield County, South Carolina. The amendment revises the updated final safety analysis report (UFSAR) by reclassifying portions of the five Tier 2* Human Factors & Validation (V&V) Technical Reports listed in the UFSAR Table 1.6–1 and Chapter 18, Subsection 18.11.2.

The granting of the exemption allows the changes to Tier 2* information asked for in the amendment. Because the acceptability of the exemption was determined in part by the acceptability of the amendment, the exemption and amendment are being issued concurrently.

ADDRESSES: Please refer to Docket ID NRC–2008–0441 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–2008–0441. 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. The request for the amendment was submitted by the letter dated March 19, 2014 (ADAMS Accession Number ML14079A599). The request for the exemption was submitted by the letter dated March 19, 2014 (ADAMS Accession Number ML14079A599). The licensee supplemented this request by letters dated June 3, 2014 (ADAMS Accession Number ML14155A210), June 20, 2014 (ADAMS Accession Number ML14174B135) and July 9, 2014 (ADAMS Accession Number ML14190B356).
- NRC's PDR: You may examine and purchase copies of public documents at the NRC's P DR, Room O1–F21, One White Flint North, 11555 Rockville Pike, Rockville, Maryland 20852.

FOR FURTHER INFORMATION CONTACT: Ravindra Joshi, Office of New Reactors, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001; telephone: 301–415–6191; e- mail: *Ravindra.Joshi@nrc.gov.*

SUPPLEMENTARY INFORMATION:

I. Introduction

The NRC is granting an exemption from Paragraph B of Section III, ''Scope and Contents,'' of Appendix D, ''Design Certification Rule for the AP1000,'' to part 52 of Title 10 of the *Code of Federal Regulations* (10 CFR) and issuing License Amendment No. 18 to COLs, NPF–93 and NPF–94, to the licensee. The exemption is required by Paragraph B.6.c of Section VIII, ''Processes for Changes and Departures,'' Appendix D to 10 CFR part 52 to allow the licensee to depart from Tier 2* information. With the requested amendment, the licensee sought changes to the UFSAR by reclassifying portions of the five Tier 2* Human Factors V&V Technical Reports listed in UFSAR Table 1.6–1 and Chapter 18, Subsection 18.11.2.

Part of the justification for granting the exemption was provided by the review of the amendment. Because the exemption is necessary in order to issue the requested license amendment, the NRC granted the exemption and issued the amendment concurrently, rather than in sequence. This included issuing a combined safety evaluation containing the NRC staff's review of both the exemption request and the license amendment. The exemption met all applicable regulatory criteria set forth in 10 CFR 50.12, 10 CFR 52.7, and 52.63(b)(1). The license amendment was found to be acceptable as well. The combined safety evaluation is available in ADAMS under Accession Number ML14252A153.

Identical exemption documents (except for referenced unit numbers and license numbers) were issued to the licensee for VCSNS Units 2 and 3 (COLs NPF–93 and NPF–94). These documents can be found in ADAMS under Accession Numbers ML14252A112 and ML14252A129, respectively. The exemption is reproduced (with the exception of abbreviated titles and additional citations) in Section II of this document. The amendment documents for COLs NPF–93 and NPF–94 are available in ADAMS under Accession Nos. ML14252A069 and ML14252A072, respectively. A summary of the amendment documents is provided in Section III of this document.

II. Exemption

Reproduced below is the exemption document issued to VCSNS Units 2 and 3. It makes reference to the combined safety evaluation that provides the reasoning for the findings made by the NRC (and listed under Item 1) in order to grant the exemption:

1. In a letter dated March 19, 2014, and supplemented by the letters dated June 3, June 20, and July 9, 2014, South Carolina Electric and Gas Company (licensee) requested from the U.S. Nuclear Regulatory Commission (Commission) an exemption from the provisions of Title 10 of the *Code of Federal Regulations* (10 CFR) Part 52, Appendix D, Section III.B, ''Design Certification Rule for the AP1000 Design, Scope, and Contents,'' as part of license amendment request (LAR) 13–34, ''Reclassification of Portions of Human Factors Verification and Validation of Planning Documents'' (LAR 13–34).

For the reasons set forth in Section 3.1 of the NRC staff's Safety Evaluation, which can be found at Agencywide Documents Access and Management System Accession Number ML14252A153, the Commission finds that:

A. The exemption is authorized by law;

B. the exemption presents no undue risk to public health and safety;

C. the exemption is consistent with the common defense and security;

D. special circumstances are present in that the application of the rule in this circumstance is not necessary to serve the underlying purpose of the rule;

E. the special circumstances outweigh any decrease in safety that may result from the reduction in standardization caused by the exemption; and

F. the exemption will not result in a significant decrease in the level of safety otherwise provided by the design.

2. Accordingly, the licensee is granted an exemption to the provisions of 10 CFR Part 52, Appendix D, Section III.B, to allow deviations from the certified Design Control Document (DCD) Tier 2* information, as described in the licensee's request dated March 19, 2014, and supplemented by the letters dated June 3, June 20, and July 9, 2014. This exemption is related to, and necessary for the granting of License Amendment No. 18, which is being issued concurrently with this exemption.

3. As explained in Section 5 of the NRC staff's Safety Evaluation (ADAMS Accession Number ML14252A153), this exemption meets the eligibility criteria for categorical exclusion set forth in 10 CFR 51.22(c)(9). Therefore, pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment needs to be prepared in connection with the issuance of the exemption.

4. This exemption is effective as of October 8, 2014.

III. License Amendment Request

The request for the amendment was submitted by the letter dated March 19, 2014 (ADAMS Accession Number ML14079A599). The request for the exemption was submitted by the letter dated March 19, 2014 (ADAMS Accession Number ML14079A599). The licensee supplemented this request by letters dated June 3, 2014 (ADAMS Accession No. ML14155A210), June 20, 2014 (ADAMS Accession No. ML14174B135), and July 9, 2014 (ADAMS Accession Number ML14190B356). The proposed license amendment request revises the UFSAR by reclassifying portions of the five Tier 2* Human Factors V&V Technical Reports listed in UFSAR Table 1.6–1 and Chapter 18, Subsection 18.11.2.

The Commission has determined for these amendments that the application complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations. The Commission has made appropriate findings as required by the Act and the Commission's rules and regulations in 10 CFR Chapter I, which are set forth in the license amendment.

A notice of consideration of issuance of amendment to the facility operating license or combined license, as applicable, proposed no significant hazards consideration determination, and opportunity for a hearing in connection with these actions, was published in the **Federal Register** on August 5, 2014 (79 FR 45470). No comments were received during the 60-day comment period.

The Commission has determined that these amendments satisfy the criteria for categorical exclusion in accordance with 10 CFR 51.22(c)(9). Therefore, pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment need be prepared for these amendments.

IV. Conclusion

Using the reasons set forth in the combined safety evaluation, the staff granted the exemption and issued the amendment that the licensee requested on March 19, 2014, and supplemented by letters dated June 3, June 20, and July 9, 2014. The exemption and amendment were issued on October 8, 2014 as part of a combined package to the licensee (ADAMS Accession Number ML14252A056).

Dated at Rockville, Maryland, this 22nd day of October 2014.

For the Nuclear Regulatory Commission.

Lawrence J. Burkhart,

Chief, Licensing Branch 4, Division of New Reactor Licensing, Office of New Reactors.

[FR Doc. 2014–25757 Filed 10–28–14; 8:45 am]

BILLING CODE 7590–01–P

NUCLEAR REGULATORY COMMISSION

[Docket No. 50–0395; NRC–2014–0108]

South Carolina Electric & Gas Company, Virgil C. Summer Nuclear Station, Unit 1; Withdrawal of License Amendment Application

AGENCY: Nuclear Regulatory Commission.

ACTION: License amendment application; withdrawal by applicant.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) has granted the request of South Carolina Electric & Gas Company to withdraw its application dated March 26, 2014, supplemented on April 17, 2014, for a proposed amendment to Renewed Facility Operating License NPF–12. The proposed amendment would have revised the Virgil C. Summer Nuclear Station, Unit 1, Radiation Emergency Plan.

ADDRESSES: Please refer to Docket ID NRC–2014–0108 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–2014–0108. Address questions about NRC dockets to Carol Gallagher; telephone: 301–287–3422; email: *Carol.Gallagher@nrc.gov*. For technical questions, contact the individuals listed in the **FOR FURTHER INFORMATION CONTACT** section of this document.
- *NRC's Agencywide Documents Access and Management System (ADAMS):* You may obtain publicly-available documents online in the ADAMS Public Documents collection at *http://www.nrc.gov/reading-rm/adams.html*. To begin the search, select ''*ADAMS Public Documents*'' and then select ''*Begin Web-based ADAMS Search*.'' For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1–800–397–4209, 301–415–4737, or by email to *pdr.resource@nrc.gov*. The ADAMS accession number for each document referenced 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: Shawn Williams, Office of Nuclear Reactor Regulation, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001; telephone: 301–415–1009, email: *Shawn.Williams@nrc.gov*.

SUPPLEMENTARY INFORMATION: The NRC has granted the request of South Carolina Electric & Gas Company (the licensee) to withdraw its application date March 26, 2014, supplemented on April 17, 2014 (ADAMS Accession Nos. ML14091A488 and ML14108A335, respectively), for a proposed amendment to Renewed Facility Operating License NPF–12 for the Virgil C. Summer Nuclear Station, Unit 1, located in Jenkinsville, SC.

The proposed amendment sought to revise the Virgil C. Summer Nuclear Station, Unit 1, Radiation Emergency Plan.

The NRC published a Biweekly Notice in the **Federal Register** on May 13, 2014 (79 FR 27348), that gave notice that this proposed amendment was under consideration by the NRC. The licensee submitted its request to withdraw the proposed amendment on September 4, 2014 (ADAMS Accession No. ML14253A221).

Dated at Rockville, Maryland, this 16th day of October 2014.

For the Nuclear Regulatory Commission.

Robert J. Pascarelli,

Chief, Plant Licensing Branch II–1, Division of Operating Reactor Licensing, Office of Nuclear Reactor Regulation.

[FR Doc. 2014–25751 Filed 10–28–14; 8:45 am]

BILLING CODE 7590–01–P

NUCLEAR REGULATORY COMMISSION

[Docket No. 72–8; NRC–2011–0085]

Exelon Generation Corporation, LLC; Calvert Cliffs Independent Spent Fuel Storage Installation

AGENCY: Nuclear Regulatory Commission.

ACTION: License renewal; issuance.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) has issued a renewed license to Exelon Generation Corporation, LLC (Exelon Generation), for its Materials License SNM–2505 for the receipt, possession, transfer, and storage of spent fuel at the Calvert Cliffs independent spent fuel storage installation (ISFSI), located in Calvert County, Maryland. The renewed license authorizes operation of the Calvert Cliffs ISFSI in accordance with the provisions of the renewed license and its Technical Specifications (TS). The renewed license expires on November 30, 2052.

DATES: October 29, 2014.

ADDRESSES: Please refer to Docket ID NRC–2011–0085 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–2011–0085. 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 obtain publicly available documents online in the ADAMS Public Documents collection at *http://www.nrc.gov/reading-rm/adams.html.* To begin the search, select ''*ADAMS Public Documents''* and then select ''*Begin Web-based ADAMS Search.''* For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1–800–397–4209, 301–415–4737, or by email to *pdr.resource@nrc.gov.* For the convenience of the reader, the ADAMS accession numbers are provided in a table in the ''Availability of Documents'' section of this document.
- *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: John Goshen, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555; telephone: 301–287–9250; email: *John.Goshen@nrc.gov.*

SUPPLEMENTARY INFORMATION: Based upon the application dated September 17, 2010, as supplemented February 10, June 28 and December 15, 2011; July 27, 2012; June 14, 2013; and April 24, and September 8, 2014, the U.S. NRC has issued a renewed license to Exelon Generation Corporation, LLC (Exelon Generation), for its Calvert Cliffs independent spent fuel storage installation (ISFSI), located in Calvert County, Maryland. The renewed license authorizes and requires operation of the Calvert Cliffs ISFSI in accordance with the provisions of the renewed license and its TS. The renewed license will expire on November 30, 2052. Exelon's application for a renewed license complies with the standards and requirements of the Atomic Energy Act of 1954 (the Act), as amended, and the Commission's rules and regulations. The Commission has made appropriate findings as required by the Act and the Commission's regulations in chapter 1 of Title 10 of the Code of Federal Regulations (10 CFR), and sets forth those findings in the renewed license. The agency afforded an opportunity for a hearing in the Notice of Opportunity for a Hearing published in the **Federal Register** on April 25, 2011 (76 FR 22935). The NRC received no request for a hearing or petition for leave to intervene following the notice.

The NRC staff prepared a safety evaluation report (SER) for the renewal of the ISFSI license and concluded, based on that evaluation, the ISFSI will continue to meet the regulations in 10 CFR part 72. The NRC staff also prepared an Environmental Assessment (EA) and Finding of No Significant Impact for the renewal of this license on June 8, 2012 (77 FR 34093). The EA and Finding of No Significant Impact, which was re-issued on October 23, 2014, (79 FR 63444), and includes the NRC staff's consideration of the impacts of continued storage of spent nuclear fuel (as documented in NUREG–2157, ''Generic Environmental Impact Statement for Continued Storage of Spent Fuel'') as an appendix to the EA, concluded that renewal of this ISFSI license will not have a significant impact on the quality of the human environment.

Availability of Documents: The ADAMS accession numbers for the documents related to this notice are:

1	Applicant's application, dated September 17, 2010	ML102650247
2	Response to First Request for Supplemental Information, dated February 10, 2011	ML110620134
3	Response to Second Request for Supplemental Information, dated March 9, 2011	ML110730720
4	Response to First Request for Additional Information, dated June 28, 2011	ML11180A270
5	Response to Second Request for Additional Information, dated December 15, 2011	ML113640129
6	Response to Third Request for Supplemental Information, dated July 27, 2012	ML12212A216
7	Partial Response to Third Request for Additional Information, dated June 14, 2013	ML131700610
8	Supplemental Response to Third Request for Additional Information, dated April 24, 2014	ML131190290
9	Response to Fourth Request for Additional Information, dated September 18, 2014	ML14267A065
10	NRC Safety Evaluation Report	ML14274A038

Dated at Rockville, Maryland, this 23rd day of October 2014.

Michele M. Sampson,

Chief, Spent Fuel Licensing Branch, Division of Spent Fuel Management, Office of Nuclear Material Safety and Safeguards.

[FR Doc. 2014–25758 Filed 10–28–14; 8:45 am]

BILLING CODE 7590–01–P

OFFICE OF PERSONNEL MANAGEMENT

Submission for Review: OPM 1655, Application for Senior Administrative Law Judge, and OPM 1655–A, Geographic Preference Statement for Senior Administrative Law Judge Applicant

AGENCY: Office of Personnel Management.

ACTION: 30-day notice and request for comments.

SUMMARY: The Administrative Law Judge Program Office, Office of Personnel Management (OPM) offers the general public and other federal agencies the opportunity to comment on an information collection request (ICR) 3206–0248, OPM 1655, *Application for Senior Administrative Law Judge,* and OPM 1655–A, *Geographic Preference Statement for Senior Administrative Law Judge Applicant.* OPM is soliciting comments for this collection under 44 U.S.C. 3507(a)(1)(D) and 5 CFR 1320.5(a)(1)(iv) and 1320.10(a). The information collection was previously published in the **Federal Register** on August 1, 2014 at 79 FR 44872 allowing for a 60-day public comment period. No comments were received for this information collection. The purpose of this notice is to allow an additional 30 days for public comments.

DATES: Comments are encouraged and will be accepted until November 28, 2014.

ADDRESSES: Interested persons are invited to submit written comments on the proposed information collection to the Office of Information and Regulatory Affairs, Office of Management Budget, 725 17th Street NW., Washington, DC 20503, Attention: Desk Officer for the Office of Personnel Management or sent via electronic mail to *oira_submission@omb.eop.gov* or faxed to (202) 395–6974.

FOR FURTHER INFORMATION CONTACT: A copy of the proposed information collection, with applicable supporting documentation, may be obtained by contacting the Administrative Law Judge Office, Office of Personnel Management, 1900 E Street NW., Washington, DC 20415, Attention: Juanita H. Love, ALJ Program Manager or sent via electronic mail to *juanita.love@opm.gov.*

SUPPLEMENTARY INFORMATION: The Office of Management and Budget is particularly interested in comments that:

1. Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;
2. Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
3. Enhance the quality, utility, and clarity of the information to be collected; and
4. Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submissions of responses.

OPM 1655, Application for Senior Administrative Law Judge, and OPM 1655–A, Geographic Preference Statement for Senior Administrative Law Judge Applicant, are used by retired Administrative Law Judges seeking reemployment on a temporary and intermittent basis to complete hearings of one or more specified case(s) in accordance with the Administrative Procedure Act of 1946. OPM proposes to revise the information collection to more clearly state, in the form instructions, the licensure requirement for appointment as an ALJ; to eliminate an obsolete reference to the OF 612, Optional Application for Federal Employment, which OPM canceled on June 13, 2011, see 76 FR 31998; to reference a full list of the Privacy Act routine uses applicable to this information collection; to update geographic locations; and to make technical changes to citations and terminology.

Analysis

Agency: Administrative Law Judge Program Office, Office of Personnel Management.

Title: OPM 1655, *Application for Senior Administrative Law Judge,* and OPM 1655–A, *Geographic Preference Statement for Senior Administrative Law Judge Applicant.*

OMB Number: 3206–0248.

Frequency: Annually.

Affected Public: Federal Administrative Law Judge Retirees.

Number of Respondents: Approximately 150—OPM 1655/Approximately 200—OPM 1655–A.

Estimated Time per Respondent: Approximately 30–45 Minutes—OPM 1655/Approximately 15–25 Minutes—OPM 1655–A.

Total Burden Hours: Estimated 94 hours—OPM 1655/Estimated 67 hours—OPM 1655–A.

U.S. Office of Personnel Management.

Katherine Archuleta,

Director.

[FR Doc. 2014–25688 Filed 10–28–14; 8:45 am]

BILLING CODE 6325–43–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–73419; File No. 10–214]

Automated Matching Systems Exchange, LLC; Order Instituting Proceedings To Determine Whether To Grant or Deny an Application for an Exemption From Registration as a National Securities Exchange Under Section 5 of the Securities Exchange Act of 1934

October 23, 2014.

I. Introduction

On July 7, 2014, Automated Matching Systems Exchange, LLC (''AMSE'') filed with the Securities and Exchange Commission (''Commission'') an application seeking a limited volume exemption under Section 5 of the Securities Exchange Act (''Exchange Act'') from registration as a national securities exchange under Section 6 of the Exchange Act.[1] Notice of AMSE's exemption application was published for comment in the **Federal Register** on July 29, 2014.[2] Although Section 5 of the Exchange Act does not require the Commission to institute proceedings on whether to grant or deny AMSE's exemption application, the Commission has determined, in its discretion, to institute such proceedings in order to solicit further the views of interested persons on AMSE's exemption application. This order institutes proceedings to determine whether to grant or deny the exemption application.

II. Description of AMSE's System

AMSE proposes to conduct business in reliance upon an exemption from registration as a national securities exchange pursuant to Section 5 of the Exchange Act.[3] In general, AMSE seeks to operate as an exchange for alternative trading systems.[4] AMSE proposes to

[1] 15 U.S.C. 78e.

[2] *See* Securities Exchange Act Release No. 72661 (July 23, 2014), 79 FR 44070 (''Notice). The Commission notes that Section 5 of the Exchange Act did not require publication of AMSE's exemption application. The Commission determined, in its discretion, to publish the Notice in order to solicit the views of interested persons on AMSE's exemption application.

[3] 15 U.S.C. 78e.

[4] For more detail on AMSE's proposed system, *see* AMSE's full exemption application and

Continued

operate solely on an ''off-order-book'' trading basis. AMSE does not intend to have a physical exchange trading floor, centralized order book, or specialists or market makers with affirmative and negative market making obligations. Each member of AMSE would maintain its own automated matching system or electronic order book. Each member of AMSE would adopt its own rules governing the execution and priority of orders on its system. Trades would occur when an order to buy and an order to sell match on a member's electronic order book. Each member would report its transactions to AMSE at such intervals as required by AMSE.

III. Proceedings To Determine Whether To Grant or Deny the Exemption Application and Grounds for Denial Under Consideration

The Commission is instituting proceedings to determine whether AMSE's exemption application should be granted or denied. Institution of such proceedings is appropriate at this time in view of the legal and policy issues raised by the exemption application. Institution of proceedings does not indicate that the Commission has reached any conclusions with respect to any of the issues involved. Rather, as described in greater detail below, the Commission seeks and encourages interested persons to provide additional comment on the exemption application.

The Commission is providing notice of the grounds for denial under consideration. Section 5 of the Exchange Act allows the Commission to exempt an exchange from the requirements of exchange registration if ''in the opinion of the Commission, by reason of the limited volume of transactions effected on such exchange, it is not practicable and not necessary or appropriate in the public interest or for the protection of investors to require such registration.'' [5] Section 3(a)(1) of the Exchange Act [6] defines an ''exchange'' to be ''any organization, association, or group of persons, whether incorporated or incorporated, which constitutes, maintains, or provides a market place or facilities for bringing together purchasers and sellers of securities or for otherwise performing with respect to securities the functions commonly performed by a stock market as that term is generally understood, and includes the market place and facilities maintained by such exchange.'' Rule 3b–16 under the Exchange Act [7] further provides that ''[a]n organization, association, or group of persons shall be considered to constitute, maintain, or provide 'a market place or facilities for bringing together purchasers and sellers of securities or for otherwise performing with respect to securities the functions commonly performed by a stock exchange,' as those terms are used in Section 3(a)(1) of the Act, (15 U.S.C. 78c(a)(1)), if such organization, association, or group of persons: (1) Brings together the orders of securities of multiple buyers and sellers; and (2) Uses established, non-discretionary methods (whether by providing a trading facility or by setting rules) under which such orders interact with each other, and the buyers and sellers entering such orders agree to the terms of the trade.''

As noted above, trades would occur on the separate systems of the individual members of AMSE. As described in the AMSE exemption application, it does not appear that the orders of the individual members of AMSE would interact with one another on any AMSE system, but rather on each distinct and separate system of AMSE's members. That is, it does not appear that any AMSE system would operate as an exchange by bringing together purchasers and sellers of securities. As a result, the Commission is concerned that AMSE's exemption application does not meet a key threshold requirement for being granted an exemption from exchange registration—namely, that the applicant actually be an ''exchange'' as defined under Section 3(a)(1) of the Exchange Act and Rule 3b–16 thereunder.[8]

Accordingly, the Commission believes that it is appropriate at this time to issue this order to institute proceedings to determine whether to grant or deny the exemption application on the grounds that the applicant does not meet the definition of an ''exchange'' under Section 3(a)(1) of the Exchange Act and Rule 3b–16 thereunder.

IV. Procedure: Request for Written Comments

The Commission requests written views, data, and arguments with respect to the concerns identified above as well as other relevant concerns. Such comments should be submitted by November 19, 2014. Rebuttal comments should be submitted by December 3, 2014. Although there do not appear to be any issues relevant to a grant or denial of the exemption application which would be facilitated by an oral presentation of views, data, and arguments, the Commission will consider any request for an opportunity to make an oral presentation.

Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (*http://www.sec.gov/rules/other.shtml*); or
- Send an email to *rule-comments@sec.gov.* Please include File Number 10–214 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 10–214. 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/other.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the exemptive application that are filed with the Commission, and all written communications relating to the exemptive application 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

Exhibits, which are published with the Notice on the Commission's Web site at *http://www.sec.gov/rules/other.shtml.* The Commission notes that alternative trading systems are securities markets that meet the definition of exchange under the Exchange Act. Regulation ATS established an alternative regulatory regime for securities markets by giving them the choice to register as exchanges, or to register as broker-dealers and comply with Regulation ATS. *See* Securities Exchange Act Release No. 40760 (December 8, 1998), 63 FR 70844, 70847 (December 22, 1998) (''Regulation ATS Adopting Release''). Rule 300 of Regulation ATS defines an alternative trading system to mean ''any organization, association, person, group of persons, or system: (1) That constitutes, maintains, or provides a market place or facilities for bringing together purchasers and sellers of securities or for otherwise performing with respect to securities the functions commonly performed by a stock exchange within the meaning of [Rule 3b–16]; and (2) That does not: (i) Set rules governing the conduct of subscribers other than the conduct of such subscribers trading on such organization, association, person, group of persons, or system; or (ii) Discipline subscribers other than by exclusion from trading.'' *See* 17 CFR 242.300(a).

[5] 15 U.S.C. 78e.

[6] 15 U.S.C. 78c(a)(1).

[7] 17 CFR 240.3b–16.

[8] *See* Regulation ATS Adopting Release, 63 FR at 70898–70901 (discussing the Commission's revised interpretation of the ''exchange'' definition). Among other things, the Commission stated that ''the first essential element of an exchange is the bringing together of orders of multiple buyers and sellers.'' *Id.* at 70900.

Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. All comments received will be posted without change; 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 10–214 and should be submitted on or before November 19, 2014. Rebuttal comments should be submitted by December 3, 2014.

By the Commission.

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–25675 Filed 10–28–14; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–73415; File No. SR–MSRB–2014–06]

Self-Regulatory Organizations; Municipal Securities Rulemaking Board; Notice of Filing of Amendment No. 1 and Order Granting Accelerated Approval of a Proposed Rule Change, as Modified by Amendment No. 1, Consisting of Proposed New Rule G–44, on Supervisory and Compliance Obligations of Municipal Advisors; Proposed Amendments to Rule G–8, on Books and Records To Be Made by Brokers, Dealers and Municipal Securities Dealers; and Proposed Amendments to Rule G–9, on Preservation of Records

October 23, 2014.

I. Introduction

On July 24, 2014, the Municipal Securities Rulemaking Board (the ''MSRB'' or ''Board'') filed with the Securities and Exchange Commission (the ''SEC'' or ''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 consisting of proposed new Rule G–44, on supervisory and compliance obligations of municipal advisors and proposed amendments to Rule G–8, on books and records to be made by brokers, dealers and municipal securities dealers, and proposed amendments to Rule G–9, on preservation of records. The proposed rule change was published for comment in the **Federal Register** on August 5, 2014.[3]

The Commission received eight comment letters on the proposal.[4] On October 17, 2014, the MSRB responded to the comments [5] and filed Amendment No. 1 to the proposed rule change.[6] The Commission is publishing this notice to solicit comments on Amendment No. 1 to the proposed rule change from interested persons and is approving the proposed rule change, as modified by Amendment No. 1, on an accelerated basis.

II. Description of the Proposed Rule Change

As further described in the Proposing Release, the MSRB states that the purpose of the proposed rule change is to establish supervisory and compliance obligations of municipal advisors when engaging in municipal advisory activities. Proposed Rule G–44 utilizes a primarily principles-based approach to supervision and compliance in order to, among other things, accommodate the diversity of the municipal advisor population, including small and single-person entities. Proposed Rule G–44 is accompanied by proposed amendments to Rules G–8 and G–9 to establish fundamental books-and-records requirements for municipal advisors, including those related to their supervisory and compliance obligations.[7]

Proposed Rule G–44

In the Proposing Release, the MSRB stated that proposed Rule G–44 follows a widely accepted model in the securities industry consisting of a reasonably designed supervisory system complemented by the designation of a chief compliance officer (''CCO''). The proposed rule draws on aspects of existing supervision and compliance regulation under other regimes, including those for broker-dealers under rules of the MSRB and Financial Industry Regulatory Authority (''FINRA'') and for investment advisers under the Investment Advisers Act of 1940 (''Advisers Act'').[8]

In summary, proposed Rule G–44 would require:

- A supervisory system reasonably designed to achieve compliance with applicable securities laws;
- Written supervisory procedures;
- The designation of one or more municipal advisor principals to be responsible for supervision;
- Compliance processes reasonably designed to achieve compliance with applicable securities laws;
- An annual certification regarding those compliance processes;
- The designation of a CCO to administer those compliance processes; and
- At least annual reviews of compliance policies and supervisory procedures.

The proposed amendments to Rules G–8 and G–9, in summary, would require each municipal advisor to make and keep records of its:

- Written supervisory procedures;
- Designations of persons as responsible for supervision;
- Written compliance policies;
- Designations of persons as CCO;
- Reviews of compliance policies and supervisory procedures; and
- Annual certifications regarding compliance processes.

Paragraph (a) of proposed Rule G–44 is the core provision, which would require all municipal advisors to establish, implement and maintain a system to supervise their municipal advisory activities and those of their

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] Securities Exchange Act Release No. 72706 (July 29, 2014) (the ''Proposing Release''), 79 FR 45546 (August 5, 2014).

[4] *See* Letters to Secretary, Commission, from Tamara K. Salmon, Senior Associate Counsel, Investment Company Institute (''ICI''), dated August 19, 2014 (the ''ICI Letter''); David L. Cohen, Managing Director and Associate General Counsel, Securities Industry and Financial Markets Association (''SIFMA''), dated August 21, 2014 (the ''SIFMA Letter''); Dave A. Sanchez (''Sanchez''), dated August 25, 2014 (the ''Sanchez Letter''); Michael Nicholas, Chief Executive Officer, Bond Dealers of America (''BDA''), dated August 26, 2014 (the ''BDA Letter''); Anonymous Attorney, dated August 26, 2014 (the ''Anonymous Attorney Letter''); Nathan R. Howard, Counsel, National Association of Independent Public Finance Advisors (''NAIPFA''), dated August 26, 2014 (the ''NAIPFA Letter''); Cristeena G. Naser, Vice President, American Bankers Association (''ABA''), dated August 26, 2014 (the ''ABA Letter''); and Joshua Cooperman, Cooperman Associates (''Cooperman''), dated August 30, 2014 (the ''Cooperman Letter'').

[5] *See* Letter to Secretary, Commission, from Michael L. Post, Deputy General Counsel, MSRB, dated October 17, 2014 (the ''MSRB Response Letter''), available at *http://www.sec.gov/comments/sr-msrb-2014-06/msrb201406-9.pdf.*

[6] *See* Letter to Secretary, Commission, from Michael L. Post, Deputy General Counsel, MSRB, dated October 17, 2014 (the ''MSRB Amendment Letter''), available at *http://www.sec.gov/comments/sr-msrb-2014-06/msrb201406-10.pdf.* In Amendment No. 1, the MSRB partially amended the text of the original proposed rule change to (i) revise paragraphs .01 and .02 of the Supplementary Material to Rule G–44 to expand the applicability of the provision, requiring a municipal advisor's written supervisory procedures to address how its supervision is adequate even without having separate supervisors, to account for instances of self-supervision that may occur in firms that are not sole proprietorships; (ii) amend the text of Rule G–44(e) to reference Rule G–8(h)(v)(A)–(E) rather than Rule G–8(h)(iii); and (iii) amend the text of Rule G–9(k) to reference Rule 15Ba1–8(d) under the Act rather than Rule 15a1–8(d) under the Act.

[7] *See supra* note 3.

[8] *Id.*

associated persons that is reasonably designed to achieve compliance with all applicable securities laws and regulations, including applicable MSRB rules (defined as ''applicable rules''). Paragraph (a) specifies that final responsibility for proper supervision rests with the municipal advisor. Subparagraph (a)(i) requires the establishment, implementation, maintenance and enforcement of written supervisory procedures reasonably designed to achieve compliance with applicable rules. Paragraph .01 of the Supplementary Material specifies several factors that municipal advisors' written supervisory procedures must take into consideration, including the advisor's size, organizational structure, nature and scope of activities, number of offices, disciplinary and legal history of its associated persons, the likelihood that associated persons may be engaged in relevant outside business activities, and any indicators of irregularities or misconduct (*i.e.,* ''red flags''). This guidance allows municipal advisors to tailor their supervisory procedures to, among other things, their size, particular business model and structure. Paragraph .01 also requires in the case of a municipal advisor with any associated persons permitted under all applicable law to supervise their own activities, the written supervisory procedures must address the manner in which, in the absence of separate supervisory personnel, such procedures are nevertheless reasonably designed to achieve compliance with applicable rules.[9] Paragraph .02 of the Supplementary Material emphasizes the flexibility of the proposed rule to accommodate small municipal advisor firms, even those with only one associated person. Proposed Rule G–44(a)(i) also specifies requirements to promptly amend supervisory procedures (i) to reflect changes in applicable rules and (ii) as changes occur in the municipal advisor's supervisory system; and to communicate the procedures and amendments to the municipal advisor's relevant associated persons.

Proposed Rule G–44(a)(ii) would require municipal advisors to designate one or more municipal advisor principals to be responsible for the supervision required by the proposed rule. Paragraph .03 of the Supplementary Material specifies the authority and specific qualifications required for municipal advisor principals designated as responsible for supervisory functions. According to the proposed rule, they must have the authority to carry out the supervision for which they are responsible, including the authority to implement the municipal advisor's established written supervisory procedures and take any other action necessary to fulfill their responsibilities. They also must have sufficient knowledge, experience and training to understand and effectively discharge their supervisory responsibilities.[10] Paragraph .03 of the Supplementary Material also specifies that, even if not designated as a supervisory principal, whether a person has responsibility for supervision under the proposed rule would depend on whether, under the facts and circumstances of a particular case, the person has the requisite degree of responsibility, ability or authority to affect the conduct of the employee whose behavior is at issue.

Paragraph (b) of proposed Rule G–44 would require municipal advisors to implement processes to establish, maintain, review, test and modify written compliance policies and supervisory procedures. Proposed Rule G–44(b) would specify that the reviews of compliance policies and supervisory procedures must be conducted at least annually. Paragraph .04 of the Supplementary Material would provide, however, that municipal advisors should consider the need, in order to comply with all of the other requirements of the proposed rule, for more frequent reviews. The paragraph also would provide guidance on what, at a minimum, municipal advisors should consider during their reviews of compliance policies and supervisory procedures. These considerations include any compliance matters that arose since the previous review, any changes in municipal advisory activities and any changes in applicable law.

Paragraph (c) of proposed Rule G–44 would require municipal advisors to designate one individual as their CCO. Paragraph .05 of the Supplementary Material would explain the role of a CCO and the importance of that role. Specifically, a CCO is a primary advisor to the municipal advisor on its overall compliance scheme and the policies and procedures that the municipal advisor adopts in order to comply with applicable law. To fulfill this role, a CCO should have competence in the process of (1) gaining an understanding of the services and activities that need to be the subject of written compliance policies and written supervisory procedures; (2) identifying the applicable rules pertaining to those services and activities; (3) developing policies and procedures that are reasonably designed to achieve compliance with applicable law; and (4) developing programs to test compliance with the municipal advisor's policies and procedures.[11] Paragraph .05 would further explain that the CCO can be a principal of the firm or a person external to the firm; though, in that case, the person must have the described competence and the municipal advisor retains ultimate responsibility for its compliance obligations. This approach to the CCO function in the proposed rule, which would give municipal advisors the option to outsource the CCO role, follows the approach applicable to investment advisers under the Advisers Act.[12]

Paragraph .06 of the Supplementary Material specifies that the CCO, and any compliance officers that report to the CCO, shall have responsibility for and perform the compliance functions required by the proposed rule. Paragraph .07 of the Supplementary Material provides that a municipal advisor's CCO may hold any other position within the municipal advisor, including senior management positions, so long as the person can discharge the duties of CCO in light of all of the responsibilities of any other positions. This guidance is especially relevant to small municipal advisors, including sole proprietorships and other one-person entities. It makes clear that a single individual may, for example, serve under appropriate circumstances as chief executive officer (''CEO''), supervisory principal and CCO. In addition, as discussed above, the CCO may be external to the firm, such as an outside consultant.

Paragraph (d) of proposed Rule G–44 would require municipal advisors to have their CEO(s) (or equivalent officer(s)) annually certify in writing that the municipal advisor has in place processes to establish, maintain, review, test and modify written compliance

[9] *See supra* note 6.

[10] The MSRB intends to propose amendments to MSRB Rules G–2 and G–3 to create the ''municipal advisor principal'' classification, define the term and require qualification in accordance with the rules of the Board. The MSRB expects those changes to become effective well in advance of the proposed implementation dates of the proposed rule change. Although the MSRB does not expect a municipal advisor principal examination to be in place by the time of the implementation dates of the proposed rule change, the MSRB may develop such an examination in the future. The absence of such an examination does not preclude the creation of the classification.

[11] These qualifications of a CCO draw on those specified in FINRA's CCO requirement for its member firms. *See* FINRA Rule 3130 Supplementary Material .05.

[12] *See* Section 202(25) of the Advisers Act, 15 U.S.C. 80b–2(25), and Rule 206(4)–7, 17 CFR 275.206(4)–7.

procedures and written supervisory procedures reasonably designed to achieve compliance with applicable rules. FINRA member firms that also are municipal advisors are already required under FINRA Rule 3130 to make annually a substantially similar certification with respect to applicable federal securities laws and regulations, including MSRB rules. In light of this existing FINRA requirement, proposed Rule G–44(d) would provide for an exception from the annual certification requirement for municipal advisors that are subject to a substantially similar FINRA requirement. Paragraph .08 of the Supplementary Material provides that the execution of the certification and any consultation rendered in connection with the certification does not by itself establish business line responsibility.

Paragraph (e) of proposed Rule G–44 would provide an exemption for banks engaging in municipal advisory activities in the exercise of bank fiduciary powers from Rule G–44 and the related books and records requirements if the municipal advisor certifies in writing annually that it is, with respect to those activities, subject to federal supervisory and compliance obligations and books and record requirements that are substantially equivalent to the supervisory and compliance obligations in Rule G–44 and the books and records requirements of Rule G–8(h)(v)(A)–(E). The ability to so certify and utilize this exemption is provided because it is unnecessary for a municipal advisor to comply with each other provision of proposed Rule G–44 if it is subject to substantially equivalent supervisory and compliance obligations as part of the extensive federal regulatory regime to which banks are already subject.

Paragraph (f) of proposed Rule G–44 would provide a definition of the term ''municipal advisor'' for purposes of the rule as a person that is registered or required to be registered as a municipal advisor under Section 15B of the Act and rules and regulations thereunder.

Proposed Amendments to Rules G–8 and G–9

The proposed amendments to Rules G–8 [13] and G–9 would be the first revisions to those rules to address the books and records that must be made and preserved by municipal advisors registered or required to be registered with the SEC. As a fundamental element, new Rule G–8(h)(i) would require each municipal advisor to keep all of the general business records described in Exchange Act Rule 15Ba1–8(a)(1)–(8). New Rule G–8(h)(v) would require each municipal advisor to make and keep records related to its supervisory and compliance obligations. It would require each municipal advisor to make and keep its written supervisory procedures and written compliance policies, records of designations of persons as CCO and of persons responsible for supervision, records of reviews of its written compliance policies and written supervisory procedures, annual certifications as to compliance processes, and, if applicable, certifications regarding the exemption for federally regulated banks.

The proposed amendments to Rule G–9 would require each municipal advisor to preserve the books and records described in Rule G–8(h), including records related to the municipal advisor's supervisory and compliance obligations, for a period of not less than five years. This five-year preservation requirement would be consistent with the requirement of Exchange Act Rule 15Ba1–8 (on books and records to be made and maintained by municipal advisors).[14] New subsection (h) to Rule G–9 would require, however, that records of the designations of persons responsible for supervision and designations of persons as CCO be preserved for the period of designation of each person designated and for at least six years following any change in such designation. This six-year preservation requirement is supported by, among other things, the importance of such documents in later ascertaining the identity of responsible persons during particular periods of time. Moreover, it would be consistent with the current provisions of Rule G–9 for records of similar designations by brokers, dealers and municipal securities dealers.

The proposed amendments to existing Rule G–9(e) would expressly provide that municipal advisors may retain records using electronic storage media or by other similar medium of record retention, subject to the retrieval and reproduction requirements of Rule G–9. The allowance for this means of compliance would be made generally applicable, so as to expressly accommodate the use of electronic storage media by dealers as well as municipal advisors.

Proposed Rule G–9(i) would require compliance with Exchange Act Rule 15Ba1–8(b)(2) and (c),[15] regarding records related to the formation and cessation of business. Proposed Rule G–9(j) would require non-resident municipal advisors to comply with Exchange Act Rule 15Ba1–8(f),[16] regarding records of non-resident municipal advisors. Proposed Rule G–9(k) would provide that whenever a record is preserved by a municipal advisor on electronic storage media, if the manner of storage complies with Exchange Act Rule 15Ba1–8(d),[17] it will be deemed to be preserved in a manner that is in compliance with the requirements of Rule G–9. This provision would give municipal advisors the choice to comply with either the SEC's or the MSRB's preservation requirements.

III. Summary of Comments Received and the MSRB's Response

As noted previously, the Commission received eight comment letters on the proposed rule change and a response letter from the MSRB.[18] The commenters generally support the proposed rule change.[19] However, some commenters asked for further clarification and provided suggestions to the proposed rule change.[20] The MSRB has responded to the commenters, as discussed below.[21]

1. Flexibility for Small Municipal Advisors

BDA commented that proposed Rule G–44 provides too much flexibility for small firms by allowing them to determine and make accommodations for themselves simply because of their size, and that those accommodations should be circumscribed.[22] Alternatively, Cooperman commented that the proposed Rule G–44 imposes regulatory burdens on small municipal advisors and particularly sole proprietors that are not necessary, appropriate or logical to the protection of the municipal clients of such advisors.[23] NAIPFA stated that proposed Rule G–44 appropriately accommodates small and single-person municipal advisors by, among other things, allowing supervisory systems to

[13] Proposed Rule G–8(h) includes reserved subparagraphs (ii)–(iv) for books and records provisions that the MSRB may propose in relation to other rules for municipal advisors. The MSRB will make conforming changes to this proposal as appropriate depending on relevant future rulemaking actions by the MSRB and SEC.

[14] *See* 17 CFR 240.15Ba1–8(b)(1).

[15] 17 CFR 240.15Ba1–8(b)(2) & (c).

[16] 17 CFR 240.15Ba1–8(f).

[17] 17 CFR 240.15Ba1–8(d).

[18] *See supra* notes 4 and 5.

[19] *Id.*

[20] *Id.*

[21] *See* MSRB Response Letter.

[22] *See* BDA Letter.

[23] *See* Cooperman Letter.

be tailored to the size of the firm.[24] However, NAIPFA suggested exempting single-person firms from developing a compliance manual to the extent such firms are not otherwise required to maintain policies pursuant to any other applicable laws.[25] NAIPFA also believes the imposition of supervisory obligations on sole proprietors is likely not necessary or appropriate since such individuals will be obligated to monitor their own compliance thereby making a requirement that they maintain supervisory procedures superfluous.[26]

Sanchez stated that compliance with proposed Rule G–44(a) and (b), paragraph .04 of the Supplementary Material and the associated recordkeeping requirements should be deemed a sufficient supervisory system for municipal advisors with a single associated person.[27] Sanchez suggested deleting the last sentence of paragraph .02 of the Supplementary Material, which requires that written supervisory procedures of municipal advisors with a single associated person address the manner in which, in the absence of separate supervisory personnel, such procedures are nevertheless reasonably designed to achieve compliance with applicable rules.[28]

In response to comments, the MSRB acknowledged that proposed Rule G–44 contains standards that may vary based on firm size and that the MSRB deliberately drafted the rule to give firms flexibility to tailor their supervisory systems accordingly, striking an appropriate balance between burdens on, and flexibility for, small municipal advisors.[29] MSRB also stated that the approach set forth in proposed Rule G–44 seems particularly appropriate for an industry in which many participants are becoming regulated at the federal level for the first time.[30]

With respect to paragraph .02 of the Supplementary Material, the MSRB believes this provision is important to ensuring all municipal advisors establish meaningful procedures that will satisfy the minimum standard established by proposed Rule G–44.[31] The MSRB stated that developing appropriate systems and documenting and following written procedures is a well-established practice among businesses, regardless of size, for facilitating compliance with regulation in a broad range of other areas (*e.g.,* taxes, human resources). Additionally, the MSRB noted that FINRA's consolidated supervision rule (FINRA Rule 3110) includes a substantially similar requirement. Although the provision will always apply to sole proprietorships, the MSRB believes it is relevant to other firms in which associated persons may be otherwise permitted to supervise their own activities. Accordingly, the MSRB filed Amendment No. 1 to revise the rule text to expand the applicability of the requirement to all firms with associated persons who supervise their own activities.[32]

2. Annual Certification

Several comment letters addressed the proposed annual certification requirement in proposed Rule G–44. ICI supports the proposed annual certification requirement as drafted because it is consistent with the requirements imposed on FINRA members pursuant to FINRA Rule 3130(b).[33] Anonymous Attorney supports the exception from the annual certification for municipal advisors that are subject to FINRA Rule 3130.[34] While BDA supports the MSRB's effort to ensure alignment of its annual certification requirement with FINRA Rule 3130, it stated that proposed Rule G–44 should require all municipal advisors to complete a periodic self-certification regarding the meeting of professional qualification standards by its associated persons, as well as to certify to the municipal advisor's ability to comply, and history of complying, with all applicable regulatory requirements.[35] NAIPFA opposes any self-certification requirement, unless some objective basis can be provided that indicates such a requirement would result in a decrease in the number of compliance violations.[36]

Sanchez commented that the regulatory purpose of the annual certification requirement as to compliance processes in proposed Rule G–44(d) is unclear because the associated recordkeeping requirements essentially already require the equivalent of an annual certification.[37] In addition, Sanchez does not believe the annual certification would foster discussion between persons responsible for compliance matters and upper management, and questions whether such a provision is necessary for small municipal advisors, particularly sole proprietors, in light of Section 15B(b)(2)(L)(iv) of the Act.[38] Finally, Sanchez believes there would be no ''harmonizing'' benefit achieved by imposing the annual certification requirement similar to FINRA's requirement because the vast majority of registered municipal advisors are not FINRA members, and FINRA members would be specifically exempted from proposed Rule G–44(d).[39]

In response to the comments, the MSRB stated that the certification requirement would result in the creation, maintenance and modification of robust written supervisory procedures that would promote compliance with all applicable rules.[40] The MSRB noted that requiring the broader certification proposed by BDA would reduce the harmonization between the MSRB and FINRA certifications, which is an aspect of the proposal that BDA and ICI specifically support.[41] The MSRB also noted that it would be an unnecessary burden at this time to require a broader certification such as the one proposed by BDA.[42]

In response to Sanchez's comments, the MSRB stated that requiring each firm's chief executive officer (or equivalent officer) to provide an annual certification would help ensure that compliance processes are given sufficient attention at the highest levels of management and would help promote compliance, without adding a significant burden.[43] The MSRB further stated that the annual certification requirement will foster discussion between compliance personnel and upper management, as it creates accountability for, and incentivizes, the chief executive officer (or equivalent officer) to ensure that the certification is truthful and otherwise satisfies proposed Rule G–44(d).[44] The MSRB acknowledged that the benefit from certification of fostering discussion does not exist in sole proprietorships and perhaps some very small firms, but stated that the benefits from certification can extend beyond fostering such discussion.[45] The MSRB believes the annual certification requirement would help ensure that municipal advisors have in place a compliance framework

[24] *See* NAIPFA Letter.
[25] *Id.*
[26] *Id.*
[27] *See* Sanchez Letter.
[28] *Id.*
[29] *See* MSRB Response Letter.
[30] *Id.*
[31] *Id.*
[32] *See* MSRB Amendment Letter.
[33] *See* ICI Letter.
[34] *See* Anonymous Attorney Letter.
[35] *See* BDA Letter.
[36] *See* NAIPFA Letter.
[37] *See* Sanchez Letter.
[38] *Id.*
[39] *Id.*
[40] *See* MSRB Response Letter.
[41] *Id.*
[42] *Id.*
[43] *Id.*
[44] *Id.*
[45] *Id.*

that would allow them to adapt compliance efforts to an evolving business and regulatory environment, and promote prompt maintenance and modification of compliance programs.[46] In addition, the MSRB believes this requirement includes multiple accommodations for small municipal advisors and is consistent with Section 15B(b)(2)(L)(iv) of the Act.[47]

3. Comparison to Rule G–27

Sanchez suggested replacing the proposed timing standard for amending written supervisory procedures and communicating such amendments to associated persons (*i.e.,* ''promptly'') to the standard in MSRB Rule G–27(c)(iii) (*i.e.,* ''as appropriate within a reasonable time after changes occur'').[48] Sanchez stated the Rule G–27 standard is more reasonable and will be less confusing for entities that are registered as both broker-dealers and municipal advisors.[49] Sanchez also stated the proposed standard of ''prompt amendment'' and ''prompt communication'' is vague and more burdensome than the standard the MSRB requires of other regulated activities without any apparent justification.[50]

The MSRB responded that the provision requiring prompt amendments of written supervisory procedures and prompt communication of such amendments to associated persons is intended to harmonize proposed Rule G–44 with FINRA's rule on the maintenance of supervisory procedures in its consolidated supervision rule.[51] The MSRB recognizes the proposed timing standards are different than those provided in the analogous provision in Rule G–27 and the MSRB may consider amending Rule G–27 in the future to harmonize it with proposed Rule G–44(a)(i) and the FINRA rule.

4. Outsourcing CCO Function

BDA commented that the language in paragraph .05 of the Supplementary Material to proposed Rule G–44, providing that a municipal advisor retains the ultimate responsibility for its compliance obligations, whether the CCO is outsourced or not, should be incorporated into the rule text.[52] BDA believes some firms will take a strict reading of the rule text without appropriately considering the Supplementary Material as a component of their compliance with proposed Rule G–44.[53]

The MSRB responded that it is not relocating the provision into the rule text because the Supplementary Material would be part of new Rule G–44, if approved, and the provision's location there is intended to improve the readability of the rule and does not affect the weight, significance or enforceability of the provision.[54] Moreover, the MSRB stated that BDA's comment that some firms would not appropriately consider the Supplementary Material when reading proposed Rule G–44 is speculative in nature and, if fully accepted, could suggest a need to remove all supplementary material from the rules of the MSRB and other self-regulatory organizations.[55]

5. Bank Trust Departments and Trust Companies

The ABA praised the MSRB's exemption in the proposed Rule G–44(e) for banks that certify they are subject to federal supervisory and compliance obligations and books and records requirements that are substantially equivalent to the supervisory and compliance obligations of proposed Rule G–44 and the books and records requirements of Rule G–8(h)(v)(A)–(E), and the ABA requested that a similar exemption be available for state-chartered trust companies.[56]

The MSRB responded that it would not extend the exemption of proposed Rule G–44 to bank trust departments or trust companies that are not federally regulated.[57] The MSRB stated that the need for proposed Rule G–44 arises from the MSRB's regulatory oversight of municipal advisors as provided under the Dodd-Frank Wall Street Reform and Consumer Protection Act,[58] which grants the MSRB broad rulemaking authority to develop a new, federal regulatory framework for municipal advisors.[59] The MSRB believes all municipal advisors should be required, at a minimum, to adhere to *federal* supervisory and compliance obligations that are substantially equivalent to those set forth in proposed Rule G–44, regardless of their other business activities and regulatory obligations.[60] MSRB noted that, as ABA acknowledges, not all states have adopted fiduciary regulations which are substantially based on the Office of the Comptroller of the Currency's (''OCC'') rules and not all such state regulations are identical to the OCC's rules.[61] As a result of this lack of consistency between, and potential gaps in, state regulatory regimes, the MSRB stated it was not extending the exemption of proposed Rule G–44(e) to bank trust departments or trust companies that are not federally regulated with regard to relevant activities.

6. Recordkeeping Requirements

SIFMA supports the proposed amendments to Rules G–8 and G–9 which it believes are reasonable and in line with existing MSRB recordkeeping and record retention requirements.[62] NAIPFA requested that the proposed amendments to Rule G–9(h) be amended to state that the records described in Rule G–8(h)(v)(B) and (D) shall be preserved for the duration of a person's designation as a supervisor and/or CCO and for at least five years following any change in such designation.[63] NAIPFA stated that establishing a six-year requirement when all other similar retention requirements are five years creates an inconsistent and overly complex regulatory regime that is not likely to achieve any appreciable benefit for municipal entities or obligated persons.[64] Sanchez also suggests a five-year requirement for such records because he believes imposing a six-year period of record retention is an unnecessary complexity.[65]

In response to comments, the MSRB stated there is a six-year retention period for records relating to designations of persons responsible for supervision and as CCO to be consistent with the current provisions of Rule G–9 for records of similar designations by brokers, dealers and municipal securities dealers.[66] MSRB further stated that the longer requirement is supported by the importance of such records in ascertaining the identity of responsible persons during particular periods of time, including for purposes of examination and enforcement.[67]

7. Requests for Clarification and Guidance

Anonymous Attorney requested clarification on three issues: (1) Whether a municipal advisor and investment advisor (''MA/IA'') firm's compliance

[46] *Id.*
[47] *Id.*
[48] *See* Sanchez Letter.
[49] *Id.*
[50] *Id.*
[51] *See* MSRB Response Letter.
[52] *See* BDA Letter.
[53] *Id.*
[54] *See* MSRB Response Letter.
[55] *Id.*
[56] *See* ABA Letter.
[57] *See* MSRB Response Letter.
[58] Public Law 111–2013, 124 Stat. 1376 (2010).
[59] *See* MSRB Response Letter.
[60] *Id.*
[61] *Id.*
[62] *See* SIFMA Letter.
[63] *See* NAIPFA Letter.
[64] *Id.*
[65] *See* Sanchez Letter.
[66] *See* MSRB Response Letter.
[67] *Id.*

manual must have two separate sets of written supervisory procedures for municipal advisor and investment advisor activities, and, if so, whether it would be permissible to incorporate by reference applicable existing procedures that apply to investment adviser activities, (2) whether the annual review of the municipal advisor and investment advisor compliance processes may be conducted jointly, and (3) whether a principal, designated pursuant to proposed Rule G–44(a)(ii), may be designated by title or position, instead of as a specific individual, and, if so, whether it would be acceptable to identify a principal by reference to a separate document or record.[68]

The MSRB responded that it used a primarily principles-based approach to proposed Rule G–44 to afford municipal advisors flexibility in determining the lowest cost means to meet regulatory objectives.[69] Accordingly, the MSRB believes an MA/IA firm could establish and conduct its review of written supervisory procedures and compliance policies, in the manner it deems best, and where requirements are substantially similar, referencing how the firm will comply with applicable municipal advisor and investment advisor standards may be appropriate.[70] However, the MSRB believes that separate written supervisory procedures for municipal advisors will need to exist given that the regulatory regimes are not identical.[71] The MSRB believes the flexibility of proposed Rule G–44 extends to a firm's designation of the appropriate principal(s).[72]

8. Implementation Date

SIFMA requested no less than six months as an implementation period for proposed Rule G–44.[73] NAIPFA requested the proposed Rule G–44 have an effective date that is at least ninety days following the date on which it is enacted.[74] BDA requested that the implementation period be delayed until six months after the SEC has approved all municipal advisor rules and regulations.[75]

The proposed rule sets forth an implementation period of six months following the Commission's approval of the proposal except for proposed Rule G–44(d) which municipal advisors would be required to implement eighteen months after the Commission approval date. The MSRB responded that it does not intend to delay implementation of the proposed Rule G–44 until all municipal advisor rules have been approved by the SEC. Municipal advisors are currently subject to applicable federal securities laws and the MSRB believes it is important for firms to have a supervisory system and compliance processes in place to foster compliance with those laws and that can be updated as new rules are adopted.[76]

IV. Discussion and Commission Findings

The Commission has carefully considered the proposed rule change, as modified by Amendment No. 1, as well as the eight comment letters received and the MSRB's response. The Commission finds that the proposed rule change, as amended by Amendment No. 1, is consistent with the requirements of the Act and the rules and regulations thereunder applicable to the MSRB.

In particular, the proposed rule change is consistent with Sections 15B(b)(2), 15B(b)(2)(A)(i) and 15B(b)(2)(C) of the Act. Section 15B(b)(2) of the Act provides that MSRB shall propose and adopt rules to effect the purposes of that title with respect to transactions in municipal securities effected by brokers, dealers, and municipal securities dealers and advice provided to or on behalf of municipal entities or obligated persons by brokers, dealers, municipal securities dealers, and municipal advisors with respect to municipal financial products, the issuance of municipal securities, and solicitations of municipal entities or obligated persons undertaken by brokers, dealers, municipal securities dealers.[77] Section 15B(b)(2)(A)(i) of the Act provides that the MSRB's rules shall appropriately classify municipal securities brokers, municipal securities dealers, and municipal advisors (taking into account relevant matters, including types of business done, nature of securities other than municipal securities sold, and character of business organization), and persons associated with municipal securities brokers, municipal securities dealers, and municipal advisors.[78] Section 15B(b)(2)(C) of the Act requires that the MSRB's rules 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 municipal securities and municipal financial products, to remove impediments to and perfect the mechanism of a free and open market in municipal securities and municipal financial products, in general, to protect investors, municipal entities, obligated persons, and the public interest.[79] The proposed rule requires municipal advisors to adopt a supervisory structure and compliance processes in order to help ensure knowledge of, and compliance with, applicable securities laws and regulations, including the Commission's registration, form submission and recordkeeping requirements for municipal advisors.[80] The Commission believes that supervision and compliance functions are fundamental to preventing securities law violations from occurring, and promoting early detection and prompt remediation of violations when they do occur.

The Commission also finds that the proposed rule change is consistent with Section 15B(b)(2)(L)(iv), in that it does not impose a regulatory burden on small municipal advisors that is not necessary or appropriate in the public interest and for the protection of investors, municipal entities, and obligated persons.[81] While the proposed rule change would affect all municipal advisors, including small municipal advisors, it is a necessary and appropriate regulatory burden in order to ensure knowledge of and compliance with applicable securities laws and regulations. The proposed rule is designed to provide flexibility to small municipal advisor firms, including those with only one associated person. Paragraph .02 of the Supplementary Material provides that a municipal advisor with only one associated person can have a sufficient supervisory system under proposed Rule G–44. Under the same paragraph, one person may be designated as responsible for supervision and the rule would allow for written supervisory procedures to be tailored based on factors such as the size of the firm.

In addition, the Commission finds that the proposed rule change is consistent with Section 15B(b)(2)(G) of the Act which provides that the MSRB's rules shall prescribe records to be made and kept by municipal advisors and the

[68] *See* Anonymous Attorney Letter.

[69] *See* MSRB Response Letter.

[70] *Id.*

[71] *Id.*

[72] *Id.*

[73] *See* SIFMA Letter.

[74] *See* NAIPFA Letter.

[75] *See* BDA Letter.

[76] *See* MSRB Response Letter.

[77] 15 U.S.C. 78o–4(b)(2).

[78] 15 U.S.C. 78o–4(b)(2)(A)(i).

[79] *See* 15 U.S.C. 78o–4(b)(2)(C).

[80] *See* Registration of Municipal Advisors, Rel. No. 34–70462 (Sept. 20, 2013) (''Municipal Advisor Registration Adopting Release''), 78 FR 67467 (Nov. 12, 2013).

[81] *See* 15 U.S.C. 78o–4(b)(2)(L)(iv).

periods for which such records shall be preserved.[82] The proposed rule change would require each municipal advisor to make and keep all of the general business records described in Exchange Act Rule 15Ba1–8(a)(1)–(8) as well as records of written supervisory procedures and compliance policies, designations of persons as CCO and of persons responsible for supervision, reviews of the adequacy of written compliance policies and written supervisory procedures, the annual certifications as to compliance processes, and, if applicable, annual certifications regarding the exemption for federally regulated fiduciary activities of banks. The proposed rule change also contains preservation requirements for the required records.

In approving the proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation.[83] The Commission believes the proposed rule change includes accommodations that help promote efficiency such as an exemption for federally regulated banks in proposed Rule G–44(e) and an exemption to the annual certification requirement for municipal advisors that are subject to a substantially similar certification requirement by FINRA.

The Commission believes the proposed rule takes into account competitive concerns that could arise as a result of the costs associated with the supervision and compliance requirements that could lead some municipal advisors to exit the market, curtail their activities or consolidate with other firms. By utilizing a primarily principles-based approach to supervision and compliance, the proposed rule is designed to provide flexibility to small municipal advisor firms, including those with only one associated person, allowing municipal advisors to tailor their supervisory procedures to, among other things, their size, particular business model and structure. Moreover, the Commission continues to believe ''that the market for municipal advisory services is likely to remain competitive despite the potential exit of municipal advisors, consolidation of municipal advisors, or lack of new entrants into the market.'' [84]

The Commission believes that the effect of the proposed rule is beneficial and that the changes will enhance investor confidence by promoting robust supervisory policies and procedures, programs and controls that can be flexibly applied to account for the diversity of the municipal advisor population, including small municipal advisors and sole proprietorships.

As noted above, the Commission received eight comment letters on the filing. The Commission believes that the MSRB, through its responses and through proposed changes in Amendment No. 1, has addressed commenters' concerns.

For the reasons noted above, including those discussed in the MSRB Response Letter and MSRB Amendment Letter, the Commission believes that the proposed rule change, as amended by Amendment No. 1, is consistent with the Act.

V. Solicitation of Comments on Amendment No. 1

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether Amendment No. 1 to 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–MSRB–2014–06 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549.

All submissions should refer to File Number SR–MSRB–2014–06. 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 MSRB. 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–MSRB–2014–06 and should be submitted on or before November 19, 2014.

VI. Accelerated Approval of Proposed Rule Change as Modified by Amendment No. 1

The Commission finds good cause for approving the proposed rule change, as amended by Amendment No. 1, prior to the 30th day after the date of publication of notice in the **Federal Register**. As discussed above, Amendment No. 1 amends the proposed rule change by: (i) Revising paragraphs .01 and .02 of the Supplementary Material to Rule G–44 to no longer limit the requirement in paragraph .02 that written supervisory procedures address the manner in which, in the absence of separate supervisory personnel, such procedures are nevertheless reasonably designed to achieve compliance with applicable rules for municipal advisors with a single person and expand its application to apply to all firms with any associated person permitted under applicable law to supervise their own activities and move the text from paragraph .02 or paragraph .01 of the Supplementary Material in light of the revised scope of the provisions; (ii) amending the text of Rule G–44(e) to reference Rule G–8(h)(v)(A)–(E) rather than Rule G–8(h)(iii); and (iii) amending the text of Rule G–9(k) to reference Rule 15Ba1–8(d) under the Act rather than Rule 15a1–8(d) under the Act.[85]

The MSRB has proposed the revisions included in item (i) of the previous paragraph to expand the applicability of the provision, requiring a municipal advisor's written supervisory procedures to address how its supervision is adequate even without having separate supervisors, to account for instances of self-supervision that may occur in firms that are not sole proprietorships. The MSRB believes the revision more properly identifies and captures the subset of municipal advisors for which the written supervisory procedures must address the additional matter. The MSRB is proposing the two technical revisions in items (ii) and (iii) in the previous

[82] *See* 15 U.S.C. 78o–4(b)(2)(G).

[83] 15 U.S.C. 78c(f).

[84] Municipal Advisor Registration Adopting Release, 78 FR 67467, at 67608.

[85] *See* MSRB Amendment Letter.

paragraph to indicate the correct cross-references.

The Commission believes that Amendment No. 1 does not alter the substance of the original proposed rule change and are consistent with the purpose of the original proposed rule change and do not raise significant new issues. Accordingly, the Commission finds good cause for approving the proposed rule change, as modified by Amendment No. 1, on an accelerated basis, pursuant to Section 19(b)(2) of the Act.

VII. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,[86] that the proposed rule change (SR–MSRB–2014–06), as modified by Amendment No. 1, be, and hereby is, approved on an accelerated basis.

For the Commission, pursuant to delegated authority.[87]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–25669 Filed 10–28–14; 8:45 am]

BILLING CODE 8011–01–P

[86] 15 U.S.C. 78s(b)(2).

[87] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–73417; File No. SR–NYSEArca–2014–41]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Designation of a Longer Period for Commission Action on Proceedings To Determine Whether To Approve or Disapprove a Proposed Rule Change as Modified by Amendment Nos. 1 and 4 Thereto, Relating to Listing and Trading of Shares of the Reality Shares DIVS Index ETF Under NYSE Arca Equities Rule 5.2(j)(3)

October 23, 2014.

On April 11, 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 (''Shares'') of the Reality Shares DIVS Index ETF (''Fund'') (formerly, Reality Shares Isolated Dividend Growth Index ETF) under NYSE Arca Equities Rule 5.2(j)(3). The proposed rule change was published for comment in the **Federal Register** on April 30, 2014.[3] On May 6, 2014, the Exchange filed Amendment No. 1 to the proposed rule change, which amended and replaced the proposed rule change in its entirety.[4] On June 6, 2014, the Exchange filed Amendment No. 4 to the proposed rule change.[5] On June 13, 2014, pursuant to Section 19(b)(2) of the Act,[6] the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.[7] On July 29, 2014, the Commission instituted proceedings under Section 19(b)(2)(B) of the Act[8] to determine whether to approve or disapprove the proposed rule change.[9] In response to the Order Instituting Proceedings, the Commission received one comment letter on the proposal.[10]

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Securities Exchange Act Release No. 72015 (Apr. 24, 2014), 79 FR 24475 (''Notice'').

[4] In Amendment No. 1, the Exchange clarified the valuation of investments for purposes of calculating net asset value, provided additional details regarding the dissemination of the Disclosed Portfolio, and made other minor technical edits to the proposed rule change. Amendment No. 1 provided clarification to the proposed rule change, and because it does not materially affect the substance of the proposed rule change or raise novel or unique regulatory issues, Amendment No. 1 is not subject to notice and comment.

[5] The Exchange filed Amendment No. 2 on June 4, 2014 and withdrew it on June 5, 2014, and filed Amendment No. 3 on June 5, 2014 and withdrew it on June 6, 2014. Amendment No. 4 supersedes both Amendment Nos. 2 and 3. In Amendment No. 4, the Exchange amended the proposal to reflect a name change to the Fund and the underlying index. Specifically, the Exchange replaced each reference to ''Reality Shares Isolated Dividend Growth Index ETF'' in the proposal with ''Reality Shares DIVS Index ETF'' and replaced each reference to ''Reality Shares Isolated Dividend Growth Index'' in the proposal with ''Reality Shares DIVS Index.'' Amendment No. 4 is a technical amendment and is not subject to notice and comment as it does not materially affect the substance of the filing.

[6] 15 U.S.C. 78s(b)(2).

[7] *See* Securities Exchange Act Release No. 72385, 79 FR 35205 (Jun. 19, 2014). The Commission designated a longer period within which to take action on the proposed rule change and designated July 29, 2014, as the date by which it should approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change.

[8] 15 U.S.C. 78s(b)(2)(B).

[9] *See* Securities Exchange Act Release No. 72714, 79 FR 45574 (Aug. 5, 2014) (''Order Instituting Proceedings''). Specifically, the Commission instituted 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.'' *See id.*

[10] *See* Letter from Eric Ervin, President, Reality Shares ETF Trust and Reality Shares Advisors, LLC, and President and CEO, Reality Shares, Inc., to Kevin M. O'Neill, Deputy Secretary, Commission, dated August 22, 2014.

Section 19(b)(2) of the Act[11] provides that, after initiating disapproval proceedings, the Commission shall issue an order approving or disapproving the proposed rule change not later than 180 days after the date of publication of notice of filing of the proposed rule change. The Commission may, however, extend the period for issuing an order approving or disapproving the proposed rule change by not more than 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for that determination. The proposed rule change was published for notice and comment in the **Federal Register** on April 30, 2014.[12] The 180th day after publication of the notice of the filing of the proposed rule change in the **Federal Register** is October 27, 2014, and the 240th day after publication of the notice of the filing of the proposed rule change in the **Federal Register** is December 26, 2014.

The Commission finds it appropriate to designate a longer period within which to issue an order approving or disapproving the proposed rule change so that it has sufficient time to consider the proposed rule change, including the matters raised in the comment letter to the proposed rule change.

Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,[13] designates December 26, 2014 as the date by which the Commission shall either approve or disapprove the proposed rule change (File No. SR–NYSEArca–2014–41).

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

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–25673 Filed 10–28–14; 8:45 am]

BILLING CODE 8011–01–P

[11] 15 U.S.C. 78s(b)(2).

[12] *See supra* note 3.

[13] 15 U.S.C. 78s(b)(2).

[14] 17 CFR 200.30–3(a)(57).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–73418; File No. SR–NASDAQ–2014–038]

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Designation of a Longer Period for Commission Action on Proceedings To Determine Whether To Approve or Disapprove a Proposed Rule Change, as Modified by Amendment Nos. 1 and 2 Thereto, Relating to Listing and Trading of Shares of the NASDAQ–100 DIVS Index ETF Under Rule 5705

October 23, 2014.

On April 10, 2014, The NASDAQ Stock Market LLC (''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 (''Shares'') of the Reality Shares NASDAQ–100 DIVS Index ETF (''Fund'') (formerly, Reality Shares NASDAQ–100 Isolated Dividend Growth Index ETF) under NASDAQ Rule 5705. The proposed rule change was published for comment in the **Federal Register** on April 30, 2014.[3] On May 6, 2014, the Exchange filed Amendment No. 1 to the proposed rule change, which amended and replaced the proposed rule change in its entirety.[4] On June 4, 2014, the Exchange filed Amendment No. 2 to the proposed rule change.[5] On June 13, 2014, pursuant to Section 19(b)(2) of the Act,[6] the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to disapprove the proposed rule change.[7] On July 29, 2014, the Commission instituted proceedings under Section 19(b)(2)(B) of the Act [8] to determine whether to approve or disapprove the proposed rule change.[9] In response to the Order Instituting Proceedings, the Commission received one comment letter on the proposal.[10]

Section 19(b)(2) of the Act [11] provides that, after initiating disapproval proceedings, the Commission shall issue an order approving or disapproving the proposed rule change not later than 180 days after the date of publication of notice of filing of the proposed rule change. The Commission may, however, extend the period for issuing an order approving or disapproving the proposed rule change by not more than 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for that determination. The proposed rule change was published for notice and comment in the **Federal Register** on April 30, 2014.[12] The 180th day after publication of the notice of the filing of the proposed rule change in the **Federal Register** is October 27, 2014, and the 240th day after publication of the notice of the filing of the proposed rule change in the **Federal Register** is December 26, 2014.

The Commission finds it appropriate to designate a longer period within which to issue an order approving or disapproving the proposed rule change so that it has sufficient time to consider the proposed rule change, including the matters raised in the comment letter to the proposed rule change.

Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,[13] designates December 26, 2014 as the date by which the Commission shall either approve or disapprove the proposed rule change (File No. SR–NASDAQ–2014–038).

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

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–25674 Filed 10–28–14; 8:45 am]

BILLING CODE 8011–01–P

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Securities Exchange Act Release No. 72014 (Apr. 24, 2014), 79 FR 24465 (''Notice'').

[4] In Amendment No. 1, the Exchange confirmed the hours of the three trading sessions on the Exchange, clarified the valuation of investments for purposes of calculating net asset value, clarified what information would be available on the Fund's Web site, and provided additional information relating to surveillance with respect to certain assets held by the Fund. Amendment No. 1 provided clarification to the proposed rule change, and because it does not materially affect the substance of the proposed rule change or raise novel or unique regulatory issues, Amendment No. 1 is not subject to notice and comment.

[5] The Exchange filed Amendment No. 2 to the proposal to reflect a name change to the Fund and the underlying index. Specifically, the Exchange replaced each reference to ''Reality Shares NASDAQ–100 Isolated Dividend Growth ETF'' in the proposal with ''Reality Shares NASDAQ–100 DIVS Index ETF'' and replaced each reference to ''Reality Shares NASDAQ–100 Isolated Dividend Growth Index'' in the proposal with ''Reality Shares NASDAQ–100 DIVS Index.'' Amendment No. 2 is a technical amendment and is not subject to notice and comment as it does not materially affect the substance of the filing.

[6] 15 U.S.C. 78s(b)(2).

[7] *See* Securities Exchange Act Release No. 72384, 79 FR 35205 (Jun. 19, 2014). The Commission designated a longer period within which to take action on the proposed rule change and designated July 29, 2014, as the date by which it should approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change.

[8] 15 U.S.C. 78s(b)(2)(B).

[9] *See* Securities Exchange Act Release No. 72715, 79 FR 45556 (Aug. 5, 2014) (''Order Instituting Proceedings''). Specifically, the Commission instituted 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.'' *See id.*

[10] *See* Letter from Eric Ervin, President, Reality Shares ETF Trust and Reality Shares Advisors, LLC, and President and CEO, Reality Shares, Inc., to Kevin M. O'Neill, Deputy Secretary, Commission, dated August 22, 2014.

[11] 15 U.S.C. 78s(b)(2).

[12] *See supra* note 3.

[13] 15 U.S.C. 78s(b)(2).

[14] 17 CFR 200.30–3(a)(57).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–73412; File No. SR–BATS–2014–052]

Self-Regulatory Organizations; BATS Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Rules 11.9 and 11.13 of BATS Exchange, Inc.

October 23, 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 October 17, 2014, BATS Exchange, Inc. (the ''Exchange'' or ''BATS'') filed with the Securities and Exchange Commission (''Commission'') a 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 filed a proposal to amend Rules 11.9 and 11.13 to modify the routing strategies made available through the Exchange.

The text of the proposed rule change is available at the Exchange's Web site at *http://www.batstrading.com/*, at the principal office of the Exchange, and at the Commission's Public Reference Room.

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in Sections A, B, and C below, of the most significant parts of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

Earlier this year, the Exchange and its affiliate BATS Y-Exchange, Inc. (''BYX'') received approval to effect a merger (the ''Merger'') of the Exchange's parent company, BATS Global Markets, Inc., with Direct Edge Holdings LLC, the indirect parent of EDGX Exchange, Inc. (''EDGX'') and EDGA Exchange, Inc. (''EDGA'', and together with BZX, BYX and EDGX, the ''BGM Affiliated Exchanges'').[3] In the context of the Merger, the BGM Affiliated Exchanges are working to align certain system functionality, retaining only intended differences between the BGM Affiliated Exchanges. Thus, the proposal set forth below is intended to add certain system functionality currently offered by EDGA and EDGX in order to provide a consistent technology offering for users of the BGM Affiliated Exchanges.

The specific proposal set forth in more detail below would amend Rules 11.9 and 11.13, which describe the Exchange's routing options made available by the Exchange. Specifically, the changes to Rule 11.9 would relocate certain routing strategies identified as order types to Rule 11.13. The Exchange is also proposing to eliminate an obsolete routing strategy that is currently listed as an order type. Finally, the Exchange proposes to add to Rule 11.13 to offer many of the same routing strategies offered by EDGA and EDGX. The Exchange notes that the proposed rule text is based on the rules of EDGA and EDGX and is different only to the extent necessary to conform to the Exchange's current rules.[4]

Modifications to Rule 11.9

As noted above, the Exchange proposes to re-locate two routing strategies from Rule 11.9 to Rule 11.13. Rule 11.9 generally contains order types and order type modifiers whereas Rule 11.13 describes routing strategies offered by the Exchange. Accordingly, the Exchange proposes to relocate Destination Specific Orders and Directed Intermarket Sweep Orders (''Directed ISOs'') from Rule 11.9 to Rule 11.13 because both orders are routing strategies rather than order types or order type modifiers. The Exchange notes that Rule 11.13 has always reflected that such descriptions are routing strategies by containing a cross-reference to such strategies in Rule 11.13(a)(3). The Exchange is not proposing to modify the description or operation of either Destination Specific Orders or Directed Intermarket Sweep Orders. The Exchange notes that it has proposed minor changes to the wording of both Destination Specific Orders and Directed ISOs in order to conform such routing strategies with the other strategies described in Rule 11.13(a)(3).

The Exchange also proposes to delete from Rule 11.9 an obsolete routing strategy, the Modified Destination Specific Order, which is currently set forth in Rule 11.9(c)(13). Modified Destination Specified Orders are market or limit orders that instruct the System[5] to route the order to a specified away trading center or centers, as approved by the Exchange from time to time, without first exposing the order to the Exchange's order book (the ''BATS Book'').[6] The Exchange notes that it has not had any approved away trading centers for Modified Destination Specific Orders for several years but has retained the order in the event the Exchange determined to offer such routing strategy again. The Exchange believes that it is appropriate to eliminate Modified Destination Specific Orders because they are no longer offered by the Exchange and are unlikely to be offered by the Exchange in the near future.

Additions to Rule 11.13

The Exchange proposes to add several new routing strategies based on routing strategies offered by EDGA and/or EDGX, as set forth below.

The Exchange currently offers various routing strategies under which an order checks the System for available shares if so instructed by the entering User and then is sent to destinations on the applicable System routing table.[7] Specifically, the Exchange offers TRIM, TRIM2, TRIM3 and SLIM routing strategies. The Exchange proposes to consolidate these routing strategies into a single rule, Rule 11.13(a)(3)(G), and to add to this rule three additional routing strategies under which an order checks the System for available shares and then is sent to destinations on the applicable System routing table, namely ROUT, ROUX and ROUZ. The Exchange also proposes to specify for ROUT and ROUX that the entering User may select either Route To Improve (''RTI'') or Route To Fill (''RTF''). RTI may route to multiple destinations at a single price level simultaneously while RTF may route to multiple destinations and at multiple price levels simultaneously.

The Exchange notes that the RTI option coupled with either ROUT or ROUX is similar to the Parallel D routing strategy described in current Rule 11.13(a)(3)(B) in that it routes to multiple destinations simultaneously but at a single price level whereas the RTF option coupled with either ROUT or ROUX is similar to the Parallel 2D routing strategy described in current Rule 11.13(a)(3)(C). The only distinction between Parallel D and Parallel 2D on one hand and ROUT or ROUX coupled with RTI or RTF on the other is that the existence of ROUT and ROUX plus either RTI or RTF will provide additional flexibility by allowing the Exchange to offer two System routing tables that can be paired with the applicable routing methodology. In order to allow a gradual migration from Parallel D and Parallel 2D to the proposed routing strategies (ROUT or ROUX plus RTI or RTF) the Exchange is not proposing to eliminate such routing strategies upon effectiveness of this proposal. Instead, the Exchange proposes to continue to accept orders designated for Parallel D and Parallel 2D routing and will eventually retire such routing strategies and remove reference to the routing strategies from Exchange rules once all affected Users have been migrated away from Parallel D and Parallel 2D to the new routing strategies. Further, adding the ROUT and ROUX routing strategies plus the RTI and RTF options as proposed will ensure

[3] *See* Securities Exchange Act Release No. 71375 (January 23, 2014), 79 FR 4771 (January 29, 2014) (SR–BATS–2013–059; SR–BYX–2013–039).

[4] *See* EDGA Rules 11.9(b)(2)(c), 11.9(b)(2)(d), 11.9(b)(2)(h), 11.9(b)(2)(i), 11.9(b)(2)(n); EDGX Rules 11.9(b)(2)(c), 11.9(b)(2)(d), 11.9(b)(2)(h), 11.9(b)(2)(i), 11.9(b)(2)(j), 11.9(b)(2)(n).

[5] As defined in Rule 1.5(aa), the System is the electronic communications and trading facility designated by the Board through which securities orders of Users are consolidated for ranking, execution and, when applicable, routing away.

[6] As defined in Rule 1.5(e).

[7] As set forth in Rule 11.13(a)(3), the term ''System routing table'' refers to the proprietary process for determining the specific trading venues to which the System routes orders and the order in which it routes them.

consistency with EDGA and EDGX with respect to the names used to describe the strategies.

The Exchange also proposes to add the Post to Away routing option, which will route the remainder of a routed order to and posts such order on the order book of a destination on the System routing table as specified by the User. The Post to Away routing option is an alternative to either cancelling a routed order back to a User or posting such order to the BATS Book to the extent an order is not completely filled through the routing process. The Post to Away routing option can be combined with the following routing strategies (each of which is separately described in this filing): ROUT, ROUX, ROUZ, INET, RDOT, RDOX and ROLF.

The Exchange also proposes to adopt four additional routing strategies under which an order checks the System for available shares and is sent to a specified destination. Although the Exchange currently has similar order routing options through the Destination Specific routing option, the Exchange is proposing certain additional functionality with the proposed routing strategies to match functionality offered by EDGA and EDGX. The Exchange also believes that retaining the same names for such routing options as are utilized by EDGA and EDGX will help to promote the integration of the BGM Affiliated Exchanges. These proposed routing strategies that are focused on particular destinations and/or particular functionality offered by such destinations are set forth below:

- INET. The Exchange proposes to add the INET routing option under which an order will check the System for available shares and then will be sent to Nasdaq. If shares remain unexecuted after routing through the INET routing option, they will be posted on the Nasdaq book, unless otherwise instructed by the User.
- RDOT. The Exchange proposes to add the RDOT routing option under which an order will check the System for available shares and then will be sent to destinations on the System routing table. If shares remain unexecuted after routing, they will be sent to NYSE and can be re-routed by the NYSE. If shares remain unexecuted after routing, they will be posted to the NYSE, unless otherwise instructed by the User.
- RDOX. The Exchange proposes to add the RDOX option under which an order will check the System for available shares, then will be sent to the NYSE and can be re-routed by the NYSE. If shares remain unexecuted after routing, they will be posted on the NYSE book, unless otherwise instructed by the User.
- ROLF. The Exchange proposes to add the ROLF routing option under which an order will check the System for available shares and then will be sent to LavaFlow ECN. If shares remain unexecuted after routing they will be cancelled, unless otherwise instructed by the User.

The Exchange also proposes to add the ROOC routing option for orders that the entering User wishes to designate for participation in the opening, re-opening (following a halt, suspension, or pause), or closing process of a primary listing market (NYSE, Nasdaq, NYSE MKT, or NYSE Arca) if received before the opening/re-opening/closing time of such market. If shares remain unexecuted after attempting to execute in the opening, re-opening, or closing process, they will be posted to the BATS Book, executed, or routed to destinations on the System routing table.

In addition to the changes proposed above, the Exchange also proposes to re-number various existing paragraphs of Rule 11.13(a)(3) in connection with the addition of the proposed routing strategies. The Exchange also proposes to correct a typographical error in Rule 11.13(a)(3)(I), which describes SWP orders, by referencing Rule 11.18(e) instead of Rule 11.8(e) with respect to the Limit Up-Limit Down Plan.

2. Statutory Basis

The Exchange believes that the proposed rule changes are consistent with Section 6(b) of the Securities Exchange Act of 1934 (the ''Act'') [8] and further the objectives of Section 6(b)(5) of the Act [9] because they are designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, and, in general, to protect investors and the public interest. The proposed rule change also is designed to support the principles of Section 11A(a)(1) [10] of the Act in that it seeks to assure fair competition among brokers and dealers and among exchange markets. In particular, the proposed change to introduce additional routing strategies will provide market participants with greater flexibility in routing orders consistent with Regulation NMS without developing order routing strategies on their own.

As noted above, the proposed rule changes to add functionality are intended to add certain system functionality currently offered by EDGA and EDGX in order to provide a consistent technology offering for the BGM Affiliated Exchanges. A consistent technology offering, in turn, will simplify the technology implementation, changes and maintenance by Users of the Exchange that are also participants on BYX, EDGA and/or EDGX. The proposed rule changes would also provide Users with access to functionality that may result in the efficient execution of such orders and will provide additional flexibility as well as increased functionality to the Exchange's System and its Users. As explained elsewhere in this proposal, all of the proposed routing options are similar to routing strategies on other market centers, including EDGA and EDGX.

The Exchange also believes that re-locating certain routing options from Rule 11.9 to Rule 11.13 is consistent with the protection of investors and the public interest pursuant to the Act because such changes will enable those reviewing the Exchange's rules to more clearly understand such rules.

Finally, the Exchange believes that elimination of the Modified Destination Specific Order is consistent with the Act because such routing strategy is not currently offered by the Exchange because there are no currently approved destinations for such strategy. Thus, eliminating reference to such strategy will avoid confusion by market participants.

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

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange provides routing services in a highly competitive market in which participants may avail themselves of a wide variety of routing options offered by self-regulatory organizations, alternative trading systems, other broker-dealers, market participants' own proprietary routing systems, and service bureaus. In such an environment, system enhancements such as the changes proposed in this rule filing do not burden competition, because they can succeed in attracting order flow to the Exchange only if they offer investors higher quality and better value than services offered by others. The Exchange reiterates that the proposed rule change

[8] 15 U.S.C. 78f(b).

[9] 15 U.S.C. 78f(b)(5).

[10] 15 U.S.C. 78k–1(a)(1).

is being proposed in the context of the technology integration of the BGM Affiliated Exchanges. Thus, the Exchange believes this proposed rule change is necessary to permit fair competition among national securities exchanges. In addition, the Exchange believes the proposed rule change will benefit Exchange participants in that it is one of several changes necessary to achieve a consistent technology offering by the BGM Affiliated Exchanges.

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

The Exchange has neither solicited nor received written comments on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A) of the Act [11] and Rule 19b–4(f)(6) thereunder.[12] 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 is filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b–4(f)(6) thereunder.[13]

A proposed rule change filed pursuant to Rule 19b–4(f)(6) under the Act [14] normally does not become operative for 30 days after the date of its filing. However, Rule 19b–4(f)(6)(iii) [15] permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing, noting that a waiver of the operative delay will allow the Exchange to continue to strive towards a complete technology integration of the BGM Affiliated Exchanges, with gradual roll-outs of new functionality to ensure stability of the System. The Exchange also believes that the benefit to Exchange Users expected from the proposed rule change—greater flexibility in their efforts to fill orders—should not be delayed. Further, the Exchange states that introduction of the optional routing strategies will not require any systems changes by Exchange Users that would necessitate a delay, as selection of the routing strategies is entirely optional and Users will not be affected by the change unless they select to use the newly offered functionality. The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest. Therefore, the Commission hereby waives the operative delay and designates the proposed rule change operative upon filing.[16]

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–BATS–2014–052 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–BATS–2014–052. 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 offices 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–BATS–2014–052, and should be submitted on or before November 19, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[17]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–25666 Filed 10–28–14; 8:45 am]

BILLING CODE 8011–01–P

[11] 15 U.S.C. 78s(b)(3)(A).

[12] 17 CFR 240.19b–4(f)(6).

[13] 17 CFR 240.19b–4(f)(6). As required under Rule 19b–4(f)(6)(iii), the Exchange provided the Commission with written notice of its intent to file the proposed rule change, along with a brief description and the text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change.

[14] 17 CFR 240.19b–4(f)(6).

[15] 17 CFR 240.19b–4(f)(6)(iii).

[16] 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).

[17] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–73414; File No. SR–BATS–2014–050]

Self-Regulatory Organizations; BATS Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Related to Fees for Use of BATS Exchange, Inc.

October 23, 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 October 16, 2014, BATS Exchange, Inc. (the ''Exchange'' or ''BATS '') filed with the Securities and Exchange Commission (''Commission'') a proposed rule change as described in Items I, II and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b-4.

comments on the proposed rule change from interested persons.

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

The Exchange filed a proposal to amend the fees applicable to securities listed on the Exchange pursuant to BATS Rule 14.13. Changes to the fee schedule pursuant to this proposal are effective upon filing.

The text of the proposed rule change is available at the Exchange's Web site at *http://www.batstrading.com/,* at the principal office of the Exchange, and at the Commission's Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in Sections A, B, and C below, of the most significant parts of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

On August 30, 2011, the Exchange received approval of rules applicable to the qualification, listing, and delisting of companies on the Exchange,[3] which it modified on February 8, 2012 in order to adopt pricing for the listing of exchange traded products (''ETPs'' [4] on the Exchange,[5] which it subsequently modified again on June 4, 2014.[6] The Exchange proposes to modify Rule 14.13, entitled ''Company Listing Fees'' to eliminate the annual fees for ETPs that are not participating in the competitive liquidity provider program under Interpretation and Policy .02 to Rule 11.8 (the ''CLP Program'').[7] The Exchange is not proposing to eliminate the $5,000 application fee for ETPs. For ETPs that are participating in the CLP Program, the Exchange proposes that the annual fees continue to be $35,000. In conjunction with the proposed elimination of annual fees for ETPs listed on the Exchange, the Exchange is also planning to file a separate proposal that will eliminate enhanced rebates for lead market makers (''LMMs'') in LMM Securities [8] under the Exchange's LMM Program,[9] which was in part subsidized by the annual listing fees.

Currently, Rule 14.13(b)(2)(C) provides that the annual fee for an ETP that is not participating in the CLP Program is charged quarterly on a tiered basis based on the ETP's consolidated average daily volume (the ''CADV''), as defined below, during the quarter preceding the billing date. Specifically, the Exchange charges issuers of ETPs on a quarterly basis as follows:

CADV	Quarterly fee	Annual fee
0–10,000	$1,250	$5,000
10,001–40,000	2,000	8,000
40,001–80,000	3,000	12,000
80,001–150,000	3,750	15,000
150,001–400,000	4,500	18,000
Greater than 400,000	(1)	(1)

[1] Free.

As mentioned above, the Exchange is proposing to eliminate all annual fees for ETPs that are not participating in the CLP Program, which includes the fees associated with each of the CADV tiers above. Specifically, the Exchange is proposing that issuers of each class of securities that is a domestic or foreign issue listed on the Exchange as an ETP that is not currently participating in the CLP Program will pay no annual fee to the Exchange.

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 of the Act.[10] Specifically, the Exchange believes that the proposed rule change is consistent with Section 6(b)(4) and 6(b)(5) of the Act,[11] in that it provides for the equitable allocation of reasonable dues, fees and other charges among issuers and it does not unfairly discriminate between customers, issuers, brokers or dealers.

The Exchange is proposing to eliminate all annual listing fees for ETPs listed on the Exchange, except for those ETPs that are participating in the CLP Program, which will significantly reduce listing fees for most new issuers and transfer listings in ETPs (with the exception of ETPs with a CADV greater than 400,000 for which there already was no annual listing fee), which the Exchange believes is equitable, reasonable, and non-discriminatory because the annual fee for listings will be applied equally to all ETPs newly listed on the Exchange. Further, there are currently no ETPs listed on the Exchange that are receiving the pricing for having a CADV of greater than 400,000. The Exchange also believes that continuing to charge $35,000 annually for ETPs that continue to participate in the CLP Program is equitable and non-discriminatory because the costs associated with operating the CLP Program are significantly higher than the anticipated costs associated with the listing of ETPs on the Exchange that are not participating in the CLP Program and are generally designed to at least in part offset the costs to the Exchange to operate the CLP Program. Further, ETPs participating in the CLP Program may opt out of the CLP Program at any time in order to be eligible for having no annual listing fees.

Based on the foregoing, the Exchange believes that its proposed elimination of annual fees for ETPs that are not participating in the CLP Program is a reasonable, equitable, and non-discriminatory allocation of fees to issuers.

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

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended. With respect to the proposed new pricing for the listing of ETPs, the Exchange does not believe that the changes burden competition, but instead, enhance competition, as it is intended to increase the competitiveness of the Exchange's listings program by allowing the

[3] *See* Securities Exchange Act Release No. 65225 (August 30, 2011) 76 FR 55148 (September 6, 2011) (SR–BATS–2011–018).

[4] As defined in BATS Rule 11.8(e)(1)(A), the term ''ETP'' means any security listed pursuant to Exchange Rule 14.11.

[5] *See* Securities Exchange Act Release No. 66422 (February 17, 2012) 77 FR 11179 (February 24, 2012) (SR–BATS–2012–010).

[6] *See* Securities Exchange Act Release No. 72377 (June 12, 2014) 79 FR 34822 (June 18, 2014) (SR–BATS–2014–024).

[7] The Exchange notes that the CLP Program referenced in this proposal will be discontinued as of December 31, 2014. The references to the CLP Program herein do not apply to the Exchange's Supplemental CLP Program for ETPs, which is defined in Interpretation and Policy .03 to Rule 11.8.

[8] As defined in Rule 11.8(e)(1)(C), LMM Security means an ETP that has an LMM.

[9] *See* BATS Rule 11.8(e).

[10] 15 U.S.C. 78f.

[11] 15 U.S.C. 78f(b)(4) and (5).

Exchange to offer ETPs the ability to list on the Exchange without having to pay any annual fees. As such, the proposal is a competitive proposal that is intended to attract additional ETP listings, which will, in turn, benefit the Exchange and all other BATS-listed ETPs.

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 foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act [12] and paragraph (f) of Rule 19b–4 thereunder[13] At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (*http://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov.* Please include File Number SR–BATS–2014–050 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–BATS–2014–050. 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 offices 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–BATS–2014–050, and should be submitted on or before November 19, 2014.

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

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–25668 Filed 10–28–14; 8:45 am]

BILLING CODE 8011–01–P

[12] 15 U.S.C. 78s(b)(3)(A).

[13] 17 CFR 240.19b–4(f).

[14] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–73424; File No. SR–NYSEArca–2014–10]

Self-Regulatory Organizations; NYSE Arca, Inc.; Order Disapproving a Proposed Rule Change To Adopt NYSE Arca Equities Rule 8.900, Which Permits the Listing and Trading of Managed Portfolio Shares, and To List and Trade Shares of the ActiveShares Large-Cap Fund, ActiveShares Mid-Cap Fund, and ActiveShares Multi-Cap Fund Pursuant to That Rule

October 24, 2014.

On February 7, 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 (''Exchange Act'') [1] and Rule 19b–4 thereunder,[2] a proposed rule change to adopt new NYSE Arca Equities Rule 8.900, which would govern the listing and trading of Managed Portfolio Shares, and to list and trade shares of the ActiveShares Large-Cap Fund, ActiveShares Mid-Cap Fund, and ActiveShares Multi-Cap Fund (each a ''Fund'' and, collectively, ''Funds'') under proposed NYSE Arca Equities Rule 8.900.[3] The proposed rule change was published for comment in the **Federal Register** on February 26, 2014.[4] The Commission received one comment letter on the proposed rule change during the initial comment period.[5]

On April 7, 2014, pursuant to Section 19(b)(2) of the Exchange Act,[6] the Commission designated a longer period within which to approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to approve or disapprove the proposed rule change.[7] The Commission received two additional comment letters on the proposed rule change, including a letter from the Exchange in support of its proposal.[8] On May 27, 2014, the Commission instituted proceedings under Section 19(b)(2)(B) of the Exchange Act [9] to determine whether to approve or disapprove the proposed rule change.[10] The Commission

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] The Commission notes that Precidian ETFs Trust, which would be the issuer of the Funds, filed an Application for an Order under Section 6(c) of the 1940 Act for exemptions from various provisions of the 1940 Act and rules thereunder (File No. 812–14116), dated July 18, 2013 (''Exemptive Application''). The Commission published notice of this application (''Notice of Application for Exemptive Relief'') on October 21, 2014. *See* Investment Company Act Release No. 31300 (Oct. 21, 2014) (Precidian ETFs Trust, et al.; Notice of Application).

[4] *See* Securities Exchange Act Release No. 71588 (Feb. 20, 2014), 79 FR 10848 (''Notice''), *available at http://www.sec.gov/rules/sro/nysearca/2014/34-71588.pdf.*

[5] *See* Letter from Gary L. Gastineau, President, ETF Consultants.com, Inc., to Elizabeth M. Murphy, Secretary, Commission (Mar. 18, 2014) (''Gastineau Letter''). All comments on this proposal (*see also* notes 8 and 11, *infra*) are *available at http://www.sec.gov/comments/sr-nysearca-2014-10/nysearca201410.shtml.*

[6] 15 U.S.C. 78s(b)(2).

[7] *See* Securities Exchange Act Release No. 71895, 79 FR 20285 (Apr. 11, 2014). The Commission designated a longer period within which to take action on the proposed rule change and designated May 27, 2014, as the date by which it should approve, disapprove, or institute proceedings to determine whether to disapprove the proposed rule change.

[8] *See* Letter from Dennis J. DeCore, Former Co-Head U.S. Index Arbitrage (1997–2007), Nomura Securities, to Elizabeth M. Murphy, Secretary, Commission (Apr. 8, 2014) (''DeCore Letter''); Letter from Martha Redding, Chief Counsel and Assistant Corporate Secretary, NYSE Euronext, to Secretary, Commission (May 14, 2014) (''Response Letter'').

[9] 15 U.S.C. 78s(b)(2)(B).

[10] *See* Securities Exchange Act Release No. 72255, 79 FR 31362 (June 2, 2014). Specifically, the

received a second letter from one of the commenters.[11] On August 22, 2014, the Commission designated a longer period for Commission action on the proposed rule change.[12] The Commission subsequently received an additional comment letter regarding the proposed rule change.[13]

This Order disapproves the proposed rule change.

I. Description of the Proposal

The Exchange proposes: (1) To adopt new NYSE Arca Equities Rule 8.900 to permit the listing and trading, or trading pursuant to unlisted trading privileges (''UTP''), of Managed Portfolio Shares, which are securities issued by an actively managed open-end investment management company; and (2) to list and trade shares (''Shares'') of the Funds under proposed NYSE Arca Equities Rule 8.900.[14] The discussion below summarizes the Exchange's proposal, details of which are described in the Notice.[15]

A. Proposed Listing Rules

The Exchange's proposal defines the term ''Managed Portfolio Share'' as a security that (a) is issued by a registered investment company (''Investment Company'') organized as an open-end management investment company or similar entity that invests in a portfolio of securities selected by the Investment Company's investment adviser consistent with the Investment Company's investment objectives and policies; (b) is issued in any number of shares for a cash amount equal to the next determined net asset value (''NAV''); (c) may be redeemed for cash by any Retail Investor (as defined below) in any size less than a Redemption Unit (as defined below) for a cash amount equal to the next determined NAV; and (d) when aggregated in a number of shares equal to a Redemption Unit or multiples thereof, may be redeemed by or through an Authorized Participant,[16] with payment to be made, through a blind trust established for the Authorized Participant's benefit, in the form of securities, cash, or both with a value equal to the next determined NAV.

While funds issuing Managed Portfolio Shares would be actively managed and, to that extent, would be similar to Managed Fund Shares (which are actively managed funds listed and traded under NYSE Arca Equities Rule 8.600), Managed Portfolio Shares differ from Managed Fund Shares in the following significant respects.

- In contrast to Managed Fund Shares, for which a ''Disclosed Portfolio'' is required to be disseminated at least once daily,[17] the portfolio for an issue of Managed Portfolio Shares would be disclosed once quarterly in accordance with disclosure requirements otherwise applicable to open-end investment companies registered under the 1940 Act.[18]
- In connection with the redemption of shares in Redemption Unit[19] size, the in-kind delivery of any portfolio securities would generally be effected through a blind trust for the benefit of the redeeming Authorized Participant, and the blind trust would liquidate the portfolio securities pursuant to standing instructions from the Authorized Participant without disclosing the identity of those securities to the Authorized Participant.
- Investors, including ''Retail Investors,''[20] would be able to purchase shares either (a) in the secondary markets (e.g., the Exchange) at market prices or (b) for cash directly from a Fund in any amount on any day a fund determines its NAV, as described in more detail below.
- As with traditional open-end investment companies, Retail Investors would be able to redeem shares for cash directly from a fund on any day and in any size less than a Redemption Unit at the fund's NAV.[21]

For each series of Managed Portfolio Shares, an estimated value, defined in the proposed rules as the ''Portfolio Indicative Value'' (''PIV''), that reflects an estimated intraday value of a fund's portfolio, based on the last market price or last sale price, would be disseminated. The PIV would be based upon all of a Fund's holdings as of the close of the prior business day and would be widely disseminated by one or more major market data vendors at least every 15 seconds during the Exchange's Core Trading Session (normally, 9:30 a.m. to 4:00 p.m., Eastern Time).

The Exchange's proposal provides that the Exchange would file separate proposals under Section 19(b) of the Exchange Act before listing and trading any additional series of Managed Portfolio Shares.

B. Description of the Funds

The portfolio for each Fund would consist primarily of stocks in the Russell 3000 Index (which consists of stocks included in the Russell 1000 Index and the Russell 2000 Index) and shares issued by other exchange-traded funds (''ETFs) that invest primarily in shares of issuers in the Russell 3000 Index. The

Commission instituted proceedings to allow for additional analysis of the proposed rule change's consistency with Section 6(b)(5) of the Exchange 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.'' *See id.,* 79 FR at 31368 (text accompanying n.86).

[11] *See* Letter from Gary L. Gastineau, President, ETF Consultants.com, Inc., to Elizabeth M. Murphy, Secretary, Commission (June 23, 2014) (''Second Gastineau Letter'').

[12] *See* Securities Exchange Act Release No. 72901, 79 FR 51380 (Aug. 28, 2014) (designating October 24, 2014 as the date by which the Commission must either approve or disapprove the proposed rule change).

[13] *See* Letter from Reginald M. Browne, Senior Managing Director—ETF Group, Cantor Fitzgerald & Co, to Mary Jo White, Chair, Commission (Oct. 20, 2014) (''Browne Letter'').

[14] The Exchange also proposes to amend NYSE Arca Equities Rule 7.34(a)(4)(A) (Trading Sessions) to include Managed Portfolio Shares in the trading halt provision for shares traded pursuant to UTP during the Exchange's Opening Session.

[15] *See* Notice, *supra* note 4. Additional information regarding the Precidian ETFs Trust and the Shares, including investment strategies, risks, creation and redemption procedures, fees, portfolio holdings disclosure policies, distributions, and taxes is available in the registration statement filed by the Precidian ETFs Trust on January 22, 2014, on Form N–1A under the Securities Act of 1933 and under the Investment Company Act of 1940 (''1940 Act'') relating to the Funds (File Nos. 333–171987 and 811–22524) (''Registration Statement'').

[16] Certain large market participants, typically broker-dealers, can become ''Authorized Participants'' with respect to the Funds. Each Authorized Participant would enter into a contractual relationship with a Fund or Funds, allowing it to engage in redemptions of Shares directly with the issuer.

[17] NYSE Arca Equities Rule 8.600(c)(2) defines the term ''Disclosed Portfolio'' as the ''identities and quantities of the securities and other assets held by the Investment Company that will form the basis for the Investment Company's calculation of net asset value at the end of the business day.'' NYSE Arca Equities Rule 8.600(d)(2)(B)(i) requires that the Disclosed Portfolio be disseminated at least once daily and that it be made available to all market participants at the same time.

[18] A mutual fund is required to file with the Commission its complete portfolio schedules for the second and fourth fiscal quarters on Form N–SAR under the 1940 Act, and to file its complete portfolio schedules for the first and third fiscal quarters on Form N–Q under the 1940 Act, within 60 days of the end of the quarter. Form N–Q requires funds to file the same schedules of investments that are required in annual and semi-annual reports to shareholders. These forms are available to the public on the Commission's Web site at *http://www.sec.gov/.*

[19] A ''Redemption Unit'' is a specified number of Managed Portfolio Shares used for determining whether a retail investor may redeem for cash. According to the Notice, a Redemption Unit is currently 50,000 Shares.

[20] Under the proposal, a ''Retail Investor'' is defined as (i) a natural person; (ii) a trust established exclusively for the benefit of a natural person or a group of related family members; or (iii) a tax deferred retirement plan where investments are selected by a natural person purchasing for its own account.

[21] With respect to the three Funds that are the subject of the proposal, the Exchange has represented that fees for creations and redemptions by Retail Investors would not exceed two percent, in accordance with the requirements of Rule 22c–2 under the 1940 Act.

ActiveShares Large Cap Fund would invest primarily in securities included in the Russell 1000 Index and in ETFs that primarily invest in stocks in the Russell 1000 Index. The ActiveShares Mid-Cap Fund would invest primarily in securities that are included in the Russell 2000 Index and in ETFs that primarily invest in stocks in the Russell 2000 Index. And the ActiveShares Multi-Cap Fund would invest primarily in securities included in the Russell 3000 Index and in ETFs that primarily invest in stocks in the Russell 3000 Index. All exchange-listed equity securities in which the Funds would invest would be listed and traded on a U.S. national securities exchange.

Each Fund would target an overall net equity market exposure of between 70% and 130% of the Fund's assets. Each Fund would purchase securities that its portfolio managers believed to be undervalued and would sell short securities that the portfolio managers believed to be overvalued. Under normal market conditions,[22] each Fund's net long equity market exposure would not exceed 130%, and its net short equity market exposure would not exceed 30%, but the portfolio managers might at times exceed these percentages.

Other Investments. While each Fund, under normal market conditions, would invest primarily in stocks included in the Russell 3000 Index and ETFs, as described above, each Fund would be able to invest its remaining assets in repurchase agreements and reverse repurchase agreements, high-quality money market instruments, and the securities of other investment companies to the extent allowed by law.

II. Summary of the Comments Received

As noted above, the Commission received two letters from the same commenter opposing the proposed rule change,[23] two letters from commenters supporting the proposal, and a letter from the Exchange responding to the opposing commenter's objections. Comments on the proposal raised two broad issues—(1) the effectiveness of arbitrage in the absence of daily portfolio disclosure, and (2) the benefits and drawbacks of the Funds' unique creation and redemption processes—as well as a number of other issues that are narrower in scope.

A. The Effectiveness of Arbitrage in the Absence of Daily Portfolio Disclosure

The opposing commenter predicts that, compared to most existing ETFs, the Shares would probably trade with significantly wider bid-ask spreads, with more variable premiums and discounts, or with both, because of what the opposing commenter characterizes as the unreliability of the Funds' proposed method for ensuring secondary market trading efficiency.[24] The opposing commenter states that the Funds' market makers would have only indirect, and likely imperfect, information about Fund holdings.[25] As a result, according to the opposing commenter, effectively arbitraging the Funds would be significantly more difficult than the arbitrage for most existing foreign ETFs.[26]

The opposing commenter argues that there is no support for the Exchange's contention that existing ETFs holding portfolios of foreign securities, such as index-based ETFs holding Asian stocks, have demonstrated efficient pricing characteristics even though they do not provide opportunities for riskless arbitrage transactions during much of the trading day.[27] The opposing commenter also cites a draft academic working paper for the propositions that market trading efficiency varies significantly by type and size of ETF; that funds with high share trading volumes, liquid underlying holdings, and efficient arbitrage mechanisms trade with relatively tight bid-ask spreads and more stable premiums and discounts; and that funds lacking these characteristics generally trade with wider spreads and more variable premiums and discounts.[28]

Another commenter predicts that trading spreads in Managed Portfolio Shares would not be as ''tight'' as trading spreads in the SPY or QQQ (where futures, options, and equity portfolios can be used as a pure hedge), but that a frequent update of the intraday indicative value would allow market maker spreads to be reasonable.[29] A third commenter, who is a market maker in ETFs, states that, in his professional opinion and after significant analysis, ''given a clearly defined investment objective within a known universe of securities, efficient markets can and will be made in ETFs utilizing Precidian's Blind Trust Structure.'' [30]

The Exchange responds to the opposing commenter that, as set forth in the Notice, market makers have indicated that the available information regarding the Shares would be sufficient for arbitrage and hedging purposes.[31] Additionally, the Exchange states that, based on discussions with market makers, it expects that market makers would agree to act as lead market makers (''LMMs'') in the Shares and believes that no market maker would accept an LMM assignment if it were not entirely comfortable in its ability to hedge its positions.[32] The Exchange argues that the opposing commenter offers no direct support for his doubts regarding efficient secondary market trading, and the Exchange asserts that these LMMs are uniquely suited to prospectively assess the effectiveness of arbitrage in the shares.[33]

Regarding the Exchange's assertion that market makers will be able to make efficient and liquid markets priced near the PIV as long as an accurate PIV is disseminated every 15 seconds and market makers have knowledge of a fund's means of achieving its investment objective, the opposing commenter states that, for a number of reasons, the dissemination of a PIV by the Funds is likely to prove ineffective in ensuring alignment of secondary market prices for the Shares with the values of the underlying portfolios.[34] The opposing commenter asserts that, during periods of rapid market movement, the use of last-sale prices to calculate a PIV, coupled with the

[22] The terms ''normally'' and ''under normal market conditions'' would include, but not be limited to, the absence of extreme volatility or trading halts in the equity markets or the financial markets generally; operational issues causing dissemination of inaccurate market information; or force majeure 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.

[23] This commenter notes that he has a retained economic interest in a product that may be competitive with Managed Portfolio Shares and states that his views on the Exchange's filing ''may be considered subject to a conflict of interest.'' Gastineau Letter, *supra* note 5, at 1, n.1. The Exchange asserts that the concerns of the opposing commenter are driven by competitive motives and that these concerns should not affect the Commission's decision to approve or disapprove the proposed rule change. *See* Response Letter, *supra* note 8, at 5. Instead, according to the Exchange, different proposals to list and trade actively managed EFTs without daily portfolio disclosure should be assessed on their individual merits and risks. *See id.* The opposing commenter asserts that the Commission should not ignore his comments just because they are raised by a competitor. *See* Second Gastineau Letter, *supra* note 11, at 7. The opposing commenter argues that the Commission should consider legitimate issues raised by any credible source, and he asserts that his comments are made in the public interest and, to the best of his ability, are not influenced by any conflict. *See id.*

[24] *See* Gastineau Letter, *supra* note 5, at 6.

[25] *See id.* at 8.

[26] *See id.*

[27] *See id.*

[28] *See id.* (citing Antti Petajisto, *Inefficiencies in the Pricing of Exchange-Traded Funds* (Working Paper Sept. 20, 2013 (''Petajisto Study'')).

[29] *See* DeCore Letter, *supra* note 8, at 1.

[30] *See* Browne Letter, *supra* note 13, at 2.

[31] *See* Response Letter, *supra* note 8, at 2.

[32] *See id.*

[33] *See id.*

[34] *See* Gastineau Letter, *supra* note 5, at 2–3.

dissemination of the PIV only every 15 seconds, would mean that the PIV would be a lagging indicator of actual portfolio values.[35] Additionally, the opposing commenter asserts that the PIV may reflect clearly erroneous values for securities that have not yet opened for trading on a particular business day or that are subject to an intraday interruption in trading.[36] The opposing commenter also criticizes the Exchange's representation that the adviser and calculation agent would use ''commercially reasonable efforts'' to calculate the PIV, arguing that this is a substantially lower standard of care than that applying to NAV calculations for ETFs and mutual funds.[37] The opposing commenter further asserts that the proposal does not provide that any entity would stand behind a Fund's PIV to ensure timeliness and accuracy.[38]

The opposing commenter predicts that frequent PIV errors would cause ''erroneous share trades'' to be executed.[39] The opposing commenter states that the proposal does not address whether PIV errors and related erroneous trades would be detected by the Exchange, whether such trades would be cancelled, or whether the Exchange would apply a materiality standard for cancellations.[40] The opposing commenter argues that, as a condition of approval, the Exchange should be required to monitor the timeliness and accuracy of PIV dissemination and to implement procedures to address trades when an erroneous PIV has been disseminated.[41]

The Exchange agrees with the opposing commenter that an accurate PIV would be essential for trading in the Shares, but asserts that the opposing commenter offers no support for the assertion that the PIV would be unreliable.[42] The Exchange reiterates that market makers have indicated that, after the first few days of trading, there would be sufficient data to run a statistical analysis that would lead to differences between the Share price of the ETF and the PIV being tightened substantially.[43] The Exchange states that it has no reason to believe that the PIV, which would be calculated using methodology substantially similar to that used in the calculation of all other ETF intraday indicative values, would be inherently unreliable.[44] The Exchange asserts that market participants would accept the PIV as a reliable, indicative real-time value because (a) the PIV would be calculated and disseminated based on a Fund's actual portfolio holdings; (b) the securities in which the Funds plan to invest are generally highly liquid and actively traded and therefore generally have accurate real-time pricing available; and (c) market participants would have a daily opportunity to evaluate whether the PIV at or near the close of trading was indeed predictive of the actual NAV.[45]

The Exchange states that, because it has no reason to believe that the PIVs would be inherently unreliable, it does not propose to institute any additional monitoring programs.[46] Instead, the Exchange states that it would rely on its existing surveillance systems to monitor trading in the Shares and that these procedures are adequate to properly deter and detect violations of Exchange rules and federal securities laws applicable to trading on the Exchange.[47] The Exchange also states that its existing rule applicable to trade cancellations (NYSE Area Equities Rule 7.10) neither addresses trade cancellations in the event erroneous PIVs are disseminated nor provides the Exchange with the discretion to cancel trades.[48]

In his second comment letter,[49] which addresses the Exchange's Response Letter,[50] the opposing commenter states that he does not question the veracity of LMMs who have discussed with the Exchange their ability to make efficient and liquid markets in the Shares, but that he questions whether the important caveat—that accurate PIVs are available—would reliably be met.[51] He offers the following reasons why dissemination of PIVs at 15-second intervals throughout the Exchange's Core Trading Session would not provide a reliable and sufficient basis for ensuring that market trading prices of Shares maintain a close correspondence to each Share's underlying value: (a) PIVs may not be calculated in the same manner as NAV; (b) PIVs would be based on consolidated last sale information and may reflect clearly erroneous values for securities that have not opened for trading on a particular business day or that are subject to an intraday interruption in trading; (c) PIVs would be calculated based on a ''commercially reasonable'' standard of care, not the higher standards that apply to a Fund's daily NAV calculations; (d) there would be no time or scope for checking calculated PIV values before they are released in real time 1,560 times each trading day; and (e) the calculation of PIVs would require the coordinated actions of multiple parties, none of which would guarantee the accuracy of disseminated PIVs or assume liability for damages resulting from PIV errors.[52]

The opposing commenter asserts that disseminated PIVs for ETFs with transparent portfolios have essentially no relevance to secondary market trading efficiency and limited overall utility for investors.[53] In contrast, according to the opposing commenter, the officially disseminated PIVs would be the foundation supporting market trading of the Shares, because Fund holdings would not be disclosed, and market makers in the Shares would not be able to calculate their own independent estimates of intraday Fund values or to verify the accuracy of the Fund-disseminated PIVs.[54] The opposing commenter states that he is unaware of any studies that demonstrate the reliability of the intraday values disseminated for existing ETFs based on substantially the same calculation methodology and standards as proposed for the Shares.[55] He recommends that, if the Exchange is unwilling to undertake a surveillance program to detect erroneous PIVs and to establish procedures for cancelling trades based on erroneous trades, the Commission should condition any approval of the proposed rule change on a demonstration of the prospective reliability of Fund PIVs through a comprehensive study of the historical accuracy of the disseminated intraday values of existing ETFs with investment profiles similar to the Funds.[56]

The opposing commenter also questions whether the terms ''efficient and liquid markets'' and ''priced near the PIV'' (used by the cited LMMs) are properly defined or are suitable standards for open-end funds issuing redeemable securities.[57] The opposing commenter asserts that the Petajisto Study[58] demonstrates that the trading

[35] *See id.* at 10.
[36] *See id.*
[37] *See id.* at 10–11.
[38] *See id.* at 11.
[39] *See id.* at 13.
[40] *See id.*
[41] *See id.*
[42] *See* Response Letter, *supra* note 8, at 2.
[43] *See id.*
[44] *See id.*
[45] *See id.*
[46] *See id.*
[47] *See id.* at 3.
[48] *See id.*
[49] *See* Second Gastineau Letter, *supra* note 11.
[50] *See* Response Letter, *supra* note 8.
[51] *See* Second Gastineau Letter, *supra* note 11, at 3.
[52] *See id.*
[53] *See id.*
[54] *See id.* at 4–5.
[55] *See id.* at 5.
[56] *See id.*
[57] *See id.* at 3.
[58] *See supra* note 28.

efficiency of existing ETFs varies across a broad range and that many existing ETFs trade with wide bid-ask spreads and highly variable premiums/discounts,[59] and he posits that some of the LMMs supporting trading in those ETFs would nonetheless represent that they trade ''efficiently'' and ''near'' underlying value.[60]

The opposing commenter recommends that the Commission ask the Exchange to quantify the range of expected bid-ask spreads and premiums/discounts at which LMMs have indicated they expect the Shares to trade and to compare these expectations to accurate measures of benchmark index ETF trading performance.[61] Additionally, the opposing commenter argues that the Exchange's statement that it ''expects that a market maker will act as [LMM] in the Shares and believes no market maker would accept [an LMM] assignment if they were not entirely comfortable in their ability to hedge their positions'' does not support the Exchange's assertion that the Shares can be expected to trade at consistently tight bid-ask spreads and stable premiums/discounts.[62] He asserts that: (1) Every closed-end fund listed on the Exchange also has an LMM, including the many closed-end funds that routinely trade at double-digit discounts or premiums to NAV; and therefore (2) the mere presence of a market maker willing to serve as LMM is not evidence that a particular fund would trade with bid-ask spreads and premiums/discounts consistent with the marketplace's expectations for how ETFs should trade or the legal standard applicable to open-end investment companies issuing redeemable securities.[63]

B. Creation and Redemption Process

1. Redemptions by Authorized Participants

The opposing commenter raises a number of objections to the Funds' proposed use of a blind trust to effect redemption transactions by Authorized Participants. He predicts that the proposed redemption arrangements would introduce additional costs and uncertainties for Authorized Participants for the following reasons:

- The Funds' custodian would have a monopoly position as the sole eligible provider of trustee services for the blind trust;
- the Funds' adviser, rather than the Authorized Participant, would negotiate the fees paid to the trustee;
- in contrast to existing ETFs, no Authorized Participant would have the potential ability to use its market knowledge and market position to enhance arbitrage profits (or offset arbitrage costs) by managing sales of the distributed securities to minimize market impact or to realize prices above the market close; and
- the Funds' custodian, who acts for the Authorized Participant in the sale of distributed securities, would have no apparent incentive to sell distributed securities with low market impact or at prices above the close and would experience little or no downside from doing the opposite.[64]

The opposing commenter also asserts that redeeming Authorized Participants would be exposed to potential costs and risks associated with not being able to control disposition of significantly more concentrated redemption proceeds, and the opposing commenter argues that these extra costs and risks associated with the blind trust arrangement would be passed through to shareholders transacting in the secondary market, reflected as wider bid-ask spreads, more volatile premiums and discounts for the Shares, or both.[65]

In addition, the opposing commenter argues that the Commission should not grant the issuer's pending request for exemptive relief under the 1940 Act to maintain early Order Cut-Off Times for Fund redemptions, which are intended to facilitate the timely sale of distributed securities by the blind trusts that receive the proceeds of Authorized Participant redemptions and to facilitate the efficient processing of redemptions by retail investors through the Retail Redemption Facility.[66]

In response, the Exchange argues that the opposing commenter's arguments regarding cost considerations are irrelevant under the Exchange Act[67] and that limiting broker-dealer processing fees on direct purchases and redemptions of Shares would require Commission rulemaking.[68] The Exchange also argues that the opposing commenter's arguments regarding early Order Cut-Off Times for redemption is not relevant under the Exchange Act.[69]

The opposing commenter argues, in response, that mandatory early Order Cut-Off Times for direct purchases and redemptions of Shares, while raising issues under the 1940 Act, also raise Exchange Act issues due to the potential impact on secondary market trading. Specifically, the opposing commenter asks: (1) If Authorized Participants cannot enter orders to purchase and redeem Shares after a designated cut-off time, how would this affect market trading later in the session; and (2) if market makers cannot transact with the Fund to offload long and short positions in Shares accumulated after the cut off time, how could the Funds' proposed arbitrage mechanism function effectively?[70]

In connection with the unique redemption features of the Funds, the opposing commenter further asserts that there is a ''significant risk'' that the Internal Revenue Service (''IRS'') would deny the purported tax benefits of the Funds' distinctive in-kind redemption program.[71] Therefore, the opposing commenter recommends that approval of the proposal be conditioned on the issuer obtaining a favorable IRS determination of the tax treatment through a Private Letter Ruling.[72]

In response, the Exchange argues that the opposing commenter's arguments regarding the tax treatment of in-kind distributions through the blind trust are not relevant under the Exchange Act.[73]

The opposing commenter's second letter restates his belief that the tax treatment of the Funds' in-kind redemptions is relevant and again urges the Commission to condition any approval of the proposed rule change on the issuer receiving a Private Letter Ruling from the IRS affirming the claimed tax treatment of the Funds' in-kind redemptions.[74]

2. The Retail Redemption Facility

The opposing commenter posits that a principal purpose of including direct Share purchases and the Retail Redemption Facility in the proposal is to provide comfort to the Commission and market participants that investors

[59] *See* Second Gastineau Letter, *supra* note 11, at 3.

[60] *See id.*

[61] *See id.*

[62] *See id.* at 4.

[63] *See id.*

[64] *See* Gastineau Letter, *supra* note 5, at 12.

[65] *See id.*

[66] *See id.* at 16.

[67] *See* Response Letter, *supra* note 8, at 4–5.

[68] *See id.* at 4.

[69] *See id.* at 4–5.

[70] *See* Second Gastineau Letter, *supra* note 11, at 2.

[71] *See* Gastineau Letter, *supra* note 5, at 5.

[72] *See id.;* Second Gastineau Letter, *supra* note 11, at 2.

[73] *See* Response Letter, *supra* note 8, at 4–5.

[74] *See* Gastineau Letter, *supra* note 5, at 5. More generally, the opposing commenter asserts that none of the arguments he made are irrelevant because Section 6(b)(5) of the Exchange Act states, in relevant part, that the ''rules of the exchange must be designed . . . to promote just and equitable principles of trade, . . . to remove impediments to and perfect the mechanism of a free and open market . . . and, in general, to protect investors and the public interest; and are not designed to permit unfair discrimination'' among market participants. *See* Second Gastineau Letter, *supra* note 11, at 2 (omissions in original).

would be able to transact with the Fund at or near NAV whenever secondary market trading prices of shares vary significantly from NAV.[75] The opposing commenter argues that these provisions, as proposed, are inadequate for this purpose because: (a) The Retail Redemption Facility would be available only to a limited set of shareholders and would be restricted to redemptions of less than a Redemption Unit of shares; (b) the expected early Order Cut-Off Time for direct share purchases and the Retail Redemption Facility means that an investor's ability to directly purchase or redeem shares for cash would exist for only a portion of each business day; (c) investors who directly purchase and redeem shares would be subject to transaction fees imposed by the Fund of up to 2% and may also be subject to broker-dealer processing fees; (d) self-directed investors may not have adequate information about the available liquidity options to make intelligent choices about how best to buy and sell shares; (e) broker-dealers may not have adequate information to ensure that their customers consistently receive best execution on transactions in shares, given the two distinct liquidity pathways; and (f) broker-dealers may not have or may not develop the systems capabilities necessary to support customer transactions in Funds offering both secondary market trading in shares and direct share purchases and redemptions.[76]

The opposing commenter asserts that the Exchange's statements that ''investors may choose to purchase Shares directly from a Fund if they want to assure that they would not purchase Shares at a premium'' and that ''Retail Investors may decide to redeem their Shares for cash if they want to make sure they receive the NAV and do not want to risk selling their Shares in the secondary market at a discount'' are valid only to the extent that a Fund's direct purchase and redemption options apply to a particular investor, are available at the particular time of day when the investor seeks to buy or sell Shares, are not negated by disproportionate fees, and are backed by investor information and broker-dealer systems adequate to support informed decision-making and effective execution of direct transactions in Shares.[77] The opposing commenter expresses concern that, because of the challenges to broker-dealer trade management and order processing systems introduced by the Funds' unique dual-liquidity features, broker-dealers (if left unregulated) would charge significantly higher fees on direct purchases and redemptions than the commissions they charge on comparably sized secondary market trades in Shares.[78] He argues that, if broker-dealer fees on direct transactions in Shares are too high, then shareholders would, in a practical sense, lose access to the Funds' intended mechanism for ensuring continued access to liquidity at or near NAV during periods when market trading prices of Shares vary significantly from NAV.[79] To the extent that the Commission values the Funds' direct purchase and redemption facilities, he recommends that the Commission place appropriate limits on associated broker-dealer fees and Fund Transactions Fees.[80] The opposing commenter also repeats his views that the Funds' proposed direct purchase and redemptions options should apply equally to all investors and should be available throughout each business day's Regular Trading Session, arguing that disparate redemption rights for different groups of shareholders are inherently discriminatory and inconsistent with the Requirements of Section 6(b)(5) of the Exchange Act.[81]

The opposing commenter recommends that the Funds should be required to extend eligibility for the Retail Redemption Facility to all shareholders and that the Order Cut-Off Times for direct purchases of shares and redemptions under the Retail Redemption Facility be established as of the close of the Exchange's regular trading session.[82] The opposing commenter recommends that the Exchange be required to limit trading in shares to broker-dealers that have represented to the Exchange that they have systems in place (a) to accommodate direct purchases and redemptions of Shares on terms no less favorable than secondary market transactions and (b) to ensure best execution of transactions in shares, considering both secondary market trading and direct purchase and redemption options.[83] The opposing commenter also recommends that the broker-dealers trading shares on the Exchange should not be permitted to charge their customers processing fees on direct purchases and redemptions of shares that exceed what they charge the same customers for secondary market trades.[84] Further, the opposing commenter recommends that the Funds should not be permitted to charge transaction fees on direct purchases and redemptions of shares that exceed the associated Fund expenses incurred, taking into account the size of a specific transaction.[85]

In response, the Exchange does not address the individual objections raised by the opposing commenter, but instead asserts that the process proposed in the Notice is consistent with the applicable provisions of the Exchange Act.[86]

C. Other Issues

1. Disclosures

The opposing commenter alleges that the prospectus contains a number of material misstatements and omissions relating to in-kind redemptions and direct purchases and redemptions.[87] In response, the Exchange argues that the opposing commenter's arguments regarding prospectus disclosures are irrelevant under the Exchange Act.[88] The opposing commenter, in his second comment letter, argues that adequacy of Fund disclosures is critically important to evaluation of the proposal under both the 1940 Act and the Exchange Act because efficient, informed, and non-discriminatory trading in the Shares requires market participants to have access to timely and accurate information regarding the Funds, including risks and special considerations in buying and selling Shares.[89]

With respect to improved disclosures and availability of information, the opposing commenter states that, given the importance of the PIV to the decision-making process of current and prospective Fund investors, all Fund investors should have ongoing access to current PIV values.[90] The opposing commenter suggests that each Fund's current PIV be provided at no charge on a public Web site and made available to the public no later than it is made available to any other market participant.[91] The opposing commenter also suggests that the following be published on the Funds' Web site: Real-time PIVs and historical PIV information; statistics regarding closing-price premiums and discounts, statistics

[75] *See* Gastineau Letter, *supra* note 5, at 17.

[76] *See id.* at 17–18.

[77] *See* Second Gastineau Letter, *supra* note 11, at 6.

[78] *See id.*

[79] *See id.*

[80] *See id.*

[81] *See id.*

[82] *See* Gastineau Letter, *supra* note 5, at 20.

[83] *See id.*

[84] *See id.*

[85] *See id.* at 20–21.

[86] *See* Response Letter, *supra* note 8, at 4.

[87] *See* Gastineau Letter, *supra* note 5, at 27–28.

[88] *See* Response Letter, *supra* note 8, at 4–5.

[89] *See* Second Gastineau Letter, *supra* note 11, at 3.

[90] *See* Gastineau Letter, *supra* note 5, at 25.

[91] *See id.*

regarding intraday estimated premiums and discounts; statistics regarding bid-ask spreads; statistics regarding long or short equity market exposure and the amount of investment leverage employed; and statistics regarding transaction fees applicable to direct purchases of shares, redemptions through the Retail Redemption Facility, and Redemption Unit redemptions by Authorized Participants.[92]

Further, the opposing commenter asserts that, given the fundamental differences in how the Shares may be bought or sold, compared to other ETFs, it is not appropriate for the Funds to be advertised or marketed as ETFs.[93] Therefore, the opposing commenter recommends that the Commission take appropriate steps to ensure that the Exchange, broker-dealers, and market data providers do not describe the Funds as ETFs.[94]

In response, the Exchange states that such real-time Web site disclosure of an indicative value is not required of other ETFs.[95] The Exchange states that the PIV is designed to provide guidance regarding variances between the prior day's closing prices and intraday changes in the value of the underlying portfolio.[96] The pricing of the Shares themselves would be disseminated in real time through the Consolidated Quotation System, according to the Exchange.[97]

Responding to the Exchange's assertion that the Funds should not be required to provide investors with free public access to real-time PIVs and other Fund trading information because these requirements do not apply to existing ETFs, the opposing commenter asserts that the Funds would differ from all existing ETFs in three respects for which the suggested requirements for additional PIV and other Fund trading information disclosures are highly relevant: (a) The Funds would offer shareholders two distinct pathways for buying and selling Shares (i.e., direct transactions and secondary market trades) and therefore should be obligated to give investors sufficient information about Share trading conditions to help them determine how best to buy and sell Shares; (b) the arbitrage mechanism intended to support efficient secondary market trading in Shares is untested and is likely to be less reliable than the mechanism supporting efficient trading in existing ETFs, meaning that investors in the Funds should appropriately pay more attention to Share trading costs and must have access to enhanced trading information to make that possible; and (c) the arbitrage mechanism underlying trading in Shares is uniquely reliant upon PIVs, with the result that a level playing field among market participants can only be achieved if all Fund investors have equal access to this critical Fund data.[98]

2. Proposed Limits on Fund Holdings

The opposing commenter asserts that the Funds should: (a) Be required to limit their equity investments to U.S.-exchange-listed stocks with market caps of $5 billion or greater (consistent with the general understanding of large- and medium-cap stocks, a universe of about 700 stocks currently); (b) not be permitted to invest in illiquid assets or debt instruments of non-U.S. issuers; and (c) not be permitted to employ investment leverage or hold short positions.[99]

In response, the Exchange argues that the opposing commenter's recommendation to curtail the permitted investments of the Funds is not relevant under the Exchange Act.[100]

In his second letter, the opposing commenter argues that the nature of the Funds' holdings is highly relevant because the reliability of a Fund's PIVs would depend on the availability, timeliness, and accuracy of intraday valuations for the Fund's underlying holdings, which in turn would vary significantly by holdings type.[101] He asserts that, if intraday valuation information for a Fund's holdings does not support the dissemination of timely and accurate PIVs throughout the Regular Trading Session, the Fund cannot be expected to trade efficiently.[102]

3. Trading Hours

The opposing commenter notes that the Exchange would permit trading in the Shares between 4:00 a.m. and 8:00 p.m., but that the PIV would only be disseminated during the Core Trading Session of 9:30 a.m. to 4:00 p.m.[103] The opposing commenter asserts that the proposal does not adequately address the significant risk that the prices of shares bought or sold in the Opening Session (4:00 a.m. to 9:30 a.m.) and Late Trading Session (4:00 p.m. to 8:00 p.m.) would vary widely from underlying portfolio values because an updated PIVs would not be available.[104] Therefore, the opposing commenter suggests that trading in shares should be limited to the Exchange's Core Trading Session.[105]

In response, the Exchange states that: (a) Its surveillance procedures are operative during all trading sessions and are adequate to monitor trading in the Shares; (b) that it has no reason to discount the assertions of market makers regarding their ability to make efficient markets during all trading sessions; and (c) it would ensure that the information bulletin required by the Exchange's listing standards would adequately address the special characteristics and risks associated with trading in the Shares.[106]

In response, the opposing commenter questions: (a) How a market maker would have any idea whether Shares were trading at a premium or a discount during the Opening and Late Trading Sessions, if PIVs are not being disseminated; and (b) how a market maker would have a basis to construct hedge positions against Share inventory accumulated during these sessions.[107] He asserts again that the Shares should not trade during periods when neither the contents nor any estimates of current values of Fund holdings are known in the marketplace.[108]

4. Potential Informational Advantages for Certain Market Participants

The opposing commenter argues that the lack of portfolio transparency would favor market makers and other professional traders over other market participants, such as investors, and the opposing commenter concludes that this disparate treatment is contrary to the principle that all participants should be on an equal footing with respect to knowledge of a fund's holdings.[109] Notwithstanding the public dissemination of the PIV, the opposing commenter argues that market makers and other professional traders would have a significant indirect informational advantage over other participants because of their ability to glean information about a Fund's holdings through sophisticated data analysis of changes in the PIV.[110] In particular, the

[92] *See id.* at 26–27.

[93] *See id.* at 28.

[94] *See id.*

[95] *See* Response Letter, *supra* note 8, at 4.

[96] *See id.*

[97] *See id.*

[98] *See* Second Gastineau Letter, *supra* note 11, at 7.

[99] *See* Gastineau Letter, *supra* note 5, at 24.

[100] *See* Response Letter, *supra* note 8, at 4.

[101] *See* Second Gastineau Letter, *supra* note 11, at 3.

[102] *See* Second Gastineau Letter, *supra* note 11, at 3.

[103] *See* Gastineau Letter, *supra* note 5, at 24.

[104] *See id.*

[105] *See id.*

[106] *See* Response Letter, *supra* note 8, at 3.

[107] *See* Second Gastineau Letter, *supra* note 11, at 7.

[108] *See id.*

[109] *See* Gastineau Letter, *supra* note 5, at 14–15.

[110] *See id.* at 14.

opposing commenter asserts that market makers and professional traders could uncover a Fund's holdings and trading activity and front-run the Fund.[111] The opposing commenter asserts that, prior to approval, the proposal should be amended to include: (1) A discussion of the steps to be taken to minimize reverse-engineering risk; (2) a discussion of how the Funds propose to resolve the conflict between providing market makers with adequate information to support efficient Share trading and protecting against reverse engineering; and (3) representations that the Funds would adequately disclose reverse-engineering risk and the conflicts the Funds face in seeking to provide for efficient market trading and protection against reverse engineering.[112]

The Exchange states that the following information would be publicly available to market professionals and retail investors alike: a PIV, disseminated every 15 seconds; an NAV, disseminated daily after the close; and the national best bid and offer and last trade for the Shares, disseminated in real-time through the Consolidated Quotation System and the Consolidated Tape.[113] The Exchange also states that, as with other ETFs, any independent view that market participants might have about the composition of the fund holdings and the value of those holdings would be included in the prices at which those participants would be willing to trade the product.[114]

The opposing commenter counters that all investors would not have equal access to Share trading information unless, as he recommends, the Commission conditions approval of the proposal on the Funds providing free access to PIVs on a public Web site and PIVs being available to the general public as soon as they are available to any party.[115] Otherwise, the opposing commenter argues, market makers would be able to generate an informational advantage regarding a Fund's holdings through sophisticated time-series analysis of intraday changes in the Fund's PIVs.[116] He asserts that the dissemination of market information in a manner that facilitates unfair discrimination among market participants is inconsistent with equitable principles of trade and, therefore, with the requirements of Section 6(b)(5) of the Exchange Act.[117]

5. Potential Benefits

One commenter supports the proposed rule change, asserting that investors would have access for the first time to many different types of active management strategies.[118] This commenter also asserts that Managed Portfolio Shares would have the benefit of intraday trading and of creation and redemption at closing NAV and that they would, unlike other ETFs, offer the additional advantage of allowing investors to create or redeem directly for cash in amounts less than a creation unit.[119] Another commenter states that the Funds would permit investors to ''avail themselves of the alpha-generating capabilities of professional managers and potentially greater returns, while enjoying greater access and information than a mutual fund can provide.'' [120] This commenter also notes that money managers, too, would enjoy benefits in the form of ''lower infrastructure costs, greater efficiency and the associated flexibility to make portfolio changes, and the ability to maintain portfolio confidentiality while avoiding professional front running.'' [121]

The Exchange asserts that, assuming investor protection concerns are adequately addressed, investors and the marketplace can only benefit from listing and trading of a variety of products with different structures, positing that competitive forces would ultimately decide the success or failure of such initiatives.[122]

III. Discussion and Commission Findings

Under Section 19(b)(2)(C) of the Exchange Act, the Commission shall approve a proposed rule change of a self-regulatory organization if the Commission finds that the proposed rule change is consistent with the requirements of the Exchange Act and the rules and regulations thereunder that are applicable to that organization.[123] The Commission shall disapprove a proposed rule change if it does not make such a finding.[124] Commission Rule of Practice 700(d)(3) provides that, when the Commission has instituted proceedings to determine whether to approve or disapprove a rule filing, the Commission shall makes its determination on the basis of the record, which ''shall consist of the proposed rule change filed on Form 19b-4 by the self-regulatory organization, including all attachments and exhibits thereto, and all written materials received from any interested parties on the proposed rule change, including the self-regulatory organization that filed the proposed rule change . . . as well as any written materials that reflect communications between the Commission and any interested parties.'' [125]

After careful consideration, the Commission does not find that the proposed rule change is consistent with the requirements of the Exchange Act and the rules and regulations thereunder applicable to a national securities exchange. In particular, the Commission does not find that the proposed rule change is consistent with Section 6(b)(5) of the Exchange Act, which requires that the rules of a national securities exchange be designed, among other things, to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and to protect investors and the public interest.[126]

Before an ETF can list and trade on a national securities exchange, the ETF must have exemptive relief under the 1940 Act, and a national securities exchange must have effective rules in place to list and trade the ETF.[127] As noted above, the Precidian ETFs Trust has filed an Exemptive Application under the 1940 Act.[128] As stated in the

[111] *See id.* at 15.

[112] *See id.*

[113] *See* Response Letter, *supra* note 8, at 3.

[114] *See id.*

[115] *See* Second Gastineau Letter, *supra* note 11, at 6.

[116] *See id.*

[117] *See id.*

[118] *See* DeCore Letter, *supra* note 8, at 1.

[119] *See id.* at 1–2.

[120] *See* Browne Letter, *supra* note 13, at 1.

[121] *See* Browne Letter, *supra* note 13, at 2.

[122] *See* Response Letter, *supra* note 8, at 5.

[123] 15 U.S.C 78s(b)(2)(C)(i).

[124] 15 U.S.C. 78s(b)(2)(C)(i); *see also* 17 CFR 201.700(b)(3).

[125] 17 CFR 201.700(d)(3). The description of a proposed rule change, its purpose and operation, its effect, and a legal analysis of its consistency with applicable requirements must all be sufficiently detailed and specific to support an affirmative Commission finding. *See id.* Any failure of a self-regulatory organization to provide the information solicited by Form 19b-4 may result in the Commission not having a sufficient basis to make an affirmative finding that a proposed rule change is consistent with the Exchange Act and the rules and regulations issued thereunder that are applicable to the self-regulatory organization. *Id.*

[126] 15 U.S.C. 78f(b)(5). In disapproving the proposed rule change, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

[127] Neither an ETF that has obtained 1940 Act exemptive relief but does not fall within Commission-approved exchange listing standards, nor an ETF that falls within Commission-approved listing standards but has been denied 1940 Act exemptive relief, can legally be listed and traded on a national securities exchange.

[128] *See* note 3, *supra.* The Precidian ETFs Trust submitted an application for an order under section

Continued

Notice of an Application for Exemptive Relief, however, ''the Commission preliminarily believes that [Precidian's] proposed ETFs do not meet the standard for exemptive relief under section 6(c) of the [1940] Act,'' [129] and accordingly, ''absent a request for a hearing that is granted by the Commission, the Commission intends to deny [Precidian's] request for an exemption under section 6(c) of the [1940] Act as not necessary or appropriate in the public interest and as not consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the [1940] Act.'' [130]

The purpose of the Exchange's proposed rule change is to allow the listing and trading of the proposed Funds and future Funds of the same type. The Commission does not believe that approving this proposed rule change would be consistent with the requirement under the Exchange Act that an exchange's rules be consistent with the protection of investors and the public interest, because the Commission has stated its intention to deny the Funds exemptive relief under the 1940 Act and because denying this exemptive relief would mean that the Funds could not legally operate.[131]

IV. Conclusion

For the reasons set forth above, the Commission does not find that the proposed rule change is consistent with the requirements of the Exchange Act and the rules and regulations thereunder applicable to a national securities exchange, and in particular, with Section 6(b)(5) of the Exchange Act.[132]

It is therefore ordered, pursuant to Section 19(b)(2) of the Exchange Act, that the proposed rule change (SR–NYSEArca–2014–10) be, and it hereby is, disapproved.

By the Commission.

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–25714 Filed 10–28–14; 8:45 am]

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6(c) of the 1940 Act for an exemption from sections 2(a)(32), 5(a)(1), 22(d) and 22(e) of the 1940 Act and rule 22c–1 under the 1940 Act; under sections 6(c) and 17(b) of the 1940 Act for an exemption from sections 17(a)(1) and 17(a)(2) of the 1940 Act; and under section 12(d)(1)(J) of the 1940 Act for an exemption from sections 12(d)(1)(A) and 12(d)(1)(B) of the 1940 Act.

[129] Notice of Application for Exemptive Relief, *supra* note 3, at 3.

[130] *Id.* at 29.

[131] The Commission's determinations under Section 6(c) of the 1940 Act with respect to the Funds are preliminary and could change if a hearing were requested, the Commission were to grant the request, and persuasive new information were presented. Under Section 19(b)(2) of the Exchange Act, however, the last date on which the Commission can take final action to approve or disapprove the Exchange's proposed rule change is no later than 240 days after notice of the proposed rule change was published in the **Federal Register**. As a result, the Commission must either approve or disapprove the proposed rule change by October 24, 2014, and it must do so on the basis of the facts as they currently exist, irrespective of any information that might be presented to or considered by the Commission at a later date in the context of its final determination under Section 6(c) of the 1940 Act.

[132] Having found for the reasons explained above that the Exchange's proposed rule change is not consistent with the requirements of the Exchange Act, the Commission does not believe it is necessary to address each of the particular objections raised by the commenter who opposes the proposed rule change.

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–73416; File No. SR–NASDAQ–2014–034]

Self-Regulatory Organizations; The NASDAQ Stock Market LLC; Notice of Designation of a Longer Period for Commission Action on a Proposed Rule Change Relating to Proposed Changes To Remove From the Exchange Rules Fee Provisions Regarding Re-Transmission of ''Third-Party Data''

October 23, 2014.

On April 7, 2014, The NASDAQ Stock Market LLC (''Nasdaq'' or the ''Exchange'') filed with the Securities and Exchange Commission (''Commission''), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'') [1] and Rule 19b–4 thereunder,[2] a proposed rule change to remove, from the Exchange rules, fee provisions with respect to third-party data feeds that Nasdaq receives from multiple sources and then re-transmits to clients in connection with the Exchange's co-location services. The proposed rule change was published for comment in the **Federal Register** on April 28, 2014.[3] On June 5, 2014, the Commission extended the time to act on the proposal until July 25, 2014.[4] On July 22, 2014, the Commission instituted proceedings to determine whether to disapprove the proposed rule change in an order published in the **Federal Register**.[5] The Commission received no comment letters on the proposed rule change.

Section 19(b)(2) of the Act [6] provides that, after initiating disapproval proceedings, the Commission shall issue an order approving or disapproving the proposed rule change not later than 180 days after the date of publication of notice of the filing of the proposed rule change. The Commission may extend the period for issuing an order approving or disapproving the proposed rule change, however, by not more than 60 days if the Commission determines that a longer period is appropriate and publishes the reasons for such determination. The proposed rule change was published for notice and comment in the **Federal Register** on April 28, 2014. October 25, 2014 is 180 days from that date, and December 24, 2014 is an additional 60 days from that date.

The Commission finds that it is appropriate to designate a longer period within which to take action on the proposed rule change so that it has sufficient time to consider the issues raised in connection with the proposed rule change. Specifically, as the Commission noted in the Order Instituting Proceedings, the proposed rule change raises issues such as whether the proposed rule change is consistent with the statutory definition of the term ''facility'' and the statutory requirements applicable to national securities exchanges.[7]

Accordingly, the Commission, pursuant to Section 19(b)(2) of the Act,[8] designates December 24, 2014, as the date by which the Commission should either approve or disapprove the proposed rule change.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[9]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–25672 Filed 10–28–14; 8:45 am]

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[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* Securities Exchange Act Release No. 71990 (April 22, 2014), 79 FR 23389 (''Notice'').

[4] *See* Securities Exchange Act Release No. 72328, 79 FR 33605 (June 11, 2014).

[5] *See* Securities Exchange Act Release No. 72654, 79 FR 43808 (July 28, 2014) (''Order Instituting Proceedings'').

[6] 15 U.S.C. 78s(b)(2).

[7] *See* Order Instituting Proceedings, *supra* note 5.

[8] 15 U.S.C. 78s(b)(2).

[9] 17 CFR 200.30–3(a)(31).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–73413; File No. SR–BATS–2014–051]

Self-Regulatory Organizations; BATS Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Related to Fees for Use of BATS Exchange, Inc.

October 23, 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 October 16, 2014, BATS Exchange, Inc. (the ''Exchange'' or ''BATS '') filed with the Securities and Exchange Commission (''Commission'') a proposed rule change as described in Items I, II and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange filed a proposal to amend the fee schedule applicable to Members [3] and non-members of the Exchange pursuant to BATS Rules 15.1(a) and (c). Changes to the fee schedule pursuant to this proposal are effective upon filing.

The text of the proposed rule change is available at the Exchange's Web site at *http://www.batstrading.com/,* at the principal office of the Exchange, and at the Commission's Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in Sections A, B, and C below, of the most significant parts of such statements.

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] A Member is defined as ''any registered broker or dealer that has been admitted to membership in the Exchange.'' *See* Exchange Rule 1.5(n).

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

On April 17, 2014, the Exchange filed a proposal to adopt rules to create a Lead Market Maker Program (the ''Program'') on an immediately effective basis.[4] The Exchange then filed a proposal to adopt pricing related to the Program on May 28, 2014.[5] The Program was implemented on June 2, 2014.

The Program provides enhanced rebates to market makers registered with the Exchange (''Market Makers'') [6] that are also registered as a lead market maker (''LMM'') in an LMM Security [7] and meet certain minimum quoting standards (''Minimum Performance Standards'') [8] in BATS-listed ETPs [9] based on the consolidated average daily volume (''CADV'') of the security. The annual listing fee for an ETP is also based on the CADV of the security and was designed to offset the enhanced rebates paid to LMMs in the security. The Program was intended to strengthen market quality for BATS-listed ETPs. The Program, however, has not been adopted by issuers and market participants as readily as the Exchange had originally anticipated and there are currently no BATS-listed ETPs participating in the Program. The purpose of this filing is to eliminate such enhanced rebates and to make corresponding clarifying changes to the fee schedule. In coordination with this filing to eliminate the enhanced rebates for LMMs in LMM Securities, the Exchange has filed a separate filing to eliminate all annual listing fees for BATS-listed ETPs.[10]

The Exchange proposes to modify its pricing for orders that add displayed liquidity in LMM Securities entered by LMMs that meet the Minimum Performance Standards (a ''Qualified LMM''). The Exchange is proposing to eliminate its existing tiered rebate structure that is based on the CADV of the LMM Security.[11] Currently, unless an LMM otherwise qualifies for a higher rebate, a Qualified LMM shall receive the following rebates for each share of added displayed liquidity: where the CADV is 10,000 or less, $0.0070; where the CADV is between 10,001 and 40,000, $0.0050; where the CADV is between 40,001 and 80,000, $0.0045; where the CADV is between 80,001 and 150,000, $0.0040; and where the CADV is greater than 150,000, $0.0035. While not possible under the current pricing structure, in the event that a Qualified LMM is ever eligible to receive a higher per share rebate under non-LMM pricing, the Qualified LMM will receive such higher non-LMM rebate. As currently implemented, LMM rebates are not eligible for additional rebates like the NBBO Setter or NBBO Joiner rebates currently offered by the Exchange. The Exchange is proposing to eliminate enhanced rebates for Qualifying LMMs that add liquidity in LMM securities and instead apply the standard fees and rebates to all Members in all securities, including BATS-listed securities.

The Exchange is not proposing to make any other changes to its existing price structure. The Exchange is also not proposing to terminate operation of the Program. Thus, while LMMs will not receive enhanced rebates in BATS-listed ETPs, Market Makers may continue to register as LMMs in such BATS-listed ETPs in accordance with BATS Rule 11.8(e).

Corresponding Changes

Finally, the Exchange proposes to make several non-substantive changes to the fee schedule, including removal of the text of footnote 3, which defines the term CADV, and reserving the footnote in order to maintain the current numbering of footnotes in the fee schedule.

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 of the Act.[12] Specifically, the Exchange believes that the proposed rule change is consistent with Section 6(b)(4) and 6(b)(5) of the

[4] *See* Securities Exchange Act Release No. 72020 (April 25, 2014) 79 FR 24807 (May 1, 2014) (SR–BATS–2014–015).

[5] *See* Securities Exchange Act Release No. 72333 (June 5, 2014) 79 FR 33630 (June 11, 2014) (SR–BATS–2014–019).

[6] *See* BATS Rule 11.5.

[7] As defined in Rule 11.8(e)(1)(C), LMM Security means an ETP that has an LMM.

[8] As defined in Rule 11.8(e)(1)(D), Minimum Performance Standards means a set of standards applicable to an LMM that may be determined from time to time by the Exchange.

[9] As defined in Rule 11.8(e)(1)(A), ETP means any security listed pursuant to Exchange Rule 14.11.

[10] *See* SR–BATS–2014–050, filed October 16, 2014, *available at: http://www.batstrading.com/regulation/rule_filings/bzx/.*

[11] As defined in the proposed fee schedule, ''CADV'' means consolidated average daily volume calculated as the average daily volume reported for a security by all exchanges and trade reporting facilities to a consolidated transaction reporting plan for the three calendar months preceding the month for which the fees apply.

[12] 15 U.S.C. 78f.

Act,[13] in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and other persons using any facility or system which the Exchange operates or controls and it does not unfairly discriminate between customers, issuers, brokers or dealers. The Exchange notes that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues if they deem fee levels at a particular venue to be excessive.

The Exchange believes that the proposal to eliminate LMM rebates is reasonable, equitable, and not unfairly discriminatory because it will result in standard fees and rebates being applied equally to all Members of the Exchange. Further, the potential decrease in rebates to LMMs in LMM Securities is reasonable, equitable, and not unfairly discriminatory because there are not currently any LMM Securities listed on the Exchange.

The Exchange further believes that the proposal, especially when considered in conjunction with a separate proposal filed today that will eliminate annual listing fees for ETPs listed on the Exchange,[14] will encourage the development of new financial products, provide a better trading environment for investors in ETPs, and generally encourage greater competition between listing venues by allowing the Exchange to provide issuers with a venue on which they are able to list ETPs without having to pay annual fees.

Based on the foregoing, the Exchange believes that the proposed amendments to the fee schedule provides for the equitable allocation of reasonable dues, fees and other charges among members and other persons using any facility or system which the Exchange operates or controls and it does not unfairly discriminate between customers, issuers, brokers or dealers. Further, the Exchange believes that, combined with the amendment to eliminate annual listing fees, [sic] will enhance the Exchange's ability to compete as a listing venue in ETPs by allowing the Exchange to provide listing services without annual fees that it would otherwise not be able to provide if it continued to offer enhanced rebates. Accordingly, by allowing the Exchange to better compete as a listing venue, the Exchange believes that the proposal is designed 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. Further, the Exchange believes that the proposal will enhance the Exchange's program for listing securities on the Exchange, which will, in turn, provide issuers with another option for raising capital in the public markets, thereby promoting the principles discussed in Section 6(b)(5) of the Act.[15]

Corresponding Changes

Finally, the Exchange believes that the clarifying change that deletes the text of footnote 3 and designates it as being reserved is reasonable as it will help to avoid confusion for those that review the Exchange's fee schedule. The Exchange notes that this proposed change is not designed to amend any fee or rebate, nor alter the manner in which it assesses fees or calculates rebates. The Exchange believes that the proposed amendment is intended to make the fee schedule clearer and less confusing for investors and eliminate potential investor confusion, thereby removing impediments to and perfecting the mechanism of a free and open market and a national market system, and, in general, protecting 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 result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act, as amended. The Exchange does not believe that the changes burden competition, but instead, enhance competition, as they are made in conjunction with the elimination of annual fees for ETPs listed on the Exchange,[16] as described above, which the Exchange believes will increase the competitiveness of the Exchange's listings program. As stated above, the Exchange notes that it operates in a highly competitive market in which market participants can readily direct order flow to competing venues if the [sic] deem fee structures to be unreasonable or excessive. As such, the proposal is a competitive proposal that is intended to enhance the Exchange's ability to compete as a listing venue for ETPs, which will, in turn, benefit the Exchange, ETP issuers, and all Exchange participants. In addition, the Exchange believes that the proposed non-substantive changes to the footnotes on the fee schedule would not affect intermarket nor intramarket competition because the changes do not alter any fees or rebates on the Exchange or the criteria associated therewith.

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 foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act[17] and paragraph (f) of Rule 19b–4 thereunder.[18] At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (*http://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov.* Please include File Number SR–BATS–2014–051 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–BATS–2014–051. 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

[13] 15 U.S.C. 78f(b)(4) and (5).

[14] *See supra* note 10.

[15] 15 U.S.C. 78f(b)(5).

[16] *See* supra note 10.

[17] 15 U.S.C. 78s(b)(3)(A).

[18] 17 CFR 240.19b–4(f).

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 offices 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–BATS–2014–051, and should be submitted on or before November 19, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[19]

Kevin M. O' Neill,

Deputy Secretary.

[FR Doc. 2014–25667 Filed 10–28–14; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–73410; File No. SR–BX–2014–048]

Self-Regulatory Organizations; NASDAQ OMX BX, Inc.; Notice of Filing of a Proposed Rule Change To Establish the Retail Price Improvement Program on a Pilot Basis Expiring Twelve Months From the Date of Implementation

October 23, 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 October 17, 2014, NASDAQ OMX BX, Inc. (''BX'' or the ''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 is filing with the Securities and Exchange Commission (''SEC'' or ''Commission'') a proposed rule change that would adopt new BX Rule 4780 to establish a Retail Price Improvement (''RPI'') Program (the ''Program'' or ''proposed rule change'') to attract additional retail order flow to the Exchange while also providing the potential for price improvement to such order flow.

The Exchange has designated December 1, 2014 as the date the proposed rule change becomes effective.

The text of the proposed rule change is available from the Exchange's Web site at *http://nasdaqomxbx.cchwallstreet.com/Filings/*, at the Exchange's principal office, 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

Background

The Exchange is proposing a one-year pilot program that would add new BX Rule 4780 to establish an RPI Program to attract additional retail order flow to the Exchange while also providing the potential for price improvement to such order flow.[3] Under the proposed rule change, the Exchange would create a new class of market participant called a Retail Member Organization (''RMO''), which would be eligible to submit certain retail order flow (''Retail Orders'') to the Exchange. As proposed, BX members (''Members'') will be permitted to provide potential price improvement for Retail Orders in the form of non-displayed interest that is priced more aggressively than the Protected National Best Bid or Offer (''Protected NBBO'').[4]

Definitions

The Exchange proposes to adopt the following definitions under proposed BX Rule 4780. First, the term ''Retail Member Organization'' (or ''RMO'') would be defined as a Member (or a division thereof) that has been approved by the Exchange to submit Retail Orders.

Second, the term ''Retail Order'' would be defined as an agency order, or riskless principal order that satisfies the criteria of FINRA Rule 5320.03, that originates from a natural person and is submitted to the Exchange by an RMO, provided that no change is made to the terms of the order with respect to price (except in the case of a market order being changed to a marketable limit order) or side of market and the order does not originate from a trading algorithm or any other computerized methodology. The criteria set forth in FINRA Rule 5320.03 adds additional precision to the definition of ''Retail Order'' by clarifying that an RMO may enter Retail Orders on a riskless principal basis, provided that (i) the entry of such riskless principal orders meet the requirements of FINRA Rule 5320.03, including that the RMO maintains supervisory systems to reconstruct, in a time-sequenced manner, all Retail Orders that are entered on a riskless principal basis; and (ii) the RMO submits a report, contemporaneously with the execution of the facilitated order, that identifies the trade as riskless principal.

The term ''Retail Price Improvement Order'' or ''RPI Order'' or collectively ''RPI interest'' would be defined as non-displayed liquidity on the Exchange that is priced more aggressively than the Protected NBBO by at least $0.001 and that is identified as an RPI Order in a

[19] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] This filing is substantially the same to the one establishing the RPI pilot by The NASDAQ Stock Market LLC (''NASDAQ''). The NASDAQ pilot program expires on December 31, 2014. *See* Securities Exchange Act Release No. 68937 (February 15, 2013), 78 FR 12397 (February 22, 2013) (''RPI Approval Order'') (SR–NASDAQ–2012–129).

[4] The term Protected Quotation is defined in Chapter XII, Sec. 1(19) and has the same meaning as is set forth in Regulation NMS Rule 600(b)(58). The Protected NBBO is the best-priced protected bid and offer. Generally, the Protected NBBO and the national best bid and offer (''NBBO'') will be the same. However, a market center is not required to route to the NBBO if that market center is subject to an exception under Regulation NMS Rule 611(b)(1) or if such NBBO is otherwise not available for an automatic execution. In such case, the Protected NBBO would be the best-priced protected bid or offer to which a market center must route interest pursuant to Regulation NMS Rule 611.

manner prescribed by the Exchange.[5] RPI orders can be priced either as an explicitly priced limit order or implicitly priced as relative to the NBBO with an offset of at least $0.001. The price of an RPI Order with an offset would be determined by a Member's entry of the following into the Exchange: (1) RPI buy or sell interest; (2) an offset from the Protected NBBO, if any; and (3) a ceiling or floor price. RPI Orders submitted with an offset would be similar to other peg orders available to Members in that the order is tied or ''pegged'' to a certain price, and would have its price automatically set and adjusted upon changes in the Protected NBBO, both upon entry and any time thereafter. The Exchange expects that RPI sell or buy interest typically would be entered to track the Protected NBBO, that is, RPI Orders typically would be submitted with an offset. The offset would be a predetermined amount by which the Member is willing to improve the Protected NBBO, subject to a ceiling or floor price. The ceiling or floor price would be the amount above or below which the Member does not wish to trade. RPI Orders in their entirety (the buy or sell interest, the offset, and the ceiling or floor) will remain non-displayed. The Exchange will also allow Members to enter RPI Orders which establish the exact limit price, which is similar to a non-displayed limit order currently accepted by the Exchange today except the Exchange will accept sub-penny limit prices on RPI Orders in increments of $0.001. The Exchange will monitor whether RPI buy or sell interest, adjusted by any offset and subject to the ceiling or floor price, is eligible to interact with incoming Retail Orders.

Members and RMOs may enter odd lots, round lots or mixed lots as RPI Orders and as Retail Orders respectively. As discussed below, RPI Orders will be ranked and allocated according to price and time of entry into the System consistent with BX Rule 4757 and therefore without regard to whether the size entered is an odd lot, round lot or mixed lot amount. Similarly, Retail Orders will interact with RPI Orders and other price-improving orders available on the Exchange (*e.g.*, non-displayed liquidity priced more aggressively than the NBBO)[6] according to the Priority and Allocation rules of the Program and without regard to whether they are odd lots, round lots or mixed lots. Finally, Retail Orders may be designated as Type 1 or Type 2 without regard to the size of the order.

RPI Orders would interact with Retail Orders as follows. Assume a Member enters RPI sell interest with an offset of $0.001 and a floor of $10.10 while the Protected NBO is $10.11. The RPI Order could interact with an incoming buy Retail Order at $10.109. If, however, the Protected NBO was $10.10, the RPI Order could not interact with the Retail Order because the price required to deliver the minimum $0.001 price improvement ($10.099) would violate the Member's floor of $10.10. If a Member otherwise enters an offset greater than the minimum required price improvement and the offset would produce a price that would violate the Member's floor, the offset would be applied only to the extent that it respects the Member's floor. By way of illustration, assume RPI buy interest is entered with an offset of $0.005 and a ceiling of $10.112 while the Protected NBBO is at $10.11. The RPI Order could interact with an incoming sell Retail Order at $10.112, because it would produce the required price improvement without violating the Member's ceiling, but it could not interact above the $10.112 ceiling. Finally, if a Member enters an RPI Order without an offset (*i.e.*, an explicitly priced limit order), the RPI Order will interact with Retail Orders at the level of the Member's limit price as long as the minimum required price improvement is produced. Accordingly, if RPI sell interest is entered with a limit price of $10.098 and no offset while the Protected NBBO is $10.11, the RPI Order could interact with the Retail Order at $10.098, producing $0.012 of price improvement. The System will not cancel RPI interest when it is not eligible to interact with incoming Retail Orders; such RPI interest will remain in the System and may become eligible again to interact with Retail Orders depending on the Protected NBBO. RPI Orders will not be accepted during halts.

RMO Qualifications and Approval Process

Under proposed BX Rule 4780(b), any Member could qualify as an RMO if it conducts a retail business or handles retail orders on behalf of another broker-dealer. Any Member that wishes to obtain RMO status would be required to submit: (i) An application form; (ii) supporting documentation sufficient to demonstrate the retail nature and characteristics of the applicant's order flow[7] and (iii) an attestation, in a form prescribed by the Exchange, that substantially all orders submitted by the Member as a Retail Order would meet the qualifications for such orders under proposed BX Rule 4780(b). The Exchange shall notify the applicant of its decision in writing.

An RMO would be required to have written policies and procedures reasonably designed to assure that it will only designate orders as Retail Orders if all requirements of a Retail Order are met. Such written policies and procedures must require the Member to (i) exercise due diligence before entering a Retail Order to assure that entry as a Retail Order is in compliance with the requirements of this rule, and (ii) monitor whether orders entered as Retail Orders meet the applicable requirements. If the RMO represents Retail Orders from another broker-dealer customer, the RMO's supervisory procedures must be reasonably designed to assure that the orders it receives from such broker-dealer customer that it designates as Retail Orders meet the definition of a Retail Order. The RMO must (i) obtain an annual written representation, in a form acceptable to the Exchange, from each broker-dealer customer that sends it orders to be designated as Retail

[5] Exchange systems would prevent Retail Orders from interacting with RPI Orders if the RPI Order is not priced at least $0.001 better than the Protected NBBO. The Exchange notes, however, that price improvement of $0.001 would be a minimum requirement and Members could enter RPI Orders that better the Protected NBBO by more than $0.001. Exchange systems will accept RPI Orders without a minimum price improvement value; however, such interest will execute at its floor or ceiling price only if such floor or ceiling price is better than the Protected NBBO by $0.001 or more. Concurrently with this filing, the Exchange has submitted a request for an exemption under Regulation NMS Rule 612 that would permit it to accept and rank the non-displayed RPI Orders. As outlined in the request, the Exchange believes that the minimum price improvement available under the Program, which would amount to $0.50 on a 500 share order, would be meaningful to the small retail investor. *See* Letter from Jeffrey S. Davis, Deputy General Counsel, NASDAQ OMX BX, Inc.to Brent J. Fields, Secretary, Securities and Exchange Commission dated October 10, 2014 (''Sub-Penny Rule Exemption Request'').

[6] Other price improving liquidity may include, but is not limited to: booked non-displayed orders with a limit price that is more aggressive than the then-current NBBO; midpoint-pegged orders (which are by definition non-displayed and priced more aggressively than the NBBO); non-displayed orders pegged to the NBBO with an aggressive offset, as defined in BX Rule 4780(a)(4) as Other Price Improving Contra-Side Interest. Orders that do not constitute other price improving liquidity include, but are not limited to: orders with a time-in-force instruction of IOC; displayed orders; limit orders priced less aggressively than the NBBO.

[7] For example, a prospective RMO could be required to provide sample marketing literature, Web site screenshots, other publicly disclosed materials describing the retail nature of their order flow, and such other documentation and information as the Exchange may require to obtain reasonable assurance that the applicant's order flow would meet the requirements of the Retail Order definition.

Orders that entry of such orders as Retail Orders will be in compliance with the requirements of this rule, and (ii) monitor whether its broker-dealer customers' Retail Order flow continues to meet the applicable requirements.[8]

If the Exchange disapproves the application, the Exchange would provide a written notice to the Member. The disapproved applicant could appeal the disapproval by the Exchange as provided in proposed BX Rule 4780(d), and/or reapply for RMO status 90 days after the disapproval notice is issued by the Exchange. An RMO also could voluntarily withdraw from such status at any time by giving written notice to the Exchange.

Failure of RMO To Abide by Retail Order Requirements

Proposed BX Rule 4780(c) addresses an RMO's failure to abide by Retail Order requirements. If an RMO designates orders submitted to the Exchange as Retail Orders and the Exchange determines, in its sole discretion, that those orders fail to meet any of the requirements of Retail Orders, the Exchange may disqualify a Member from its status as an RMO. When disqualification determinations are made, the Exchange would provide a written disqualification notice to the Member. A disqualified RMO could appeal the disqualification as provided in proposed BX Rule 4780(d) and/or reapply for RMO status 90 days after the disqualification notice is issued by the Exchange.

Appeal of Disapproval or Disqualification

Proposed BX Rule 4780(d) provides appeal rights to Members. If a Member disputes the Exchange's decision to disapprove it as an RMO under BX Rule 4780(b) or disqualify it under BX Rule 4780(c), such Member (''appellant'') may request, within five business days after notice of the decision is issued by the Exchange, that the Retail Price Improvement Program Panel (''RPI Panel'') review the decision to determine if it was correct.

The RPI Panel would consist of the Exchange's Chief Regulatory Officer (''CRO''), or a designee of the CRO, and two officers of the Exchange designated by the Chief Executive Officer of BX. The RPI Panel would review the facts and render a decision within the time frame prescribed by the Exchange. The RPI Panel could overturn or modify an action taken by the Exchange and all determinations by the RPI Panel would constitute final action by the Exchange on the matter at issue.

Retail Liquidity Identifier

Under proposed BX Rule 4780(e), the Exchange proposes to disseminate an identifier when RPI interest priced at least $0.001 better than the Exchange's Protected Bid or Protected Offer for a particular security is available in the System (''Retail Liquidity Identifier''). The Retail Liquidity Identifier will be disseminated through consolidated data streams (*i.e.*, pursuant to the Consolidated Tape Association Plan/Consolidated Quotation System, or CTA/CQS, for Tape A and Tape B securities, and the Nasdaq UTP Plan for Tape C securities) as well as through proprietary Exchange data feeds.[9] The Retail Liquidity Identifier will reflect the symbol and the side (buy or sell) of the RPI interest, but will not include the price or size of the RPI interest. In particular, CQS and UTP quoting outputs will include a field for codes related to the Retail Liquidity Identifier. The codes will indicate RPI interest that is priced better than the Exchange's Protected Bid or Protected Offer by at least the minimum level of price improvement as required by the Program.

Retail Order Designations

Under proposed BX Rule 4780(f), an RMO can designate how a Retail Order would interact with available contra-side interest as follows.

As proposed, a Type 1-designated Retail Order would interact with available contra-side RPI Orders and other price improving liquidity but would not interact with other available contra-side interest in the System or route to other markets. The shares remaining from a Type 1-designated Retail Order that do not fully execute against contra-side RPI Orders or other price improving liquidity, if any, would be immediately and automatically cancelled.

A Type 2-designated Retail Order would also interact first with available contra-side RPI Orders and other price improving liquidity, but would also be eligible to interact with other available contra-side interest in the System or optionally route to other market centers pursuant to Rule 4758. Accordingly, the shares remaining from a Type 2-designated Retail Order that do not fully execute against contra-side RPI Orders or other price improving liquidity, if any, would execute against other liquidity available on the Exchange or be routed to other market centers for execution. The remaining unexecuted portion would then be cancelled.

Priority and Order Allocation

Under proposed BX Rule 4780(g), the Exchange proposes that competing RPI Orders in the same security would be ranked and allocated according to price then time of entry into the System. The Exchange further proposes that executions will occur in price/time priority in accordance with BX Rule 4757. Any remaining unexecuted RPI interest will remain available to interact with other incoming Retail Orders if such interest is at an eligible price. Any remaining unexecuted portion of the Retail Order will cancel or execute in accordance with proposed BX Rule 4780(f). The following example illustrates this proposed method:

Protected NBBO for security ABC is $10.00–$10.05
Member 1 enters an RPI Order to buy ABC at $10.015 for 500
Member 2 then enters an RPI Order to buy ABC at $10.02 for 500
Member 3 then enters an RPI Order to buy ABC at $10.035 for 500

An incoming Retail Order to sell 1,000 shares of ABC for $10.00 executes first against Member 3's bid for 500 at $10.035, because it is the best priced bid, then against Member 2's bid for 500 at $10.02, because it is the next best priced bid. Member 1 is not filled because the entire size of the Retail Order to sell 1,000 is depleted. The Retail Order executes against RPI Orders in price/time priority.

However, assume the same facts above, except that Member 2's RPI Order to buy ABC at $10.02 is for 100. The incoming Retail Order to sell 1,000 executes first against Member 3's bid for 500 at $10.035, because it is the best priced bid, then against Member 2's bid for 100 at $10.02, because it is the next best priced bid. Member 1 then receives an execution for 400 of its bid for 500 at $10.015, at which point the entire size of the Retail Order to sell 1,000 is depleted.

As a final example, assume the same facts as above, except that Member 3's order was not an RPI Order to buy ABC at $10.035, but rather, a non-displayed order to buy ABC at $10.03. The result

[8] The Exchange or another self-regulatory organization on behalf of the Exchange will review an RMO's compliance with these requirements through an exam based review of the RMO's internal controls.

[9] The Exchange notes that the Retail Liquidity Identifier for Tape A and Tape B securities will be disseminated pursuant to the CTA/CQS Plan as soon as the Program, if approved, becomes operational. The identifier will also be available through the consolidated public market data stream for Tape C securities. The processor for the Nasdaq UTP quotation stream will disseminate the Retail Liquidity Identifier and analogous identifiers from other market centers that operate programs similar to the RPI Program.

would be similar to the result immediately above, in that the incoming Retail Order to sell 1,000 executes first against Member 3's bid for 500 at $10.03, because it is the best priced bid, then against Member 2's bid for 100 at $10.02, because it is the next best priced bid. Member 1 then receives an execution for 400 of its bid for 500 at $10.015, at which point the entire size of the Retail Order to sell 1,000 is depleted.

Implementation

The Exchange proposes that all Regulation NMS securities traded on the Exchange would be eligible for inclusion in the RPI Program. The Exchange proposes to limit the Program during the pilot period to trades occurring at prices equal to or greater than $1.00 per share. Toward that end, Exchange trade validation systems would prevent the interaction of RPI buy or sell interest (adjusted by any offset) and Retail Orders at a price below $1.00 per share.[10] For example, if there was RPI buy interest tracking the Protected NBB at $0.99 with an offset of $0.001 and a ceiling of $1.02, Exchange trade validation systems would prevent the execution of the RPI Order at $0.991 with a sell Retail Order with a limit of $0.99. However, if the Retail Order was Type 2 as defined in the Program,[11] it would be able to interact at $0.99 with liquidity outside the Program in the Exchange's order book. In addition to facilitating an orderly [12] and operationally intuitive pilot, the Exchange believes that limiting the Program to trades equal to or greater than $1.00 per share during the pilot will enable it better to focus its efforts to monitor price competition and to assess any indications that data disseminated under the Program is potentially disadvantaging retail orders. As part of that review, the Exchange will produce data throughout the pilot, which will include statistics about participation, the frequency and level of price improvement provided by the Program, and any effects on the broader market structure.

Comparison to Existing Programs

Proposed BX Rule 4780 is substantially the same to the one establishing NASDAQ Rule 4780 governing NASDAQ's ''Retail Price Improvement Program'', which was approved by the Commission and commenced operations on March 28, 2013.[13] NASDAQ's program, in turn, is based on NYSE Rule 107C, governing NYSE's ''Retail Liquidity Program,'' which was approved by the Commission and commenced operations on August 1, 2012 [14] and on BATS Y-Exchange, Inc. (''BATS'') Rule 11.24, which was approved by the Commission and commenced operations on 12/17/12.[15] Proposed BX Rule 4780 is similar to both BATS Rule 11.24 and NYSE Rule 107C with three key distinctions to the latter.[16] The first distinction is that NYSE Rule 107C includes a class of participant that is registered as a provider of liquidity and provides specific procedures and rules related to such participants and their role in the NYSE RLP. NYSE Rule 107C does permit all participants to submit RPI Orders to NYSE, but provides the specific class of registered retail liquidity providers with execution fees that are lower than fees charged to other participants in exchange for a requirement to maintain RPI Orders on NYSE at least 5% of the trading day.[17] The Exchange believes that equal treatment for all Exchange Members that enter RPI Orders will result in a higher level of competition and maximize price improvement to incoming Retail Orders. Accordingly, the Exchange has not proposed to adopt a special category of retail liquidity provider.

The second distinction between proposed BX Rule 4780 and NYSE Rule 107C is that the Exchange proposes to in all cases execute incoming Retail Orders against resting RPI Orders and other resting non-displayed liquidity to maximize the price improvement available to the incoming Retail Order. As proposed, the Exchange will maintain its strict price/time priority model and will provide all available price improvement to incoming Retail Orders, whether such price improvement is submitted pursuant to the Program or as an order type currently accepted by the Exchange, such as non-displayed orders. In contrast, pursuant to NYSE Rule 107C(k)(1), a Type 1-designated Retail Order, ''will interact only with available contra-side Retail Price Improvement Orders and will not interact with other available contra-side interest in Exchange systems.'' [18] The Exchange is proposing in all cases to provide the maximum price improvement available to incoming Retail Orders. Accordingly, Retail Orders under the Exchange's Program will always interact with available contra-side RPI Orders and any other price improving contra-side interest, in price/time priority consistent with BX Rule 4780(b). Such ''other'' price improving contra-side interest will of course remain available to all participants, as it is today, while RPI Orders will only be available to RMOs, as described above.

Finally, as proposed the Exchange will provide applicable price improvement to incoming Retail Orders at potentially multiple price levels. In contrast, pursuant to NYSE Rule 107C an incoming Retail Order to NYSE will execute at the single clearing price level at which the incoming order will be fully executed. To illustrate, assume the same facts set forth in the second example above, where Member 2's RPI Order to buy ABC at $10.02 was for 100 shares. Pursuant to NYSE Rule 107C, an incoming Retail Order to sell 1,000 shares at $10.00 would execute first

[10] As discussed above, the price of an RPI would be determined by a Member's entry of buy or sell interest, an offset (if any) and a ceiling or floor price. The Exchange expects that RPI sell or buy interest typically would track the Protected NBBO.

[11] Type 2 Retail Orders are treated as IOC orders that execute against displayed and non-displayed liquidity in the Exchange's order book where there is no available liquidity in the Program. Type 2 Retail Orders can either be designated as eligible for routing or as non-routable, as described above.

[12] Given the proposed limitation, the pilot Program would have no impact on the minimum pricing increment for orders priced less than $1.00 and therefore no effect on the potential of markets executing those orders to lock or cross. In addition, the non-displayed nature of the liquidity in the Program simply has no potential to disrupt displayed, protected quotes. In any event, the Program would do nothing to change the obligation of exchanges to avoid and reconcile locked and crossed markets under NMS Rule 610(d).

[13] Securities Exchange Act Release No. 68836 [sic] (December 3, 2012), 77 FR 73097, 73100 (December 7, 2012) (SR–NASDAQ–2012–129 Notice) and Securities Exchange Act Release No. 68937 (February 15, 2013) 77 [sic] FR 12397 (February 22, 2013) (SR–NASDAQ–2012–129 Approval Order).

[14] Securities Exchange Act Release No. 67347 (July 3, 2012), 77 FR 40673 (July 10, 2012) (SR–NYSE–2011–55; SR–NYSEAmex–2011–84) (the ''RLP Approval Order''). In conjunction with the approval of the NYSE Retail Liquidity Program, a nearly identical program was proposed and approved to operate on NYSE MKT LLC (formerly, the American Stock Exchange). For ease of reference, the comparisons made in this section only refer to NYSE Rule 107C, but apply equally to NYSE MKT Rule 107C.

[15] Securities Exchange Act Release No. 68303 (November 27, 2012) 77 FR 71652 (December 3, 2012) (SR–BYX–2012–019).

[16] The Exchange has proposed to accept RPIs in a manner similar to the explicitly accepted method at NYSE and NYSE MKT, specifically, with an offset as well as a ceiling or a floor (*i.e.*, the entry of an RPI bid with an offset of $0.015 and a ceiling of $10.04; when the NBBO is $10.02 by $10.04, an incoming sell order would execute against such RPI at $10.035). The Exchange notes that like NYSE and NYSE MKT, Members will be able to submit retail price improving orders with an explicit sub-penny floor or ceiling and no offset, effectively creating a static sub-penny limit order, and the Exchange has proposed rule text to make this ability clear.

[17] NYSE Rule 107C(f).

[18] Moreover, although pursuant to NYSE Rules 107C(k)(2) and 107C(k)(3), a Type 2-designated Retail Order and a Type 3-designated Retail Order can interact with other non-RPI interest in the NYSE systems, such interaction only occurs after a Retail Order first executes against RPI Orders.

against Member 3's bid for 500 shares, because it is the best priced bid, then against Member 2's bid for 100 shares, because it is the next best priced bid, then against 400 of the 500 shares bid by Member 1. However, rather than executing at each of these price levels for the number of shares available (*i.e.*, 500 shares at $10.035, 100 shares at $10.02 and 400 shares at $10.015), as it would under proposed BX Rule 4780(b), the Retail Order submitted to NYSE pursuant to NYSE Rule 107C executes at the single clearing price that completes the order's execution, which is $10.015 to complete the entire order to sell 1,000 shares. The Exchange intends to provide all of the price improvement in these examples to the incoming Retail Order, and thus has proposed to execute orders under the Program consistent with its existing price/time market model.

Fee Structure of Program

The Exchange will submit a separate proposal to amend its fee schedule in connection with the proposed RPI Program. Under that proposal, the Exchange expects to charge Members a fee for executions of their RPI Orders against Retail Orders and in turn would provide a credit or free executions to RMOs for executions of their Retail Orders against RPI Orders. The fees and credits for liquidity providers and RMOs may be adjusted from time to time as the Exchange gains experience with the Program.

As explained above, the Exchange proposes to execute incoming Retail Orders against all available contra-side interest that will provide price improvement to the Retail Order, including non-displayed orders other than RPI Orders. In the event non-displayed interest priced better than the NBBO other than an RPI Order interacts with a Retail Order, the Exchange anticipates proposing to rebate the Member that entered such non-displayed interest a credit rather than the charge which is imposed for an RPI Order execution. In such cases, the rebate credited to the Member that entered the non-displayed interest may be less than the rebate credited that same Member for an execution against a non-Retail Order.

2. Statutory Basis

The Exchange believes that its proposal 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.[19] In particular, the Exchange believes the proposed change furthers the objectives of Section 6(b)(5) of the Act,[20] in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, and to remove impediments to and perfect the mechanism of a free and open market and a national market system. The Exchange believes that the proposed rule change is consistent with these principles because it would increase competition among execution venues, encourage additional liquidity, and offer the potential for price improvement to retail investors. The Exchange notes that a significant percentage of the orders of individual investors are executed over-the-counter.[21] The Exchange believes that it is appropriate to create a financial incentive to bring more retail order flow to a public market. The Exchange also notes that the Commission recently approved a similar proposal by NYSE and NYSE MKT.[22] Accordingly, the proposal generally encourages competition between exchange venues. In this connection, the Exchange believes that the proposed distinctions between the Exchange's proposal and the approved programs for NYSE and NYSE MKT, as well as the similar program proposed by BATS, will both enhance competition amongst market participants and encourage competition amongst exchange venues.

The Exchange understands that Section 6(b)(5) of the Act[23] prohibits an exchange from establishing rules that treat market participants in an unfairly discriminatory manner. However, Section 6(b)(5) of the Act does not prohibit exchange members or other broker-dealers from making distinctions, so long as their activities are otherwise consistent with the federal securities laws and the distinctions are not unfair. Nor does Section 6(b)(5) of the Act require exchanges to preclude broker-dealers from making distinctions that are not unfair. Broker-dealers commonly differentiate between customers based on the nature and profitability of their business.

While the Exchange believes that markets and price discovery optimally function through the interactions of diverse flow types, it also believes that growth in internalization has required differentiation of retail order flow from other order flow types. The differentiation proposed herein by the Exchange is not designed to permit unfair discrimination, but instead to promote a competitive process around retail executions such that retail investors would receive better prices than they currently do through bilateral internalization arrangements. The Exchange believes that the transparency and competitiveness of operating a program such as the RPI Program on an exchange market would result in better prices for retail investors. The Exchange recognizes that sub-penny trading and pricing could potentially result in undesirable market behavior. The Exchange will monitor the Program in an effort to identify and address any such behavior.

The Exchange will separately propose fees applicable to the Program, including fees or rebates for non-displayed orders offering price improvement other than RPI Orders that interact with Retail Orders. The Exchange believes any such proposal to treat such non-displayed orders differently depending on the parties with whom they interact is consistent with Section 6(b)(5) of the Act,[24] which requires that the rules of an exchange are not designed to permit unfair discrimination. The Exchange believes that such a differential pricing structure for non-displayed orders is not unfairly discriminatory. As stated in the NYSE RLP Approval Order, the ''Commission has previously recognized that the markets generally distinguish between individual retail investors, whose orders are considered desirable by liquidity providers because such retail investors are presumed on average to be less informed about short-term price movements, and professional traders, whose orders are presumed on average to be more informed.'' [25] The Exchange's

[19] 15 U.S.C. 78f(b).

[20] 15 U.S.C. 78f(b)(5).

[21] *See* Concept Release on Equity Market Structure, Securities Exchange Act Release No. 61358 (January 14, 2010), 75 FR 3594 (January 21, 2010) (noting that dark pools and internalizing broker-dealers executed approximately 25.4% of share volume in September 2009). *See also* Mary L. Schapiro, Strengthening Our Equity Market Structure (Speech at the Economic Club of New York, Sept. 7, 2010) (available on the Commission's Web site). In her speech, Chairman Schapiro noted that nearly 30 percent of volume in U.S.-listed equities was executed in venues that do not display their liquidity or make it generally available to the public and the percentage was increasing nearly every month.

[22] *See* RLP Approval Order, *supra* note 14.

[23] 15 U.S.C. 78f(b)(5).

[24] 15 U.S.C. 78f(b)(5).

[25] *See* RLP Approval Order, *supra* note 14, at 40679–40680 (citing Concept Release on Equity Market Structure and approval of an options exchange program related to price improvement for retail orders). Certain options exchanges deploy this same rationale today through pricing structures that vary for a trading participant based on the capacity

Continued

proposed differential pricing structure for non-displayed orders raises substantively identical policy considerations as the rules approved by the Commission in the NYSE RLP Approval Order, which account for the difference of assumed information and sophistication level between different trading participants by providing Retail Orders access to better execution prices as well as more favorable access fees.

Finally, the Exchange proposes that the Commission approve the proposed rule for a pilot period of twelve months from the date of implementation, which shall occur no later than 90 days after Commission approval of BX Rule 4780. The Program shall expire on [Date to be determined upon adoption of BX Rule 4780]. The Exchange believes that this pilot period is of sufficient length to permit both the Exchange and the Commission to assess the impact of the rule change described herein.

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

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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

Written comments were neither solicited nor received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the Exchange consents, the Commission shall: (a) By order approve or disapprove such proposed rule change, or (b) institute proceedings to determine whether the proposed rule change should be disapproved.

of the contra-side trading participant. *See, e.g.*, Securities Exchange Act Release No. 67171 (June 8, 2012), 77 FR 35732 (June 14, 2012) (SR–NASDAQ–2012–068) (notice of filing and immediate effectiveness of proposal to modify fees for the NASDAQ Options Market, including certain fees and rebates that are variable depending on the capacity of the contra-party to the transaction); *see also* Securities Exchange Act Release No. 63632 (January 3, 2011), 76 FR 1205 (January 7, 2011) (SR–BATS–2010–038) (notice of filing and immediate effectiveness of proposal to modify fees for BATS Options, including liquidity rebates that are variable depending on the capacity of the contra-party to the transaction).

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–BX–2014–048 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–BX–2014–048. 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 offices 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–BX–2014–048, and should be submitted on or before November 19, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[26]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–25670 Filed 10–28–14; 8:45 am]

BILLING CODE 8011–01–P

[26] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–73411; File No. SR–BYX–2014–028]

Self-Regulatory Organizations; BATS Y-Exchange, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Rules 11.9 and 11.13 of BATS Y-Exchange, Inc.

October 23, 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 October 17, 2014, BATS Y-Exchange, Inc. (the ''Exchange'' or ''BYX '') filed with the Securities and Exchange Commission (''Commission'') a 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 filed a proposal to amend Rules 11.9 and 11.13 to modify the routing strategies made available through the Exchange.

The text of the proposed rule change is available at the Exchange's Web site at *http://www.batstrading.com/,* at the principal office of the Exchange, and at the Commission's Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in Sections A, B, and C below, of the most significant parts of such statements.

[1] 15 U.S.C. 78s(b)(1).

[2] 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

Earlier this year, the Exchange and its affiliate BATS Exchange, Inc. (''BZX'') received approval to effect a merger (the ''Merger'') of the Exchange's parent company, BATS Global Markets, Inc., with Direct Edge Holdings LLC, the indirect parent of EDGX Exchange, Inc. (''EDGX'') and EDGA Exchange, Inc. (''EDGA'', and together with BZX, BYX and EDGX, the ''BGM Affiliated Exchanges'').[3] In the context of the Merger, the BGM Affiliated Exchanges are working to align certain system functionality, retaining only intended differences between the BGM Affiliated Exchanges. Thus, the proposal set forth below is intended to add certain system functionality currently offered by EDGA and EDGX in order to provide a consistent technology offering for users of the BGM Affiliated Exchanges.

The specific proposal set forth in more detail below would amend Rules 11.9 and 11.13, which describe the Exchange's routing options made available by the Exchange. Specifically, the changes to Rule 11.9 would relocate certain routing strategies identified as order types to Rule 11.13. The Exchange is also proposing to eliminate an obsolete routing strategy that is currently listed as an order type. Finally, the Exchange proposes to add to Rule 11.13 to offer many of the same routing strategies offered by EDGA and EDGX. The Exchange notes that the proposed rule text is based on the rules of EDGA and EDGX and is different only to the extent necessary to conform to the Exchange's current rules.[4]

Modifications to Rule 11.9

As noted above, the Exchange proposes to re-locate two routing strategies from Rule 11.9 to Rule 11.13. Rule 11.9 generally contains order types and order type modifiers whereas Rule 11.13 describes routing strategies offered by the Exchange. Accordingly, the Exchange proposes to relocate Destination Specific Orders and Directed Intermarket Sweep Orders (''Directed ISOs'') from Rule 11.9 to Rule 11.13 because both orders are routing strategies rather than order types or order type modifiers. The Exchange notes that Rule 11.13 has always reflected that such descriptions are routing strategies by containing a cross-reference to such strategies in Rule 11.13(a)(3). The Exchange is not proposing to modify the description or operation of either Destination Specific Orders or Directed Intermarket Sweep Orders. The Exchange notes that it has proposed minor changes to the wording of both Destination Specific Orders and Directed ISOs in order to conform such routing strategies with the other strategies described in Rule 11.13(a)(3).

The Exchange also proposes to delete from Rule 11.9 an obsolete routing strategy, the Modified Destination Specific Order, which is currently set forth in Rule 11.9(c)(13). Modified Destination Specified Orders are market or limit orders that instruct the System[5] to route the order to a specified away trading center or centers, as approved by the Exchange from time to time, without first exposing the order to the Exchange's order book (the ''BATS Book'').[6] The Exchange notes that it has not had any approved away trading centers for Modified Destination Specific Orders for several years but has retained the order in the event the Exchange determined to offer such routing strategy again. The Exchange believes that it is appropriate to eliminate Modified Destination Specific Orders because they are no longer offered by the Exchange and are unlikely to be offered by the Exchange in the near future.

Additions to Rule 11.13

The Exchange proposes to add several new routing strategies based on routing strategies offered by EDGA and/or EDGX, as set forth below.

The Exchange currently offers various routing strategies under which an order checks the System for available shares and then is sent to destinations on the applicable System routing table.[7] Specifically, the Exchange offers TRIM, TRIM2 and SLIM routing strategies. The Exchange proposes to consolidate these routing strategies into a single rule, Rule 11.13(a)(3)(G), and to add to this rule three additional routing strategies under which an order checks the System for available shares and then is sent to destinations on the applicable System routing table, namely ROUT, ROUX and ROUZ. The Exchange also proposes to specify for ROUT and ROUX that the entering User may select either Route To Improve (''RTI'') or Route To Fill (''RTF''). RTI may route to multiple destinations at a single price level simultaneously while RTF may route to multiple destinations and at multiple price levels simultaneously.

The Exchange notes that the RTI option coupled with either ROUT or ROUX is similar to the Parallel D routing strategy described in current Rule 11.13(a)(3)(B) in that it routes to multiple destinations simultaneously but at a single price level whereas the RTF option coupled with either ROUT or ROUX is similar to the Parallel 2D routing strategy described in current Rule 11.13(a)(3)(C). The only distinction between Parallel D and Parallel 2D on one hand and ROUT or ROUX coupled with RTI or RTF on the other is that the existence of ROUT and ROUX plus either RTI or RTF will provide additional flexibility by allowing the Exchange to offer two System routing tables that can be paired with the applicable routing methodology. In order to allow a gradual migration from Parallel D and Parallel 2D to the proposed routing strategies (ROUT or ROUX plus RTI or RTF) the Exchange is not proposing to eliminate such routing strategies upon effectiveness of this proposal. Instead, the Exchange proposes to continue to accept orders designated for Parallel D and Parallel 2D routing and will eventually retire such routing strategies and remove reference to the routing strategies from Exchange rules once all affected Users have been migrated away from Parallel D and Parallel 2D to the new routing strategies. Further, adding the ROUT and ROUX routing strategies plus the RTI and RTF options as proposed will ensure consistency with EDGA and EDGX with respect to the names used to describe the strategies.

The Exchange also proposes to add the Post to Away routing option, which will route the remainder of a routed order to and posts such order on the order book of a destination on the System routing table as specified by the User. The Post to Away routing option is an alternative to either cancelling a routed order back to a User or posting such order to the BATS Book to the extent an order is not completely filled through the routing process. The Post to Away routing option can be combined with the following routing strategies (each of which is separately described in this filing): ROUT, ROUX, ROUZ,

[3] *See* Securities Exchange Act Release No. 71375 (January 23, 2014), 79 FR 4771 (January 29, 2014) (SR–BATS–2013–059; SR–BYX–2013–039).

[4] *See* EDGA Rules 11.9(b)(2)(c), 11.9(b)(2)(d), 11.9(b)(2)(h), 11.9(b)(2)(i), 11.9(b)(2)(n), 11.9(b)(2)(r), 11.9(b)(2)(s); EDGX Rules 11.9(b)(2)(c), 11.9(b)(2)(d), 11.9(b)(2)(h), 11.9(b)(2)(i), 11.9(b)(2)(j), 11.9(b)(2)(n).

[5] As defined in Rule 1.5(aa), the System is the electronic communications and trading facility designated by the Board through which securities orders of Users are consolidated for ranking, execution and, when applicable, routing away.

[6] As defined in Rule 1.5(e).

[7] As set forth in Rule 11.13(a)(3), the term ''System routing table'' refers to the proprietary process for determining the specific trading venues to which the System routes orders and the order in which it routes them.

INET, RDOT, RDOX, ROLF, IOCM and ICMT.

The Exchange also proposes to adopt six additional routing strategies under which an order checks the System for available shares and is sent to a specified destination. Although the Exchange currently has similar order routing options through the Destination Specific routing option, the Exchange is proposing certain additional functionality with the proposed routing strategies to match functionality offered by EDGA and EDGX. The Exchange also believes that retaining the same names for such routing options as are utilized by EDGA and EDGX will help to promote the integration of the BGM Affiliated Exchanges. These proposed routing strategies that are focused on particular destinations and/or particular functionality offered by such destinations are set forth below:

- INET. The Exchange proposes to add the INET routing option under which an order will check the System for available shares and then will be sent to Nasdaq. If shares remain unexecuted after routing through the INET routing option, they will be posted on the Nasdaq book, unless otherwise instructed by the User.
- RDOT. The Exchange proposes to add the RDOT routing option under which an order will check the System for available shares and then will be sent to destinations on the System routing table. If shares remain unexecuted after routing, they will be sent to NYSE and can be re-routed by the NYSE. If shares remain unexecuted after routing, they will be posted to the NYSE, unless otherwise instructed by the User.
- RDOX. The Exchange proposes to add the RDOX option under which an order will check the System for available shares, then will be sent to the NYSE and can be re-routed by the NYSE. If shares remain unexecuted after routing, they will be posted on the NYSE book, unless otherwise instructed by the User.
- ROLF. The Exchange proposes to add the ROLF routing option under which an order will check the System for available shares and then will be sent to LavaFlow ECN. If shares remain unexecuted after routing they will be cancelled, unless otherwise instructed by the User.
- IOCM. The Exchange proposes to add the IOCM routing option under which an order will check the System for available shares and then will be sent as a MidPoint Match order with a Time-in-Force of IOC to EDGX.
- ICMT. The Exchange proposes to add the ICMT routing option under which an order will check the System for available shares, will be sent to destinations on the System routing table and then will be sent as a MidPoint Match order with a Time-in-Force of IOC to EDGX.

The Exchange also proposes to add the ROOC routing option for orders that the entering User wishes to designate for participation in the opening, re-opening (following a halt, suspension, or pause), or closing process of a primary listing market (BATS BZX, NYSE, Nasdaq, NYSE MKT, or NYSE Arca) if received before the opening/re-opening/closing time of such market. The ROOC routing option does not currently route to the re-opening process for BATS BZX. If shares remain unexecuted after attempting to execute in the opening, re-opening, or closing process, they will be posted to the BATS Book, executed, or routed to destinations on the System routing table.

In addition to the changes proposed above, the Exchange also proposes to re-number various existing paragraphs of Rule 11.13(a)(3) in connection with the addition of the proposed routing strategies, including re-numbering the RMPT routing strategy as Rule 11.13(a)(3)(Q). Accordingly, the Exchange also proposes to modify the cross-reference to the RMPT routing strategy contained in Rule 11.9(c)(9) to this updated reference. The Exchange also proposes to correct a typographical error in Rule 11.13(a)(3)(I), which describes SWP orders, by referencing Rule 11.18(e) instead of Rule 11.8(e) with respect to the Limit Up-Limit Down Plan.

2. Statutory Basis

The Exchange believes that the proposed rule changes are consistent with Section 6(b) of the Securities Exchange Act of 1934 (the ''Act'') [8] and further the objectives of Section 6(b)(5) of the Act [9] because they are designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, and, in general, to protect investors and the public interest. The proposed rule change also is designed to support the principles of Section 11A(a)(1) [10] of the Act in that it seeks to assure fair competition among brokers and dealers and among exchange markets. In particular, the proposed change to introduce additional routing strategies will provide market participants with greater flexibility in routing orders consistent with Regulation NMS without developing order routing strategies on their own.

As noted above, the proposed rule changes to add functionality are intended to add certain system functionality currently offered by EDGA and EDGX in order to provide a consistent technology offering for the BGM Affiliated Exchanges. A consistent technology offering, in turn, will simplify the technology implementation, changes and maintenance by Users of the Exchange that are also participants on BZX, EDGA and/or EDGX. The proposed rule changes would also provide Users with access to functionality that may result in the efficient execution of such orders and will provide additional flexibility as well as increased functionality to the Exchange's System and its Users. As explained elsewhere in this proposal, all of the proposed routing options are similar to routing strategies on other market centers, including EDGA and EDGX.

The Exchange also believes that re-locating certain routing options from Rule 11.9 to Rule 11.13 is consistent with the protection of investors and the public interest pursuant to the Act because such changes will enable those reviewing the Exchange's rules to more clearly understand such rules.

Finally, the Exchange believes that elimination of the Modified Destination Specific Order is consistent with the Act because such routing strategy is not currently offered by the Exchange because there are no currently approved destinations for such strategy. Thus, eliminating reference to such strategy will avoid confusion by market participants.

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

The Exchange does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange provides routing services in a highly competitive market in which participants may avail themselves of a wide variety of routing options offered by self-regulatory organizations, alternative trading systems, other broker-dealers, market participants' own proprietary routing systems, and service bureaus. In such an environment, system enhancements such as the changes proposed in this rule filing do not burden competition, because they can succeed in attracting order flow to

[8] 15 U.S.C. 78f(b).

[9] 15 U.S.C. 78f(b)(5).

[10] 15 U.S.C. 78k–1(a)(1).

the Exchange only if they offer investors higher quality and better value than services offered by others. The Exchange reiterates that the proposed rule change is being proposed in the context of the technology integration of the BGM Affiliated Exchanges. Thus, the Exchange believes this proposed rule change is necessary to permit fair competition among national securities exchanges. In addition, the Exchange believes the proposed rule change will benefit Exchange participants in that it is one of several changes necessary to achieve a consistent technology offering by the BGM Affiliated Exchanges.

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

The Exchange has neither solicited nor received written comments on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A) of the Act [11] and Rule 19b–4(f)(6) thereunder.[12] 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 is filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b–4(f)(6) thereunder.[13]

A proposed rule change filed pursuant to Rule 19b–4(f)(6) under the Act [14] normally does not become operative for 30 days after the date of its filing. However, Rule 19b–4(f)(6)(iii) [15] permits the Commission to designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing, noting that a waiver of the operative delay will allow the Exchange to continue to strive towards a complete technology integration of the BGM Affiliated Exchanges, with gradual roll-outs of new functionality to ensure stability of the System. The Exchange also believes that the benefit to Exchange Users expected from the proposed rule change—greater flexibility in their efforts to fill orders—should not be delayed. Further, the Exchange states that introduction of the optional routing strategies will not require any systems changes by Exchange Users that would necessitate a delay, as selection of the routing strategies is entirely optional and Users will not be affected by the change unless they select to use the newly offered functionality. The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest. Therefore, the Commission hereby waives the operative delay and designates the proposed rule change operative upon filing.[16]

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–BYX–2014–028 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–BYX–2014–028. 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 offices 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–BYX–2014–028, and should be submitted on or before November 19, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[17]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–25671 Filed 10–28–14; 8:45 am]

BILLING CODE 8011–01–P

[11] 15 U.S.C. 78s(b)(3)(A).

[12] 17 CFR 240.19b–4(f)(6).

[13] 17 CFR 240.19b–4(f)(6). As required under Rule 19b–4(f)(6)(iii), the Exchange provided the Commission with written notice of its intent to file the proposed rule change, along with a brief description and the text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change.

[14] 17 CFR 240.19b–4(f)(6).

[15] 17 CFR 240.19b–4(f)(6)(iii).

[16] 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).

[17] 17 CFR 200.30–3(a)(12).

SOCIAL SECURITY ADMINISTRATION

[Docket No. SSA–2014–0064]

Cost-of-Living Increase and Other Determinations for 2015

AGENCY: Social Security Administration.

ACTION: Notice.

SUMMARY: Under title II of the Social Security Act (Act), there will be a 1.7 percent cost-of-living increase in Social Security benefits effective December 2014. In addition, the national average wage index for 2013 is $44,888.16. The cost-of-living increase and national average wage index affect other program parameters as described below.

FOR FURTHER INFORMATION CONTACT: Susan C. Kunkel, Office of the Chief Actuary, Social Security Administration, 6401 Security

Boulevard, Baltimore, MD 21235, (410) 965–3000. Information relating to this announcement is available on our Internet site at *www.socialsecurity.gov/oact/cola/index.html.* For information on eligibility or claiming benefits, call 1–800–772–1213 (TTY 1–800–325–0778), or visit our Internet site at *www.socialsecurity.gov.*

SUPPLEMENTARY INFORMATION: Because of the 1.7 percent cost-of-living increase, the following items will increase for 2015:

(1) The maximum Federal Supplemental Security Income (SSI) monthly benefit amounts for 2015 under title XVI of the Act will be $733 for an eligible individual, $1,100 for an eligible individual with an eligible spouse, and $367 for an essential person;

(2) The special benefit amount under title VIII of the Act for certain World War II veterans will be $549.75 for 2015;

(3) The student earned income exclusion under title XVI of the Act will be $1,780 per month in 2015, but not more than $7,180 for all of 2015;

(4) The dollar fee limit for services performed as a representative payee will be $41 per month ($78 per month in the case of a beneficiary who is disabled and has an alcoholism or drug addiction condition that leaves him or her incapable of managing benefits) in 2015; and

(5) The dollar limit on the administrative-cost fee assessment charged to an appointed representative such as an attorney, agent, or other person who represents claimants will be $91 beginning in December 2014.

The national average wage index for 2013 is $44,888.16. This index affects the following amounts:

(1) The Old-Age, Survivors, and Disability Insurance (OASDI) contribution and benefit base will be $118,500 for remuneration paid in 2015 and self-employment income earned in taxable years beginning in 2015;

(2) The monthly exempt amounts under the OASDI retirement earnings test for taxable years ending in calendar year 2015 will be $1,310 for beneficiaries who will attain their Normal Retirement Age (NRA) (defined below in the *Retirement Earnings Test Exempt Amounts* section below) after 2015 and $3,490 for those who attain NRA in 2015;

(3) The dollar amounts (''bend points'') used in the primary insurance amount (PIA) benefit formula for workers who become eligible for benefits, or who die before becoming eligible, in 2015 will be $826 and $4,980;

(4) The bend points used in the formula for computing maximum family benefits for workers who become eligible for benefits, or who die before becoming eligible, in 2015 will be $1,056, $1,524, and $1,987;

(5) The taxable earnings a person must have to be credited with a quarter of coverage in 2015 will be $1,220;

(6) The ''old-law'' contribution and benefit base under title II of the Act will be $88,200 for 2015;

(7) The monthly amount deemed to constitute substantial gainful activity for statutorily blind persons in 2015 will be $1,820. The corresponding amount for non-blind disabled persons will be $1,090;

(8) The earnings threshold establishing a month as a part of a trial work period will be $780 for 2015; and

(9) Coverage thresholds for 2015 will be $1,900 for domestic workers and $1,600 for election officials and election workers.

According to section 215(i)(2)(D) of the Act, we must publish the benefit increase percentage and the revised table of ''special minimum'' benefits within 45 days after the close of the third calendar quarter of 2014. We must also publish by November 1: The national average wage index for 2013 (215(a)(1)(D)), the OASDI fund ratio for 2014 (section 215(i)(2)(C)(ii)), the OASDI contribution and benefit base for 2015 (section 230(a)), the earnings required to be credited with a quarter of coverage in 2015 (section 213(d)(2)), the monthly exempt amounts under the Social Security retirement earnings test for 2015 (section 203(f)(8)(A)), the formula for computing a PIA for workers who first become eligible for benefits or die in 2015 (section 215(a)(1)(D)), and the formula for computing the maximum benefits payable to the family of a worker who first becomes eligible for old-age benefits or dies in 2015 (section 203(a)(2)(C)).

Cost-of-Living Increases

General

The cost-of-living increase is 1.7 percent for benefits under titles II and XVI of the Act. Under title II, OASDI benefits will increase by 1.7 percent for individuals eligible for December 2014 benefits, payable in January 2015. We base this increase on the authority contained in section 215(i) of the Act.

Pursuant to section 1617 of the Act, Federal SSI payment levels will also increase by 1.7 percent effective for payments made for January 2015 but paid on December 31, 2014.

Computation

Computation of the cost-of-living increase is based on an increase in a Consumer Price Index produced by the Bureau of Labor Statistics. At the time the Act was amended to provide cost-of-living increases, only one Consumer Price Index existed, namely the Consumer Price Index for Urban Wage Earners and Clerical Workers. Although the Bureau of Labor Statistics has since developed other consumer price indices, legal precedent requires us to use the Consumer Price Index for Urban Wage Earners and Clerical Workers. We refer to this index in the following paragraphs as the CPI.

Section 215(i)(1)(B) of the Act defines a ''computation quarter'' to be a third calendar quarter in which the average CPI exceeded the average CPI in the previous computation quarter. The last cost-of-living increase, effective for those eligible to receive title II benefits for December 2013, was based on the CPI increase from the third quarter of 2012 to the third quarter of 2013. Therefore, the last computation quarter is the third quarter of 2013. The law states that a cost-of-living increase for benefits is determined based on the percentage increase, if any, in the CPI from the last computation quarter to the third quarter of the current year. Therefore, we compute the increase in the CPI from the third quarter of 2013 to the third quarter of 2014.

Section 215(i)(1) of the Act states that the CPI for a cost-of-living computation quarter is the arithmetic mean of this index for the 3 months in that quarter. In accordance with 20 CFR 404.275, we round the arithmetic mean, if necessary, to the nearest 0.001. The CPI for each month in the quarter ending September 30, 2013, is: For July 2013, 230.084; for August 2013, 230.359; and for September 2013, 230.537. The arithmetic mean for the calendar quarter ending September 30, 2013 is 230.327. The CPI for each month in the quarter ending September 30, 2014, is: For July 2014, 234.525; for August 2014, 234.030; and for September 2014, 234.170. The arithmetic mean for the calendar quarter ending September 30, 2014 is 234.242. The CPI for the calendar quarter ending September 30, 2014, exceeds that for the calendar quarter ending September 30, 2013 by 1.7 percent (rounded to the nearest 0.1). Therefore, beginning December 2014 a cost-of-living benefit increase of 1.7 percent is effective for benefits under title II of the Act.

Section 215(i) also specifies that a benefit increase under title II, effective for December of any year, will be

limited to the increase in the national average wage index for the prior year if the OASDI fund ratio for that year is below 20.0 percent. The OASDI fund ratio for a year is the ratio of the combined assets of the OASDI Trust Funds at the beginning of that year to the combined expenditures of these funds during that year. For 2014, the OASDI fund ratio is assets of $2,764,431 million divided by estimated expenditures of $862,043 million, or 320.7 percent. Because the 320.7 percent OASDI fund ratio exceeds 20.0 percent, the benefit increase for December 2014 is not limited.

Program Amounts That Change Based on the Cost-of-Living Increase

The following program amounts change based on the cost-of-living increase: (1) Title II benefits; (2) title XVI benefits; (3) title VIII benefits; (4) the student earned income exclusion; (5) the fee for services performed by a representative payee; and (6) the appointed representative fee assessment.

Title II Benefit Amounts

In accordance with section 215(i) of the Act, for workers and family members for whom eligibility for benefits (i.e., the worker's attainment of age 62, or disability or death before age 62) occurred before 2015, benefits will increase by 1.7 percent beginning with benefits for December 2014, which are payable in January 2015. For first eligibility after 2014, the 1.7 percent increase will not apply.

For eligibility after 1978, we determine benefits using a formula provided by the Social Security Amendments of 1977 (Pub. L. 95–216), as described later in this notice.

For eligibility before 1979, we determine benefits by using a benefit table. The table is available on the Internet at *www.socialsecurity.gov/oact/ProgData/tableForm.html* or by writing to: Social Security Administration, Office of Public Inquiries, Windsor Park Building, 6401 Security Boulevard, Baltimore, MD 21235.

Section 215(i)(2)(D) of the Act requires that, when we determine an increase in Social Security benefits, we will publish in the **Federal Register** a revision of the range of the PIAs and maximum family benefits based on the dollar amount and other provisions described in section 215(a)(1)(C)(i). We refer to these benefits as ''special minimum'' benefits. These benefits are payable to certain individuals with long periods of low earnings. To qualify for these benefits, an individual must have at least 11 years of coverage. To earn a year of coverage for purposes of the special minimum benefit, a person must earn at least a certain proportion of the old-law contribution and benefit base (described later in this notice). For years before 1991, the proportion is 25 percent; for years after 1990, it is 15 percent. In accordance with section 215(a)(1)(C)(i), the table below shows the revised range of PIAs and maximum family benefit amounts after the 1.7 percent benefit increase.

SPECIAL MINIMUM PIAS AND MAXIMUM FAMILY BENEFITS PAYABLE FOR DECEMBER 2014

Number of years of coverage	PIA	Maximum family benefit
11	$39.90	$60.80
12	81.50	123.40
13	123.20	185.90
14	164.60	248.00
15	205.80	310.00
16	247.70	372.70
17	289.20	435.40
18	330.80	497.50
19	372.30	559.90
20	414.00	621.80
21	455.60	684.70
22	496.90	746.90
23	539.10	810.20
24	580.60	872.00
25	621.80	933.80
26	664.10	997.20
27	705.10	1,059.40
28	746.70	1,121.50
29	788.30	1,184.30
30	829.80	1,246.00

Title XVI Benefit Amounts

In accordance with section 1617 of the Act, maximum Federal SSI benefit amounts for the aged, blind, and disabled will increase by 1.7 percent effective January 2015. For 2014, we derived the monthly benefit amounts for an eligible individual, an eligible individual with an eligible spouse, and for an essential person—$721, $1,082, and $361, respectively—from yearly, unrounded Federal SSI benefit amounts of $8,657.26, $12,984.44, and $4,338.55. For 2015, these yearly unrounded amounts respectively increase by 1.7 percent to $8,804.43, $13,205.18, and $4,412.31. We must round each of these resulting amounts, when not a multiple of $12, to the next lower multiple of $12. Therefore, the annual amounts, effective for 2015, are $8,796, $13,200, and $4,404. Dividing the yearly amounts by 12 gives the respective monthly amounts for 2015—$733, $1,100, and $367. For an eligible individual with an eligible spouse, we equally divide the amount payable between the two spouses.

Title VIII Benefit Amount

Title VIII of the Act provides for special benefits to certain World War II veterans who reside outside the United States. Section 805 provides that ''[t]he benefit under this title payable to a qualified individual for any month shall be in an amount equal to 75 percent of the Federal benefit rate [the maximum amount for an eligible individual] under title XVI for the month, reduced by the amount of the qualified individual's benefit income for the month.'' Therefore, the monthly benefit for 2015 under this provision is 75 percent of $733, or $549.75.

Student Earned Income Exclusion

A blind or disabled child who is a student regularly attending school, college, university, or a course of vocational or technical training can have limited earnings that do not count against his or her SSI benefits. The maximum amount of such income that we may exclude in 2014 is $1,750 per month, but not more than $7,060 in all of 2014. These amounts increase based on a formula set forth in regulation 20 CFR 416.1112.

To compute each of the monthly and yearly maximum amounts for 2015, we increase the unrounded amount for 2014 by the latest cost-of-living increase. If the amount so calculated is not a multiple of $10, we round it to the nearest multiple of $10. The unrounded monthly amount for 2014 is $1,751.59. We increase this amount by 1.7 percent to $1,781.37, which we then round to $1,780. Similarly, we increase the unrounded yearly amount for 2014, $7,060.62, by 1.7 percent to $7,180.65 and round this to $7,180. Therefore, the maximum amount of the income exclusion applicable to a student in 2015 is $1,780 per month but not more than $7,180 in all of 2015.

Fee for Services Performed as a Representative Payee

Sections 205(j)(4)(A)(i) and 1631(a)(2)(D)(i) of the Act permit a qualified organization to collect a monthly fee from a beneficiary for expenses incurred in providing services as the beneficiary's representative payee. In 2014, the fee is limited to the lesser of: (1) 10 percent of the monthly benefit involved; or (2) $40 each month ($77 each month when the beneficiary is entitled to disability benefits and has an alcoholism or drug addiction condition that makes the individual incapable of managing such benefits). The dollar fee limits are subject to increase by the cost-of-living increase, with the resulting amounts rounded to

the nearest whole dollar amount. Therefore, we increase the current amounts by 1.7 percent to $41 and $78 for 2015.

Appointed Representative Fee Assessment

Under sections 206(d) and 1631(d) of the Act, whenever we pay a fee to a representative such as an attorney, agent, or other person who represents claimants, we must impose on the representative an assessment to cover administrative costs. The assessment is no more than 6.3 percent of the representative's authorized fee or, if lower, a dollar amount that is subject to increase by the cost-of-living increase. We derive the dollar limit for December 2014 by increasing the unrounded limit for December 2013, $89.68, by 1.7 percent, which is $91.20. We then round $91.20 to the next lower multiple of $1. The dollar limit effective for December 2014 is, therefore, $91.

National Average Wage Index for 2013

Computation

We determined the national average wage index for calendar year 2013 based on the 2012 national average wage index of $44,321.67, announced in the **Federal Register** on November 5, 2013 (78 FR 66413), and the percentage increase in average wages from 2012 to 2013, as measured by annual wage data. We tabulate the annual wage data, including contributions to deferred compensation plans, as required by section 209(k) of the Act. The average amounts of wages calculated from these data were $42,498.21 for 2012 and $43,041.39 for 2013. To determine the national average wage index for 2013 at a level consistent with the national average wage indexing series for 1951 through 1977 (published December 29, 1978, at 43 FR 61016), we multiply the 2012 national average wage index of $44,321.67 by the percentage increase in average wages from 2012 to 2013 (based on SSA-tabulated wage data) as follows. We round the result to the nearest cent.

Amount

Multiplying the national average wage index for 2012 ($44,321.67) by the ratio of the average wage for 2013 ($43,041.39) to that for 2012 ($42,498.21) produces the 2013 index, $44,888.16. The national average wage index for calendar year 2013 is about 1.28 percent higher than the 2012 index.

Program Amounts That Change Based on the National Average Wage Index

The following amounts change with annual changes in the national average wage index: (1) The OASDI contribution and benefit base; (2) the exempt amounts under the retirement earnings test; (3) the dollar amounts, or bend points, in the PIA formula; (4) the bend points in the maximum family benefit formula; (5) the earnings required to credit a worker with a quarter of coverage; (6) the old-law contribution and benefit base (as determined under section 230 of the Act as in effect before the 1977 amendments); (7) the substantial gainful activity (SGA) amount applicable to statutorily blind individuals; and (8) the coverage threshold for election officials and election workers. Section 3121(x) of the Internal Revenue Code requires that the domestic employee coverage threshold be based on changes in the national average wage index.

In addition to the amounts required by statute, two amounts increase under regulatory requirements—the SGA amount applicable to non-blind disabled persons, and the monthly earnings threshold that establishes a month as part of a trial work period for disabled beneficiaries.

OASDI Contribution and Benefit Base

General

The OASDI contribution and benefit base is $118,500 for remuneration paid in 2015 and self-employment income earned in taxable years beginning in 2015. The OASDI contribution and benefit base serves as the maximum annual earnings on which OASDI taxes are paid. It is also the maximum annual earnings used in determining a person's OASDI benefits.

Computation

Section 230(b) of the Act provides the formula used to determine the OASDI contribution and benefit base. Under the formula, the base for 2015 is the larger of: (1) The 1994 base of $60,600 multiplied by the ratio of the national average wage index for 2013 to that for 1992; or (2) the current base ($117,000). If the resulting amount is not a multiple of $300, we round it to the nearest multiple of $300.

Amount

Multiplying the 1994 OASDI contribution and benefit base ($60,600) by the ratio of the national average wage index for 2013 ($44,888.16 as determined above) to that for 1992 ($22,935.42) produces $118,603.56. We round this amount to $118,500. Because $118,500 exceeds the current base amount of $117,000, the OASDI contribution and benefit base is $118,500 for 2015.

Retirement Earnings Test Exempt Amounts

General

We withhold Social Security benefits when a beneficiary under the NRA has earnings over the applicable retirement earnings test exempt amount. NRA is the age of initial benefit entitlement for which the benefit, before rounding, is equal to the worker's PIA. The NRA is age 66 for those born in 1943–54, and it gradually increases reaching age 67 for those born in 1960 or later. A higher exempt amount applies in the year in which a person attains his or her NRA, but only for earnings in months before such attainment. A lower exempt amount applies at all other ages below NRA. Section 203(f)(8)(B) of the Act, as amended by section 102 of Pub. L. 104–121, provides formulas for determining the monthly exempt amounts. The annual exempt amounts are exactly 12 times the monthly amounts.

For beneficiaries who attain NRA in the year, we withhold $1 in benefits for every $3 of earnings over the annual exempt amount for months before NRA. For all other beneficiaries under NRA, we withhold $1 in benefits for every $2 of earnings over the annual exempt amount.

Computation

Under the formula applicable to beneficiaries attaining NRA after 2015, the lower monthly exempt amount for 2015 is the larger of: (1) The 1994 monthly exempt amount multiplied by the ratio of the national average wage index for 2013 to that for 1992; or (2) the 2014 monthly exempt amount ($1,290). If the resulting amount is not a multiple of $10, we round it to the nearest multiple of $10.

Under the formula that applies to beneficiaries attaining NRA in 2015, the higher monthly exempt amount for 2015 is the larger of: (1) The 2002 monthly exempt amount multiplied by the ratio of the national average wage index for 2013 to that for 2000; or (2) the 2014 monthly exempt amount ($3,450). If the resulting amount is not a multiple of $10, we round it to the nearest multiple of $10.

Lower Exempt Amount

Multiplying the 1994 retirement earnings test monthly exempt amount of $670 by the ratio of the national average wage index for 2013 ($44,888.16) to that for 1992 ($22,935.42) produces $1,311.29. We round this to $1,310. Because $1,310 exceeds the current exempt amount of $1,290, the lower retirement earnings test monthly exempt amount is $1,310 for 2015. The lower

annual exempt amount is $15,720 under the retirement earnings test.

Higher Exempt Amount

Multiplying the 2002 retirement earnings test monthly exempt amount of $2,500 by the ratio of the national average wage index for 2013 ($44,888.16) to that for 2000 ($32,154.82) produces $3,490.00. We round this to $3,490. Because $3,490 exceeds the current exempt amount of $3,450, the higher retirement earnings test monthly exempt amount is $3,490 for 2015. The higher annual exempt amount is $41,880 under the retirement earnings test.

Primary Insurance Amount Benefit Formula

General

The Social Security Amendments of 1977 provided a method for computing benefits that generally applies when a worker first becomes eligible for benefits after 1978. This method uses the worker's average indexed monthly earnings (AIME) to compute the PIA. We adjust the formula each year to reflect changes in general wage levels, as measured by the national average wage index.

We also adjust, or index, a worker's earnings to reflect the change in the general wage levels that occurred during the worker's years of employment. Such indexing ensures that a worker's future benefit level will reflect the general rise in the standard of living that will occur during his or her working lifetime. To compute the AIME, we first determine the required number of years of earnings. We then select the number of years with the highest indexed earnings, add the indexed earnings for those years, and divide the total amount by the total number of months in those years. We then round the resulting average amount down to the next lower dollar amount. The result is the AIME.

Computing the PIA

The PIA is the sum of three separate percentages of portions of the AIME. In 1979 (the first year the formula was in effect), these portions were the first $180, the amount between $180 and $1,085, and the amount over $1,085. We call the dollar amounts in the formula governing the portions of the AIME the ''bend points'' of the formula. Therefore, the bend points for 1979 were $180 and $1,085.

To obtain the bend points for 2015, we multiply each of the 1979 bend-point amounts by the ratio of the national average wage index for 2013 to that average for 1977. We then round these results to the nearest dollar. Multiplying the 1979 amounts of $180 and $1,085 by the ratio of the national average wage index for 2013 ($44,888.16) to that for 1977 ($9,779.44) produces the amounts of $826.21 and $4,980.21. We round these to $826 and $4,980. Therefore, the portions of the AIME to be used in 2015 are the first $826, the amount between $826 and $4,980, and the amount over $4,980.

Therefore, for individuals who first become eligible for old-age insurance benefits or disability insurance benefits in 2015, or who die in 2015 before becoming eligible for benefits, their PIA will be the sum of:

(a) 90 percent of the first $826 of their AIME, plus

(b) 32 percent of their AIME over $826 and through $4,980, plus

(c) 15 percent of their AIME over $4,980.

We round this amount to the next lower multiple of $0.10 if it is not already a multiple of $0.10. This formula and the rounding adjustment are stated in section 215(a) of the Act.

Maximum Benefits Payable to a Family

General

The 1977 amendments continued the policy of limiting the total monthly benefits that a worker's family may receive based on his or her PIA. Those amendments also continued the relationship between maximum family benefits and PIAs but changed the method of computing the maximum benefits that may be paid to a worker's family. The Social Security Disability Amendments of 1980 (Pub. L. 96–265) established a formula for computing the maximum benefits payable to the family of a disabled worker. This formula applies to the family benefits of workers who first become entitled to disability insurance benefits after June 30, 1980, and who first become eligible for these benefits after 1978. For disabled workers initially entitled to disability benefits before July 1980 or whose disability began before 1979, we compute the family maximum payable the same as the old-age and survivor family maximum.

Computing the Old-Age and Survivor Family Maximum

The formula used to compute the family maximum is similar to that used to compute the PIA. It involves computing the sum of four separate percentages of portions of the worker's PIA. In 1979, these portions were the first $230, the amount between $230 and $332, the amount between $332 and $433, and the amount over $433. We refer to such dollar amounts in the formula as the ''bend points'' of the family-maximum formula.

To obtain the bend points for 2015, we multiply each of the 1979 bend-point amounts by the ratio of the national average wage index for 2013 to that average for 1977. Then we round this amount to the nearest dollar. Multiplying the amounts of $230, $332, and $433 by the ratio of the national average wage index for 2013 ($44,888.16) to that for 1977 ($9,779.44) produces the amounts of $1,055.71, $1,523.90, and $1,987.49. We round these amounts to $1,056, $1,524, and $1,987. Therefore, the portions of the PIAs to be used in 2015 are the first $1,056, the amount between $1,056 and $1,524, the amount between $1,524 and $1,987, and the amount over $1,987.

Thus, for the family of a worker who becomes age 62 or dies in 2015 before age 62, we will compute the total benefits payable to them so that it does not exceed:

(a) 150 percent of the first $1,056 of the worker's PIA, plus

(b) 272 percent of the worker's PIA over $1,056 through $1,524, plus

(c) 134 percent of the worker's PIA over $1,524 through $1,987, plus

(d) 175 percent of the worker's PIA over $1,987.

We then round this amount to the next lower multiple of $0.10 if it is not already a multiple of $0.10. This formula and the rounding adjustment are contained in section 203(a) of the Act.

Quarter of Coverage Amount

General

The earnings required for a quarter of coverage in 2015 is $1,220. A quarter of coverage is the basic unit for determining if a worker is insured under the Social Security program. For years before 1978, we generally credited an individual with a quarter of coverage for each quarter in which wages of $50 or more were paid, or with 4 quarters of coverage for every taxable year in which $400 or more of self-employment income was earned. Beginning in 1978, employers generally report wages yearly instead of quarterly. With the change to yearly reporting, section 352(b) of the Social Security Amendments of 1977 amended section 213(d) of the Act to provide that a quarter of coverage would be credited for each $250 of an individual's total wages and self-employment income for calendar year 1978, up to a maximum of 4 quarters of coverage for the year.

Computation

Under the prescribed formula, the quarter of coverage amount for 2015 is the larger of: (1) The 1978 amount of $250 multiplied by the ratio of the national average wage index for 2013 to that for 1976; or (2) the current amount of $1,200. Section 213(d) provides that if the resulting amount is not a multiple of $10, we round it to the nearest multiple of $10.

Quarter of Coverage Amount

Multiplying the 1978 quarter of coverage amount ($250) by the ratio of the national average wage index for 2013 ($44,888.16) to that for 1976 ($9,226.48) produces $1,216.29. We then round this amount to $1,220. Because $1,220 exceeds the current amount of $1,200, the quarter of coverage amount is $1,220 for 2015.

Old-Law Contribution and Benefit Base

General

The old-law contribution and benefit base for 2015 is $88,200. This base would have been effective under the Act without the enactment of the 1977 amendments.

The old-law contribution and benefit base is used by:

(a) The Railroad Retirement program to determine certain tax liabilities and tier II benefits payable under that program to supplement the tier I payments that correspond to basic Social Security benefits,

(b) the Pension Benefit Guaranty Corporation to determine the maximum amount of pension guaranteed under the Employee Retirement Income Security Act (section 230(d) of the Act),

(c) Social Security to determine a year of coverage in computing the special minimum benefit, as described earlier, and

(d) Social Security to determine a year of coverage (acquired whenever earnings equal or exceed 25 percent of the old-law base for this purpose only) in computing benefits for persons who are also eligible to receive pensions based on employment not covered under section 210 of the Act.

Computation

The old-law contribution and benefit base is the larger of: (1) The 1994 old-law base ($45,000) multiplied by the ratio of the national average wage index for 2013 to that for 1992; or (2) the current old-law base ($87,000). If the resulting amount is not a multiple of $300, we round it to the nearest multiple of $300.

Amount

Multiplying the 1994 old-law contribution and benefit base ($45,000) by the ratio of the national average wage index for 2013 ($44,888.16) to that for 1992 ($22,935.42) produces $88,071.95. We round this amount to $88,200. Because $88,200 exceeds the current amount of $87,000, the old-law contribution and benefit base is $88,200 for 2015.

Substantial Gainful Activity Amounts

General

A finding of disability under titles II and XVI of the Act requires that a person, except for a title XVI disabled child, be unable to engage in SGA. A person who is earning more than a certain monthly amount is ordinarily considered to be engaging in SGA. The monthly earnings considered as SGA depends on the nature of a person's disability. Section 223(d)(4)(A) of the Act specifies a higher SGA amount for statutorily blind individuals under title II while Federal regulations (20 CFR 404.1574 and 416.974) specify a lower SGA amount for non-blind individuals.

Computation

The monthly SGA amount for statutorily blind individuals under title II for 2015 is the larger of: (1) Such amount for 1994 multiplied by the ratio of the national average wage index for 2013 to that for 1992; or (2) such amount for 2014. The monthly SGA amount for non-blind disabled individuals for 2015 is the larger of: (1) Such amount for 2000 multiplied by the ratio of the national average wage index for 2013 to that for 1998; or (2) such amount for 2014. In either case, if the resulting amount is not a multiple of $10, we round it to the nearest multiple of $10.

SGA Amount for Statutorily Blind Individuals

Multiplying the 1994 monthly SGA amount for statutorily blind individuals ($930) by the ratio of the national average wage index for 2013 ($44,888.16) to that for 1992 ($22,935.42) produces $1,820.15. We then round this amount to $1,820. Because $1,820 exceeds the current amount of $1,800, the monthly SGA amount for statutorily blind individuals is $1,820 for 2015.

SGA Amount for Non-Blind Disabled Individuals

Multiplying the 2000 monthly SGA amount for non-blind individuals ($700) by the ratio of the national average wage index for 2013 ($44,888.16) to that for 1998 ($28,861.44) produces $1,088.71. We then round this amount to $1,090. Because $1,090 exceeds the current amount of $1,070, the monthly SGA amount for non-blind disabled individuals is $1,090 for 2015.

Trial Work Period Earnings Threshold

General

During a trial work period of 9 months in a rolling 60-month period, a beneficiary receiving Social Security disability benefits may test his or her ability to work and still receive monthly benefit payments. To be considered a trial work period month, earnings must be over a certain level. In 2015, any month in which earnings exceed $780 is considered a month of services for an individual's trial work period.

Computation

The method used to determine the new amount is set forth in our regulations at 20 CFR 404.1592(b). Monthly earnings in 2015, used to determine whether a month is part of a trial work period, is the amount for 2001 ($530) multiplied by the ratio of the national average wage index for 2013 to that for 1999 or, if larger, the amount for 2014. If the amount so calculated is not a multiple of $10, we round it to the nearest multiple of $10.

Amount

Multiplying the 2001 monthly earnings threshold ($530) by the ratio of the national average wage index for 2013 ($44,888.16) to that for 1999 ($30,469.84) produces $780.80. We then round this amount to $780. Because $780 exceeds the current amount of $770, the monthly earnings threshold is $780 for 2015.

Domestic Employee Coverage Threshold

General

The minimum amount a domestic worker must earn so that such earnings are covered under Social Security or Medicare is the domestic employee coverage threshold. For 2015, this threshold is $1,900. Section 3121(x) of the Internal Revenue Code provides the formula for increasing the threshold.

Computation

Under the formula, the domestic employee coverage threshold for 2015 is equal to the 1995 amount of $1,000 multiplied by the ratio of the national average wage index for 2013 to that for 1993. If the resulting amount is not a multiple of $100, we round it to the next lower multiple of $100.

Domestic Employee Coverage Threshold Amount

Multiplying the 1995 domestic employee coverage threshold ($1,000) by the ratio of the national average wage index for 2013 ($44,888.16) to that for 1993 ($23,132.67) produces $1,940.47. We then round this amount to $1,900. Therefore, the domestic employee coverage threshold amount is $1,900 for 2015.

Election Official and Election Worker Coverage Threshold

General

The minimum amount an election official and election worker must earn so the earnings are covered under Social Security or Medicare is the election official and election worker coverage threshold. For 2015, this threshold is $1,600. Section 218(c)(8)(B) of the Act provides the formula for increasing the threshold.

Computation

Under the formula, the election official and election worker coverage threshold for 2015 is equal to the 1999 amount of $1,000 multiplied by the ratio of the national average wage index for 2013 to that for 1997. If the amount we determine is not a multiple of $100, it we round it to the nearest multiple of $100.

Election Worker Coverage Threshold Amount

Multiplying the 1999 election worker coverage threshold amount ($1,000) by the ratio of the national average wage index for 2013 ($44,888.16) to that for 1997 ($27,426.00) produces $1,636.70. We then round this amount to $1,600. Therefore, the election worker coverage threshold amount is $1,600 for 2015.

(Catalog of Federal Domestic Assistance: Program Nos. 96.001 Social Security-Disability Insurance; 96.002 Social Security-Retirement Insurance; 96.004 Social Security-Survivors Insurance; 96.006 Supplemental Security Income)

Carolyn W. Colvin,

Acting Commissioner of Social Security.

[FR Doc. 2014–25802 Filed 10–28–14; 8:45 am]

BILLING CODE 4191–02–P

DEPARTMENT OF STATE

[Public Notice 8933]

Culturally Significant Objects Imported for Exhibition Determinations: ''Arts of Islamic Lands: Masterpieces From The al-Sabah Collection, Kuwait''

ACTION: Notice, correction.

SUMMARY: On December 10, 2012, notice was published on page 73511 of the **Federal Register** (volume 77, number 237) of determinations made by the Department of State pertaining to the exhibition ''Arts of Islamic Lands: Masterpieces from The al-Sabah Collection, Kuwait.'' The referenced notice is corrected here to include additional objects as part of the exhibition. Notice is hereby given of the following determinations: Pursuant to the authority vested in me by the Act of October 19, 1965 (79 Stat. 985; 22 U.S.C. 2459), Executive Order 12047 of March 27, 1978, the Foreign Affairs Reform and Restructuring Act of 1998 (112 Stat. 2681, *et seq.;* 22 U.S.C. 6501 note, *et seq.*), Delegation of Authority No. 234 of October 1, 1999, and Delegation of Authority No. 236–3 of August 28, 2000 (and, as appropriate, Delegation of Authority No. 257 of April 15, 2003), I hereby determine that the additional objects to be included in the exhibition ''Arts of Islamic Lands: Masterpieces from The al-Sabah Collection, Kuwait,'' imported from abroad for temporary exhibition within the United States, are of cultural significance. The additional objects are imported pursuant to a loan agreement with the foreign owner or custodian. I also determine that the exhibition or display of the additional objects at the Museum of Fine Arts, Houston, Houston, Texas, from on or about January 31, 2015, until on or about January 20, 2018, and at possible additional exhibitions or venues yet to be determined, is in the national interest. I have ordered that Public Notice of these Determinations be published in the **Federal Register**.

FOR FURTHER INFORMATION CONTACT: For further information, including a list of the additional objects, contact Paul W. Manning, Attorney-Adviser, Office of the Legal Adviser, U.S. Department of State (telephone: 202–632–6469). The mailing address is U.S. Department of State, SA–5, L/PD, Fifth Floor (Suite 5H03), Washington, DC 20522–0505.

Dated: October 16, 2014.

Kelly Keiderling,

Principal Deputy Assistant Secretary, Bureau of Educational and Cultural Affairs, Department of State.

[FR Doc. 2014–25728 Filed 10–28–14; 8:45 am]

BILLING CODE 4710–05–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

Twenty Second Meeting: RTCA Special Committee 217—Aeronautical Databases Joint With EUROCAE WG–44—Aeronautical Databases

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

ACTION: Notice of RTCA Special Committee 217—Aeronautical Databases Joint With EUROCAE WG–44—Aeronautical Databases.

SUMMARY: The FAA is issuing this notice to advise the public of a meeting of RTCA Special Committee 217—Aeronautical Databases being held jointly with EUROCAE WG–44—Aeronautical Databases.

DATES: The meeting will be held December 2–5, 2014 from 9:00 a.m. to 5:00 p.m.

ADDRESSES: The meeting will held at RTCA Headquarters, 1150 18th Street NW., Suite 910, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Sophie Bousquet, *SBousquet@rtca.org,* 202–330–0663 or The RTCA Secretariat, 1150 18th Street NW., Suite 910, Washington, DC 20036, or by telephone at (202) 833–9339, fax at (202) 833–9434, or Web site at *http://www.rtca.org.*

SUPPLEMENTARY INFORMATION: Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92–463, 5 U.S.C., App.), notice is hereby given for a meeting of RTCA Special Committee 217—Aeronautical Databases held jointly with EUROCAE WG–44—Aeronautical Databases. The agenda will include the following:

Tuesday, December 2, 2014, Opening Plenary

- Co-Chairmen's remarks and introductions
- Housekeeping
- Approve minutes from 21th meeting
- Review and approve meeting agenda for 22th meeting
- Schedule and working arrangements for this week
- Review of joint WG–1/WG–2 Action Items
- Closing Plenary Schedule

Tuesday Through Thursday, December 2nd to 4th (WG1) and (WG2) Session

- WG1—Final work and review before FRAC
- WG1—Schedule for FRAC release and associated actions
- WG2—Action Item Status Review
- WG2—Review of Working Papers, Discussion Papers, Information Papers

Friday Morning, December 5th, Closing Plenary Session (9:00 a.m. to Noon)

- Presentation of WG1 and WG2 conclusions
- Approval to release DO–200A/ED–76 Revision for FRAC
- Working arrangements for the remaining work
- Review of action items
- Next meetings, dates and locations
- Any other business
- Adjourn

Attendance is open to the interested public but limited to space availability. With the approval of the chairman, members of the public may present oral statements at the meeting.

Persons wishing to present statements or obtain information should contact the person listed in the **FOR FURTHER INFORMATION CONTACT** section. Members of the public may present a written statement to the committee at any time.

Issued in Washington, DC, on October 23 2014.

Mohannad Dawoud,

Management Analyst, Program Oversight and Administration, ANG–A15, Federal Aviation Administration.

[FR Doc. 2014–25665 Filed 10–28–14; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

Seventh Meeting: RTCA Special Committee 228—Minimum Operational Performance Standards for Unmanned Aircraft Systems

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

ACTION: Notice of RTCA Special Committee 228—Minimum Operational Performance Standards for Unmanned Aircraft Systems.

SUMMARY: The FAA is issuing this notice to advise the public of the seventh meeting of RTCA Special Committee 228—Minimum Operational Performance Standards for Unmanned Aircraft Systems.

DATES: The meeting will be held November 21, 2014 from 9:00 a.m. to 1:00 p.m.

ADDRESSES: The meeting will be held at RTCA, 1150 18th Street NW., Suite 910, Washington, DC 20036.

FOR FURTHER INFORMATION CONTACT: The RTCA Secretariat, 1150 18th Street NW., Suite 910, Washington, DC 20036, or by telephone at (202) 330–0662 or (202) 833–9339, fax at (202) 833–9434, or Web site at *http://www.rtca.org.*

SUPPLEMENTARY INFORMATION: Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92–463, 5 U.S.C., App.), notice is hereby given for a meeting of RTCA Special Committee 228—Minimum Operational Performance Standards for Unmanned Aircraft Systems. The agenda will include the following:

Specific Working Group Sessions Before Plenary

All Day, Working Group 1–DAA, MacIntosh–NBAA Room & Colson Board Room.

All Day, Working Group 2–C2, ARINC & Hilton-A4A Rooms

November 21 (starting at 9:00 am)

- Welcome/Introductions/Administrative Remarks/SC–228 Participation Guidelines
- Reading of the Public Announcement by the DFO
- Reading of the RTCA Proprietary References Policy
- Agenda Overview
- Review/Approval of Minutes from Plenary #6 (RTCA Paper No. 183–14/SC228–017) held Thursday, August 28, 2014 at RTCA
- Report from EUROCAE WG–73 on their progress
- Review of RTCA SC–228 Steering Committee Activity
- Report from WG–1 for Detect and Avoid progress on the DAA MOPS
- Report from WG–2 for Command and Control progress on the CNPC MOPS
- Action Item Review
- Other Business
- Date, Place and Time of Next Meeting(s)
- Plenary #8—27 February 2015 @RTCA
- Proposed—Plenary #9—21 May 2015 @ NASA Ames
- Adjourn Plenary

Attendance is open to the interested public but limited to space availability. With the approval of the chairman, members of the public may present oral statements at the meeting. Persons wishing to present statements or obtain information should contact the person listed in the **FOR FURTHER INFORMATION CONTACT** section. Members of the public may present a written statement to the committee at any time.

Issued in Washington, DC, on October 22, 2014.

Mohannad Dawoud,

Management Analyst, Program Oversight and Administration, ANG–A15, Federal Aviation Administration.

[FR Doc. 2014–25664 Filed 10–28–14; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Maritime Administration

Voluntary Intermodal Sealift Agreement

AGENCY: Maritime Administration, Department of Transportation.

ACTION: Notice of Voluntary Intermodal Sealift Agreement (VISA).

SUMMARY: The Maritime Administration (MARAD) announces the extension of the Voluntary Intermodal Sealift Agreement (VISA) until October 1, 2019, pursuant to the Defense Production Act of 1950, as amended. The purpose of the VISA is to make intermodal shipping services/systems, including ships, ships' space, intermodal equipment and related management services, available to the Department of Defense as required to support the emergency deployment and sustainment of U.S. Armed Forces. This is to be accomplished through cooperation among the maritime industry, the Department of Transportation and the Department of Defense.

FOR FURTHER INFORMATION CONTACT: Jerome D. Davis, Director, Office of Sealift Support, Room W25–310, Maritime Administration, 1200 New Jersey Avenue SE., Washington, DC 20590, (202) 366–2323, Fax (202) 366–5904.

SUPPLEMENTARY INFORMATION: Section 708 of the Defense Production Act of 1950, as amended, (50 U.S.C. App. 2158), ''Voluntary agreements for preparedness programs and expansion of production capacity and supply'', authorizes the President, upon a finding that conditions exist which may pose a direct threat to the national defense or its preparedness programs, ''to consult with representatives of industry, business, financing, agriculture, labor and other interests'' in order to provide the making of such voluntary agreements. It further authorizes the President to delegate that authority to individuals who are appointed by and with the advice and consent of the Senate, upon the condition that such individuals obtain the prior approval of the Attorney General after the Attorney General's consultation with the Federal Trade Commission. Section 401 of Executive Order 13603 delegated this authority of the President to the Secretary of Transportation (SecTrans), among others. By 49 CFR 1.93(l), the SecTrans delegated to the Maritime Administrator the authority under which the VISA is sponsored. Through advance arrangements in joint planning, it is intended that participants in VISA

will provide capacity to support a significant portion of surge and sustainment requirements in the deployment of U.S. military forces during war or other national emergency.

The text of the VISA was first published in the **Federal Register** on February 13, 1997, to be effective for a two-year term until February 13, 1999. The VISA document previously had been extended and subsequently published in the **Federal Register** every two years. The last extension was published on March 24, 2010. Effective September 30, 2009, the DPA was amended to note that each voluntary agreement expires five (5) years after the date it becomes effective. Therefore, approval of the VISA as published in the **Federal Register** on March 24, 2010 (75 FR 14245) was extended until October 1, 2014. The text published herein will now be implemented thereby extending VISA until October 1, 2019. Copies will be made available to the public upon request. Text of the Voluntary Intermodal Sealift Agreement:

Voluntary Intermodal Sealift Agreement (VISA)

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Abbreviations

''AMC''—Air Mobility Command
''CCA''—Carrier Coordination Agreements
''CFR''—Code of Federal Regulations
''CONOPS''—Concept of Operations
''DoD''—Department of Defense
''DOJ''—Department of Justice
''DOT''—Department of Transportation
''DPA''—Defense Production Act
''EUSC''—Effective United States Control
''FAR''—Federal Acquisition Regulations
''FEMA''—Federal Emergency Management Agency. FEMA is an element of the Emergency Preparedness and Response Directorate, Department of Homeland Security.
''FTC''—Federal Trade Commission
''JCS''—Joint Chiefs of Staff
''JPAG''—Joint Planning Advisory Group
''MARAD''—Maritime Administration, DOT
''MSP''—Maritime Security Program
''MSC''—Military Sealift Command
''NCA''—National Command Authorities
''NDRF''—National Defense Reserve Fleet maintained by MARAD
''RRF''—Ready Reserve Force component of the NDRF
''SRP''—Sealift Readiness Program
''SecDef''—Secretary of Defense
''SecTrans''—Secretary of Transportation
''SDDC''—Military Surface Deployment and Distribution Command
''Commander''—Commander, United States Transportation Command
''USTRANSCOM''—United States Transportation Command (including its components, Air Mobility Command, Military Sealift Command and Military Surface Deployment and Distribution Command)
''VISA''—Voluntary Intermodal Sealift Agreement
''VSA''—Vessel Sharing Agreement

Definitions

For purposes of this agreement, the following definitions apply:

Administrator—Maritime Administrator.
Agreement—Agreement (proper noun) refers to the Voluntary Intermodal Sealift Agreement (VISA).
Attorney General—Attorney General of the United States.
Broker—A person who arranges for transportation of cargo for a fee.
Carrier Coordination Agreement (CCA)—An agreement between two or more Participants or between Participant and non-Participant carriers to coordinate their services in a Contingency, including agreements to: (i) Charter vessels or portions of the cargo-carrying capacity of vessels; (ii) share cargo handling equipment, chassis, containers and ancillary transportation equipment; (iii) share wharves, warehouse, marshaling yards and other marine terminal facilities; and (iv) coordinate the movement of vessels.
Chairman—FTC—Chairman of the Federal Trade Commission (FTC).
Charter—Any agreement or commitment by which the possession or services of a vessel are secured for a period of time, or for one or more voyages, whether or not a demise of the vessel.
Commercial—Transportation service provided for profit by privately owned (not government owned) vessels to a private or government shipper. The type of service may be either common carrier or contract carriage.
Contingency—Includes, but is not limited to a ''contingency operation'' as defined at 10 U.S.C. 101(a)(13), and a JCS-directed, NCA-approved action undertaken with military forces in response to: (i) Natural disasters; (ii) terrorists or subversive activities; or (iii) required military operations, whether or not there is a declaration of war or national emergency.
Contingency contracts—DoD contracts in which Participants implement advance commitments of capacity and services to be provided in the event of a Contingency.
Contract carrier—A for-hire carrier who does not hold out regular service to the general public, but instead contracts, for agreed compensation, with a particular shipper for the carriage of cargo in all or a particular part of a ship for a specified period of time or on a specified voyage or voyages.
Controlling interest—More than a 50-percent interest by stock ownership.
Director—FEMA—Director of Federal Emergency Management Agency (FEMA). The Director—FEMA is also Under Secretary for Emergency Preparedness and Response, Department of Homeland Security.
Effective U.S. Control (EUSC)—U.S. citizen-owned ships which are registered in certain open registry countries and which the United States can rely upon for defense in national security emergencies. The term has no legal or other formal significance. U.S. citizen-owned ships registered in Liberia, Panama, Honduras, the Bahamas and the Republic of the Marshall Islands are considered under effective U.S. control because these do not have any laws that prohibit U.S. requisition. EUSC registries are recognized by the Maritime Administration after consultation with DoD. (MARAD OPLAN 001A, 17 July 1990)
Enrollment Contract—The document, executed and signed by MSC, and the individual carrier enrolling that carrier into VISA Stage III.
Foreign flag vessel—A vessel registered or documented under the law of a country other than the United States of America.
Intermodal equipment—Containers (including specialized equipment), chassis, trailers, tractors, cranes and other materiel handling equipment, as well as other ancillary items.
Liner—Type of service offered on a definite, advertised schedule and giving relatively frequent sailings at regular intervals between specific ports or ranges.
Liner throughput capacity—The system/intermodal capacity available and committed, used or unused, depending on the system cycle time necessary to move the designated capacity through to destination. Liner throughput capacity

shall be calculated as: static capacity (outbound from CONUS) X voyage frequency X.5.

Management services—Management expertise and experience, intermodal terminal management, information resources, and control and tracking systems.

Ocean common carrier—An entity holding itself out to the general public to provide transportation by water of passengers or cargo for compensation; which assumes responsibility for transportation from port or point of receipt to port or point of destination; and which operates and utilizes a vessel operating on the high seas for all or part of that transportation. (As defined in 46 U.S.C. 40102).

Operator—An ocean common carrier or contract carrier that owns or controls or manages vessels by which ocean transportation is provided.

Organic sealift—For the purposes of this agreement ships considered to be under government control or long-term charter—Fast Sealift Ships, Ready Reserve Force and commercial ships under long-term charter to DoD.

Participant—A signatory party to VISA, and otherwise as defined within Section VI of this document.

Person—Includes individuals and corporations, partnerships, and associations existing under or authorized by the laws of the United States or any state, territory, district, or possession thereof, or of a foreign country.

Sealift Readiness Program (SRP)—Prior to implementation of the VISA program, U.S. flag carriers committed ships to be used by DoD to meet sealift requirements under SRP which is no longer active.

Service contract—A contract between a shipper (or a shipper's association) and an ocean common carrier (or conference) in which the shipper makes a commitment to provide a certain minimum quantity of cargo or freight revenue over a fixed time period, and the ocean common carrier or conference commits to a certain rate or rate schedule, as well as a defined service level (such as assured space, transit time, port rotation, or similar service features), as defined in the Shipping Act of 1984. The contract may also specify provisions in the event of nonperformance on the part of either party.

Standby period—The interval between the effective date of a Participant's acceptance into the Agreement and the activation of any stage, and the periods between deactivation of all stages and any later activation of any stage.

U.S.-flag Vessel—A vessel registered or documented under the laws of the United States of America.

Vessel Sharing Agreement (VSA) Capacity—Space chartered to a Participant for carriage of cargo, under its commercial contracts, service contracts or in common carriage, aboard vessels shared with another carrier or carriers pursuant to a commercial vessel sharing agreement under which the carriers may compete with each other for the carriage of cargo. In U.S. foreign trades the agreement is filed with the Federal Maritime Commission (FMC) in conformity with the Shipping Act of 1984 and implementing regulations.

Volunteers—Any vessel owner/operator who is an ocean carrier and who offers to make capacity, resources or systems available to support contingency requirements.

Preface

The Administrator, pursuant to the authority contained in Section 708 of the Defense Production Act of 1950, as amended (50 App. U.S.C. 2158)(Section 708)(DPA), in cooperation with DoD, has developed this Agreement [hereafter called the Voluntary Intermodal Sealift Agreement (VISA)] to provide DoD the commercial sealift and intermodal shipping services/systems necessary to meet national defense Contingency requirements.

USTRANSCOM procures commercial shipping capacity to meet requirements for ships and intermodal shipping services/systems through arrangements with common carriers, with contract carriers and by charter. DoD (through USTRANSCOM) and DOT (through MARAD) maintain and operate a fleet of ships owned by or under charter to the Federal Government to meet the logistic needs of the military services which cannot be met by existing commercial service. Government controlled ships are selectively activated for peacetime military tests and exercises, and to satisfy military operational requirements which cannot be met by commercial shipping in time of war, national emergency, or military contingency. Foreign-flag shipping is used in accordance with applicable laws, regulations and policies.

The objective of VISA is to provide DoD a coordinated, seamless transition from peacetime to wartime for the acquisition of commercial sealift and intermodal capability to augment DoD's organic sealift capabilities. This Agreement establishes the terms, conditions and general procedures by which persons or parties may become VISA Participants. Through advance joint planning among USTRANSCOM, MARAD and the Participants, Participants may provide predetermined capacity in designated stages to support DoD Contingency requirements.

VISA is designed to create close working relationships among MARAD, USTRANSCOM and Participants through which Contingency needs and the needs of the civil economy can be met by cooperative action. During Contingencies, Participants are afforded maximum flexibility to adjust commercial operations by Carrier Coordination Agreements (CCA), in accordance with applicable law.

Participants will be afforded the first opportunity to meet DoD peacetime and Contingency sealift requirements within applicable law and regulations, to the extent that operational requirements are met. In the event VISA Participants are unable to fully meet Contingency requirements, the shipping capacity made available under VISA may be supplemented by ships/capacity from non-Participants in accordance with applicable law and by ships requisitioned under 46 U.S.C. 56301. In addition, containers and chassis made available under VISA may be supplemented by services and equipment acquired by USTRANSCOM or accessed by the Administrator through the provisions of 46 CFR Part 340.

The SecDef has approved VISA as a sealift readiness program for the purpose of 46 U.S.C. 53107.

Voluntary Intermodal Sealift Agreement

I. Purpose

A. The Administrator has made a determination, in accordance with Section 708(c)(1) of the Defense Production Act (DPA) of 1950, that conditions exist which may pose a direct threat to the national defense of the United States or its preparedness programs and, under the provisions of Section 708, has certified to the Attorney General that a standby agreement for utilization of intermodal shipping services/systems is necessary for the national defense. The Attorney General, in consultation with the Chairman of the Federal Trade Commission, has issued a finding that dry cargo shipping capacity to meet national defense requirements cannot be provided by the industry through a voluntary agreement having less anticompetitive effects or without a voluntary agreement.

B. The purpose of VISA is to provide a responsive transition from peace to Contingency operations through pre-coordinated agreements for sealift capacity to support DoD Contingency requirements. VISA establishes procedures for the commitment of intermodal shipping services/systems to satisfy such requirements. VISA will change from standby to active status upon activation by appropriate authority of any of the Stages, as described in Section V.

C. It is intended that VISA promote and facilitate DoD's use of existing commercial transportation resources and integrated intermodal transportation systems, in a manner which minimizes disruption to

commercial operations, whenever possible.

D. Participants' capacity which may be committed pursuant to this Agreement may include all intermodal shipping services/systems and all ship types, including container, partial container, container/bulk, container/roll-on/roll-off, roll-on/roll-off (of all varieties), breakbulk ships, tug and barge combinations, and barge carrier (LASH, SeaBee).

II. Authorities

A. MARAD

1. Sections 101 and 708 of the DPA, as amended (50 U.S.C. App 2158); Executive Order 13603, 77 FR 16651, March 16, 2012; 49 CFR 1.93(l); 46 CFR Part 340.

2. Section 401 of Executive Order 13603 delegated the authority of the President under Section 708 to SecTrans, among others. By 49 CFR 1.93(l), SecTrans delegated to the Administrator the authority under which VISA is sponsored.

B. USTRANSCOM

1. Section 113 and Chapter 6 of Title 10 of the United States Code.

2. DoD Directive 5158.4 designating the Commander to provide common user air, land, and sea transportation for DoD.

III. General

A. Concept

1. VISA provides for the staged, time-phased availability of Participants' shipping services/systems to meet NCA-directed DoD Contingency requirements in the most demanding defense oriented sealift emergencies and for less demanding defense oriented situations through prenegotiated Contingency contracts between the government and Participants (see Figure 1). Such arrangements will be jointly planned with MARAD, USTRANSCOM, and Participants in peacetime to allow effective, and efficient and best valued use of commercial sealift capacity, provide DoD assured Contingency access, and minimize commercial disruption, whenever possible.

a. Stages I and II provide for prenegotiated contracts between DoD and Participants to provide sealift capacity against all projected DoD Contingency requirements. These agreements will be executed in accordance with approved DoD contracting methodologies.

b. Stage III will provide for additional capacity to DoD when Stages I and II commitments or volunteered capacity are insufficient to meet Contingency requirements, and adequate shipping services from non-Participants are not available through established DoD contracting practices or U.S. Government treaty agreements.

2. Activation will be in accordance with procedures outlined in Section V of this Agreement.

3. Following is the prioritized order for utilization of commercial sealift capacity to meet DoD peacetime and Contingency requirements:

a. U.S.-flag vessel capacity operated by a Participant and U.S.-flag Vessel Sharing Agreement (VSA) capacity of a Participant.

b. U.S.-flag vessel capacity operated by a non-Participant.

c. Combination U.S./foreign flag vessel capacity operated by a Participant and combination U.S./foreign flag VSA capacity of a Participant.

d. Combination U.S./foreign flag vessel capacity operated by a non-Participant.

e. U.S.-owned or operated foreign flag vessel capacity and VSA capacity of a Participant.

f. U.S.-owned or operated foreign flag vessel capacity and VSA capacity of a non-Participant.

g. Foreign-owned or operated foreign flag vessel capacity of a non-Participant.

4. Under Section VI.F. of this Agreement, Participants may implement CCAs to fulfill their contractual commitments to meet VISA requirements.

B. Responsibilities

1. The SecDef, through USTRANSCOM, shall:

a. Define time-phased requirements for Contingency sealift capacity and resources required in Stages I, II and III to augment DoD sealift resources.

b. Keep MARAD and Participants apprised of Contingency sealift capacity required and resources committed to Stages I and II.

c. Obtain Contingency sealift capacity through the implementation of specific prenegotiated DoD Contingency contracts with Participants.

d. Notify the Administrator upon activation of any stage of VISA.

e. Co-chair (with MARAD) the Joint Planning Advisory Group (JPAG).

f. Establish procedures, in accordance with applicable law and regulation, providing Participants with necessary determinations for use of foreign flag vessels to replace an equivalent U.S.-flag capacity to transport a Participant's normal peacetime DoD cargo, when Participant's U.S.-flag assets are removed from regular service to meet VISA Contingency requirements.

g. Provide a reasonable time to permit an orderly return of a Participant's vessel(s) to its regular schedule and termination of its foreign flag capacity arrangements as determined through coordination between DoD and the Participants.

h. Review and endorse Participants' requests to MARAD for use of foreign flag replacement capacity for non-DoD government cargo, when U.S.-flag capacity is required to meet Contingency requirements.

2. The SecTrans, through MARAD, shall:

a. Review the amount of sealift resources committed in DoD contracts to Stages I and II and notify USTRANSCOM if a particular level of VISA commitment will have serious adverse impact on the commercial sealift industry's ability to provide essential services. MARAD's analysis shall be based on the consideration that all VISA Stage I and II capacity committed will be activated. This notification will occur on an as required basis upon the Commander's acceptance of VISA commitments from the Participants. If so advised by MARAD, USTRANSCOM will adjust the size of the stages or provide MARAD with justification for maintaining the size of those stages. USTRANSCOM and MARAD will coordinate to ensure that the amount of sealift assets committed to Stages I and II will not have an adverse, national economic impact.

b. Coordinate with DOJ for the expedited approval of CCAs.

c. Upon request by the Commander and approval by SecDef to activate Stage III, allocate sealift capacity and intermodal assets to meet DoD Contingency requirements. DoD shall have priority consideration in any allocation situation.

d. Establish procedures, pursuant to 46 U.S.C. 53107(f), for determinations regarding the equivalency and duration of the use of foreign flag vessels to replace U.S.-flag vessel capacity to transport the cargo of a Participant which has entered into an operating agreement under 46 U.S.C. 53103 whose U.S.-flag vessel capacity has been removed from regular service to meet VISA contingency requirements. Such foreign flag vessels shall be eligible to transport cargo that is subject to the Cargo Preference Act of 1904 (10 U.S.C. 2631), P.R. 17 (46 U.S.C. 55304) the Cargo Preference Act of 1954 (46 U.S.C. 55305) and 46 U.S.C. 55302(a). However, any procedures regarding the use of such foreign flag vessels to transport cargo subject to the Cargo Preference Act of 1904 must have the concurrence of USTRANSCOM before it becomes effective.

e. Co-chair (with USTRANSCOM) the JPAG.

f. Seek necessary Jones Act waivers as required. To the extent feasible, participants with Jones Act vessels or vessel capacity will use CCAs or other arrangements to protect their ability to maintain services for their commercial customers and to fulfill their commercial peacetime commitments with U.S.-flag vessels. In situations where the activation of this Agreement deprives a Participant of all or a portion of its Jones Act vessels or vessel capacity and, at the same time, creates a general shortage of Jones Act vessel(s) or vessel capacity on the market, the Administrator may request that the Secretary of Homeland Security grant a temporary waiver of the provisions of the Jones Act to permit a Participant to charter or otherwise utilize non-Jones Act vessel(s) or vessel capacity, with priority consideration recommended for U.S. crewed vessel(s) or vessel capacity. The vessel(s) or vessel capacity for which such waivers are requested will be approximately equal to the Jones Act vessel(s) or vessel capacity chartered or under contract to DoD, and any waiver that may be granted will be effective for the period that the Jones Act vessel(s) or vessel capacity is on charter or under contract to DoD plus a reasonable time for termination of the replacement charters as determined by the Administrator.

C. Termination of Charters, Leases and Other Contractual Arrangements

1. USTRANSCOM will notify the Administrator as soon as possible of the prospective termination of charters, leases, management service contracts or other contractual arrangements made by DoD under this Agreement.

2. In the event of general requisitioning of ships under 46 U.S.C. 56301, the Administrator shall consider commitments made with DoD under this Agreement.

D. Modification/Amendment of This Agreement

1. The Attorney General may modify this Agreement, in writing, after consultation with the Chairman-FTC, SecTrans, through his representative MARAD, and SecDef, through his representative the Commander. Although Participants may withdraw from this Agreement pursuant to Section VI.D, they remain subject to VISA as amended or modified until such withdrawal.

2. The Administrator, Commander and Participants may modify this Agreement at any time by mutual agreement, but only in writing with the approval of the Attorney General and the Chairman-FTC.

3. Participants may propose amendments to this Agreement at any time.

E. Administrative Expenses

Administrative and Out-of-pocket Expenses Incurred by a Participant Shall Be Borne Solely by the Participant

F. Recordkeeping

1. MARAD has primary responsibility for maintaining carrier VISA application records in connection with this Agreement. Records will be maintained in accordance with MARAD Regulations. Once a carrier is selected as a VISA Participant, a copy of the VISA application form will be forwarded to USTRANSCOM.

2. In accordance with 44 CFR 332.2(c), MARAD is responsible for the making and record maintenance of a full and verbatim transcript of each JPAG meeting. MARAD shall send this transcript, and any voluntary agreement resulting from the meeting, to the Attorney General, the Chairman-FTC, the Director-FEMA, any other party or repository required by law and to Participants upon their request.

3. USTRANSCOM shall be the official custodian of records related to the contracts to be used under this Agreement, to include specific information on enrollment of a Participant's capacity in VISA.

4. In accordance with 44 CFR 332.3(d), a Participant shall maintain for five (5) years all minutes of meetings, transcripts, records, documents and other data, including any communications with other Participants or with any other member of the industry or their representatives, related to the administration, including planning related to and implementation of Stage activations of this Agreement. Each Participant agrees to make such records available to the Administrator, the Commander, the Attorney General, and the Chairman-FTC for inspection and copying at reasonable times and upon reasonable notice. Any record maintained by MARAD or USTRANSCOM pursuant to paragraphs 1, 2, or 3 of this subsection shall be available for public inspection and copying unless exempted on the grounds specified in 5 U.S.C 552(b) or identified as privileged and confidential information in accordance with Section 708(e).

G. MARAD Reporting Requirements

MARAD Shall Report to the Director-FEMA, as Required, on the Status and Use of This Agreement.

IV. Joint Planning Advisory Group

A. The JPAG provides USTRANSCOM, MARAD and VISA Participants a planning forum to:

1. Analyze DoD Contingency sealift/intermodal service and resource requirements.

2. Identify commercial sealift capacity that may be used to meet DoD requirements, related to Contingencies and, as requested by USTRANSCOM, exercises and special movements.

3. Develop and recommend CONOPS to meet DoD-approved Contingency requirements and, as requested by USTRANSCOM, exercises and special movements.

B. The JPAG will be co-chaired by MARAD and USTRANSCOM, and will convene as jointly determined by the co-chairs.

C. The JPAG will consist of designated representatives from MARAD, USTRANSCOM, each Participant, and maritime labor. Other attendees may be invited at the discretion of the co-chairs as necessary to meet JPAG requirements. Representatives will provide technical advice and support to ensure maximum coordination, efficiency and effectiveness in the use of Participants' resources. All Participants will be invited to all open JPAG meetings. For selected JPAG meetings, attendance may be limited to designated Participants to meet specific operational requirements.

1. The co-chairs may establish working groups within JPAG. Participants may be assigned to working groups as necessary to develop specific CONOPS.

2. Each working group will be co-chaired by representatives designated by MARAD and USTRANSCOM.

D. The JPAG will not be used for contract negotiations and/or contract discussions between carriers and DoD; such negotiations and/or discussions will be in accordance with applicable DoD contracting policies and procedures.

E. The JPAG co-chairs shall:

1. Notify the Attorney General, the Chairman-FTC, Participants and the maritime labor representative of the time, place and nature of each JPAG meeting.

2. Provide for publication in the **Federal Register** of a notice of the time, place and nature of each JPAG meeting. If the meeting is open, a **Federal Register** notice will be published reasonably in advance of the meeting. If a meeting is closed, a **Federal Register** notice will be published within ten (10) days after the meeting and will include the reasons for closing the meeting.

3. Establish the agenda for each JPAG meeting and be responsible for adherence to the agenda.

4. Provide for a full and complete transcript or other record of each meeting and provide one copy each of transcript or other record to the Attorney General, the Chairman-FTC, and to Participants, upon request.

F. Security Measures—The co-chairs will develop and coordinate appropriate security measures so that Contingency planning information can be shared with Participants to enable them to plan their commitments.

V. Activation of VISA Contingency Provisions

A. General

VISA may be activated at the request of the Commander, with approval of SecDef, as needed to support Contingency operations. Activating voluntary commitments of capacity to support such operations will be in accordance with prenegotiated Contingency contracts between DoD and Participants.

B. Notification of Activation

1. The Commander will notify the Administrator of the activation of Stages I, II, and III.

2. The Administrator shall notify the Attorney General and the Chairman-FTC when it has been determined by DoD that activation of any Stage of VISA is necessary to meet DoD Contingency requirements.

C. Voluntary Capacity

1. Throughout the activation of any Stages of this Agreement, DoD may utilize voluntary commitment of sealift capacity or systems.

2. Requests for volunteer capacity will be extended simultaneously to both Participants and other carriers. First priority for utilization will be given to Participants who have signed Stage I and/or II contracts and are capable of meeting the operational requirements. Participants providing voluntary capacity may request USTRANSCOM to activate their prenegotiated Contingency contracts; to the maximum extent possible, USTRANSCOM, where appropriate, shall support such requests. Volunteered capacity will be credited against Participants' staged commitments, in the event such stages are subsequently activated.

3. In the event Participants are unable to fully meet Contingency requirements, or do not voluntarily offer to provide the required capacity, the shipping capacity made available under VISA may be supplemented by ships/capacity from non-Participants.

4. When voluntary capacity does not meet DoD Contingency requirements, DoD will activate the VISA stages as necessary.

D. Stage I

1. Stage I will be activated in whole or in part by the Commander, with approval of SecDef, when voluntary capacity commitments are insufficient to meet DoD Contingency requirements. The Commander will notify the Administrator upon activation.

2. USTRANSCOM will implement Stage I Contingency contracts as needed to meet operational requirements.

E. Stage II

1. Stage II will be activated, in whole or in part, when Contingency requirements exceed the capability of Stage I and/or voluntarily committed resources.

2. Stage II will be activated by the Commander, with approval of SecDef, following the same procedures discussed in paragraph D above.

F. Stage III

1. Stage III will be activated, in whole or in part, when Contingency requirements exceed the capability of Stages I and II, and other shipping services are not available. This stage involves DoD use of capacity and vessels operated by Participants which will be furnished to DoD when required in accordance with this Agreement. The capacity and vessels are allocated by MARAD on behalf of SecTrans to the Commander.

2. Stage III will be activated by the Commander upon approval by SecDef. Upon activation, SecDef will request SecTrans to allocate sealift capacity based on DoD requirements, in accordance with Title 1 of DPA, to meet the Contingency requirement. All Participants' capacity committed to VISA is subject to use during Stage III.

3. Upon allocation of sealift assets by SecTrans, through its designated representative MARAD, the Commander will negotiate and execute Contingency contracts with Participants, using pre-approved rate methodologies as established jointly by SecTrans and SecDef in fulfillment of section 46 U.S.C. 53107. Until execution of such contract, the Participant agrees that the assets remain subject to the provisions 46 U.S.C. 56301.

4. Simultaneously with activation of Stage III, the DoD Sealift Readiness Program (SRP) will be activated for those carriers still under obligation to that program.

G. Partial Activation

As used in this Section V, activation ''in part'' of any Stage under this Agreement shall mean one of the following:

1. Activation of only a portion of the committed capacity of some, but not all, of the Participants in any Stage that is activated; or

2. Activation of the entire committed capacity of some, but not all, of the Participants in any Stage that is activated; or

3. Activation of only a portion of the entire committed capacity of all of the Participants in any Stage that is activated.

VI. Terms and Conditions

A. Participation

1. Any U.S.-flag vessel operator organized under the laws of a State of the United States, or the District of Columbia, may become a ''Participant'' in this Agreement by submitting an executed copy of the form referenced in Section VII, and by entering into a VISA Enrollment Contract with DoD which establishes a legal obligation to perform and which specifies payment or payment methodology for all services rendered.

2. The term ''Participant'' includes the entity described in VI.A.1 above, and all United States subsidiaries and affiliates of the entity which own, operate, charter or lease ships and intermodal equipment in the regular course of their business and in which the entity holds a controlling interest.

3. Upon request of the entity executing the form referenced in Section VII, the term ''Participant'' may include the controlled non-domestic subsidiaries and affiliates of such entity signing this Agreement, provided that the Administrator, in coordination with the Commander, grants specific approval for their inclusion.

4. Any entity receiving payments under the Maritime Security Program (MSP), pursuant to the National Defense Authorization Act for Fiscal Year 2013 (H.R. 4310) (P.L. 112–239), shall become a ''Participant'' with respect to all vessels enrolled in MSP at all times until the date the MSP operating agreement would have terminated according to its original terms. The MSP operator shall be enrolled in VISA as a Stage III Participant, at a minimum. Such participation will satisfy the requirement for an MSP participant to be enrolled in an emergency preparedness program approved by SecDef as provided in 46 U.S.C. 53107.

5. A Participant shall be subject only to the provisions of this Agreement and not to the provisions of the SRP.

6. MARAD shall publish periodically in the **Federal Register** a list of Participants.

B. Agreement of Participant

1. Each Participant agrees to provide commercial sealift and/or intermodal shipping services/systems in accordance with DoD Contingency contracts. USTRANSCOM will review and approve each Participant's commitment to ensure it meets DoD Contingency requirements. A Participant's capacity commitment to Stages I and II will be one of the considerations in determining the level of DoD peacetime contracts awarded with the exception of Jones Act capacity (as discussed in paragraph 4 below).

2. DoD may also enter into Contingency contracts, not linked to peacetime contract commitments, with Participants, as required to meet Stage I and II requirements.

3. Commitment of Participants' resources to VISA is as follows:

a. Stage III: A carrier desiring to participate in DoD peacetime contracts/traffic must commit no less than 50% of its total U.S.-flag capacity into Stage III. Carriers receiving DOT payments under the MSP, or carriers subject to Section 909 of Merchant Marine Act of 1936, as amended, that are not enrolled in the SRP will have vessels receiving such assistance enrolled in Stage III. Participants' capacity under charter to DoD will be considered ''organic'' to DoD, and does not count towards the Participant's Contingency commitment during the period of the charter. Participants utilized under Stage III activation will be compensated based upon a DoD pre-approved rate methodology.

b. Stages I and II: DoD will annually develop and publish minimum commitment requirements for Stages I and II. Normally, the awarding of a long-term (i.e., one year or longer) DoD contract, exclusive of charters, will include the annual predesignated minimum commitment to Stages I and/or II. Participants desiring to bid on DoD peacetime contracts will be required to provide commitment levels to meet DoD-established Stage I and/or II minimums on an annual basis. Participants may gain additional consideration for peacetime contract cargo allocation awards by committing capacity to Stages I and II beyond the specified minimums. If the Participant is awarded a contract reflecting such a commitment, that commitment shall become the actual amount of a Participant's U.S.-flag capacity commitment to Stages I and II. A Participant's Stage III U.S.-flag capacity commitment shall represent its total minimum VISA commitment. That Participant's Stage I and II capacity commitments as well as any volunteer capacity contribution by Participant are portions of Participant's total VISA commitment. Participants activated during Stages I and II will be compensated in accordance with prenegotiated Contingency contracts.

4. Participants exclusively operating vessels engaged in domestic trades will be required to commit 50% of that capacity to Stage III. Such Participants will not be required to commit capacity to Stages I and II as a consideration of domestic peacetime traffic and/or contract award. However, such Participants may voluntarily agree to commit capacity to Stages I and/or II.

5. The Participant owning, operating, or controlling an activated ship or ship capacity will provide intermodal equipment and management services needed to utilize the ship and equipment at not less than the Participant's normal efficiency, in accordance with the prenegotiated Contingency contracts implementing this Agreement.

C. Effective Date and Duration of Participation

1. Participation in this Agreement is effective upon execution by MARAD of the submitted form referenced in Section VII, and approval by USTRANSCOM by execution of an Enrollment Contract, for Stage III, at a minimum.

2. VISA participation remains in effect until the Participant terminates the Agreement in accordance with paragraph D below, or termination of the Agreement in accordance with 44 CFR Sec. 332.4. Notwithstanding termination of VISA or participation in VISA, obligations pursuant to executed DoD peacetime contracts shall remain in effect for the term of such contracts and are subject to all terms and conditions thereof.

D. Participant Termination of VISA

1. Except as provided in paragraph 2 below, a Participant may terminate its participation in VISA upon written notice to the Administrator. Such termination shall become effective 30 days after written notice is received, unless obligations incurred under VISA by virtue of activation of any Contingency contract cannot be fulfilled prior to the termination date, in which case the Participant shall be required to complete the performance of such obligations. Voluntary termination by a carrier of its VISA participation shall not act to terminate or otherwise mitigate any separate contractual commitment entered into with DoD.

2. A Participant having an MSP operating agreement with SecTrans shall not withdraw from this Agreement at any time during the original term of the MSP operating agreement.

3. A Participant's withdrawal, or termination of this Agreement, will not deprive a Participant of an antitrust defense otherwise available to it in accordance with DPA Section 708 for the fulfillment of obligations incurred prior to withdrawal or termination.

4. A Participant otherwise subject to the DoD SRP that voluntarily withdraws from this Agreement will become subject again to the DoD SRP.

E. Rules and Regulations

Each Participant acknowledges and agrees to abide by all provisions of DPA Section 708, and regulations related thereto which are promulgated by the SecTrans, the Attorney General, and the Chairman-FTC. 46 CFR Part 340 establishes procedures for assigning the priority for use and the allocation of shipping services, containers and chassis. The JPAG will inform Participants of new and amended rules and regulations as they are issued in accordance with law and administrative due process. Although Participants may withdraw from VISA, they remain subject to all authorized rules and regulations while in Participant status.

F. Carrier Coordination Agreements (CCA)

1. When any Stage of VISA is activated or when DoD has requested volunteer capacity pursuant to Section V.B. of VISA, Participants may implement approved CCAs to meet the needs of DoD and to minimize the disruption of their services to the civil economy.

2. A CCA for which the parties seek the benefit of Section 708(j) of the DPA shall be identified as such and shall be submitted to the Administrator for approval and certification in accordance with Section 708(f)(1)(A) of the DPA. Upon approval and certification, the Administrator shall transmit the Agreement to the Attorney General for a finding in accordance with Section 708(f)(1)(B) of the DPA. Parties to approved CCAs may avail themselves of the antitrust defenses set forth in Section 708(j) of the DPA. Nothing in VISA precludes Participants from engaging in lawful conduct (including carrier coordination activities) that lies outside the scope of an approved Carrier

Coordination Agreement; but antitrust defenses will not be available pursuant to Section 708(j) of the DPA for such conduct.

3. Participants may seek approval for CCAs at any time.

G. Enrollment of Capacity (Ships and Equipment)

1. A list identifying the ships/capacity and intermodal equipment committed by a Participant to each Stage of VISA will be prepared by the Participant and submitted to USTRANSCOM within seven days after a carrier has become a Participant. USTRANSCOM will maintain a record of all such commitments. Participants will notify USTRANSCOM of any changes not later than seven days prior to the change.

2. USTRANSCOM will provide a copy of each Participant's VISA commitment data and all changes to MARAD.

3. Information which a Participant identifies as privileged or business confidential/proprietary data shall be withheld from public disclosure in accordance with Section 708(h)(3) and Section 705(e) of the DPA, 5 U.S.C. 552(b), and 44 CFR Part 332.

4. Enrolled ships are required to comply with 46 CFR Part 307, Establishment of Mandatory Position Reporting System for Vessels.

H. War Risk Insurance

1. Where commercial war risk insurance is not available on reasonable terms and conditions, DOT shall provide non-premium government war risk insurance, subject to the provisions of 46 U.S.C. 53905.

2. Pursuant to 46 CFR 308.1(c), the Administrator (or DOT) will find each ship enrolled or utilized under this agreement eligible for U.S. Government war risk insurance.

I. Antitrust Defense

1. Under the provisions of DPA Section 708, each carrier shall have available as a defense to any civil or criminal action brought under the antitrust laws (or any similar law of any State) with respect to any action taken to develop or carry out this Agreement, that such act was taken in the course of developing or carrying out this Agreement and that the Participant complied with the provisions of DPA Section 708 and any regulation thereunder, and acted in accordance with the terms of this Agreement.

2. This defense shall not be available to the Participant for any action occurring after termination of this Agreement. This defense shall not be available upon the modification of this Agreement with respect to any subsequent action that is beyond the scope of the modified text of this Agreement, except that no such modification shall be accomplished in a way that will deprive the Participant of antitrust defense for the fulfillment of obligations incurred.

3. This defense shall be available only if and to the extent that the Participant asserting it demonstrates that the action, which includes a discussion or agreement, was within the scope of this Agreement.

4. The person asserting the defense bears the burden of proof.

5. The defense shall not be available if the person against whom it is asserted shows that the action was taken for the purpose of violating the antitrust laws.

6. As appropriate, the Administrator, on behalf of SecTrans, and DoD will support agreements filed by Participants with the Federal Maritime Commission that are related to the standby or Contingency implementation of VISA.

J. Breach of Contract Defense

Under the provisions of DPA Section 708, in any action in any Federal or State court for breach of contract, there shall be available as a defense that the alleged breach of contract was caused predominantly by action taken by a Participant during an emergency (including action taken in imminent anticipation of an emergency) to carry out this Agreement. Such defense shall not release the party asserting it from any obligation under applicable law to mitigate damages to the greatest extent possible.

K. Vessel Sharing Agreements (VSA)

1. VISA allows Participants the use of a VSA to utilize non-Participant U.S.-flag or foreign-owned and operated foreign flag vessel capacity as a substitute for VISA Contingency capability provided:

a. The foreign flag capacity is utilized in accordance with cargo preference laws and regulations.

b. The use of a VSA, either currently in use or a new proposal, as a substitution to meet DoD Contingency requirements is agreed upon by USTRANSCOM and MARAD.

c. The Participant carrier demonstrates adequate control over the offered VSA capacity during the period of utilization.

d. Service requirements are satisfied.

e. Participant is responsible to DoD for the carriage or services contracted for. Though VSA capacity may be utilized to fulfill a Contingency commitment, a Participant's U.S.-flag VSA capacity in another Participant's vessel shall not act in a manner to increase a Participant's capacity commitment to VISA.

2. Participants will apprise MARAD and USTRANSCOM in advance of any change in a VSA of which it is a member, if such changes reduce the availability of Participant capacity provided for in any approved and accepted Contingency Concept of Operations.

3. Participants will not act as a broker for DoD cargo unless requested by USTRANSCOM.

VII. Application and Agreement

The Administrator, in coordination with the Commander has adopted the following form (''Application to Participate in the Voluntary Intermodal Sealift Agreement'') on which intermodal ship operators may apply to become a Participant in this Agreement. The form incorporates, by reference, the terms of this Agreement.

United States of America, Department of Transportation, Maritime Administration

Application To Participate in the Voluntary Intermodal Sealift Agreement

The applicant identified below hereby applies to participate in the Maritime Administration's agreement entitled ''Voluntary Intermodal Sealift Agreement.'' The text of said Agreement is published in _____**Federal Register** _____, _____, 20____. This Agreement is authorized under Section 708 of the Defense Production Act of 1950, as amended (50 App. U.S.C. 2158). Regulations governing this Agreement appear at 44 CFR Part 332 and are reflected at 49 CFR Subtitle A.

The applicant, if selected, hereby acknowledges and agrees to the incorporation by reference into this Application and Agreement of the entire text of the Voluntary Intermodal Sealift Agreement published in _____ **Federal Register** _____, _____, 20____, as though said text were physically recited herein.

The Applicant, as a Participant, agrees to comply with the provisions of Section 708 of the Defense Production Act of 1950, as amended, the regulations of 44 CFR Part 332 and as reflected at 49 CFR Subtitle A, and the terms of the Voluntary Intermodal Sealift Agreement. Further, the applicant, if selected as a Participant, hereby agrees to contractually commit to make specifically enrolled vessels or capacity, intermodal equipment and management of intermodal transportation systems available for use by the Department of Defense and to other Participants as discussed in this Agreement and the

subsequent Department of Defense Voluntary Intermodal Sealift Agreement Enrollment Contract for the purpose of meeting national defense requirement.
Attest:

(Corporate Secretary)
(CORPORATE SEAL)
Effective Date:

(Secretary)
(SEAL)

(Applicant-Corporate Name)

(Signature)

(Position Title)
United States of America, Department of Transportation, Maritime Administration
By:

Maritime Administrator
(Authority: 49 CFR 1.93(l), Pub.L. 111–67)

* * * * *

Dated: October 24, 2014.

By Order of the Maritime Administrator.

Thomas M. Hudson,

Secretary, Maritime Administration.

[FR Doc. 2014–25755 Filed 10–28–14; 8:45 am]

BILLING CODE 4910–81–P

DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

[Docket ID OCC–2014–0023]

Mutual Savings Association Advisory Committee

AGENCY: Office of the Comptroller of the Currency (OCC), Department of the Treasury.

ACTION: Notice.

SUMMARY: The OCC has determined that the renewal of the charter of the OCC Mutual Savings Association Advisory Committee (MSAAC) is necessary and in the public interest. The OCC hereby gives notice of the renewal of the charter.

DATES: The charter of the OCC MSAAC has been renewed for a two-year period effective October 6, 2014.

FOR FURTHER INFORMATION CONTACT: Donna Deale, Designated Federal Officer, 202–649–5420, Office of the Comptroller of the Currency, 400 7th Street SW., Washington, DC 20219.

SUPPLEMENTARY INFORMATION: Notice of the renewal of the MSAAC charter is hereby given, with the approval of the Secretary of the Treasury, pursuant to section 10(a)(2) of the Federal Advisory Committee Act, 5 U.S.C. App. 2 (1988). The Comptroller of the Currency has determined that the renewal of the MSAAC charter is necessary and in the public interest in order to provide advice and information to the OCC concerning the current condition of mutual savings associations, the regulatory changes or other steps the OCC may be able to take to ensure the health and viability of mutual savings associations, and other issues of concern to existing mutual savings associations, all in accordance with the goals of Section 5(a) of the Home Owners' Loan Act, 12 U.S.C. 1464.

Dated: October 23, 2014.

Thomas J. Curry,

Comptroller of the Currency.

[FR Doc. 2014–25692 Filed 10–28–14; 8:45 am]

BILLING CODE 4810–33–P

DEPARTMENT OF THE TREASURY

Office of the Comptroller of the Currency

[Docket ID OCC–2014–0022]

Mutual Savings Association Advisory Committee

AGENCY: Office of the Comptroller of the Currency, Department of the Treasury.

ACTION: Notice of Federal Advisory Committee Meeting.

SUMMARY: The Office of the Comptroller of the Currency (OCC) announces a meeting of the Mutual Savings Association Advisory Committee (MSAAC).

DATES: A public meeting of the MSAAC will be held on Tuesday, November 18, 2014, beginning at 8:00 a.m. Eastern Standard Time (EST). Members of the public may submit written statements to the MSAAC. The OCC must receive written statements no later than Thursday, November 13, 2014. Members of the public who plan to attend the meeting, and members of the public who require auxiliary aid, should contact the OCC by 5:00 p.m. EST on Friday, November 14, 2014, to inform the OCC of their desire to attend the meeting and to provide the information that will be required to facilitate aid.

ADDRESSES: The OCC will hold the November 18, 2014, meeting of the MSAAC at the OCC's offices at 400 7th Street SW., Washington, DC 20219. Members of the public may submit written statements to *MSAAC@occ.treas.gov* or by mailing them to Donna Deale, Designated Federal Officer, Office of the Comptroller of the Currency, 400 7th Street SW., Washington, DC 20219. Members of the public who plan to attend the meeting should contact the OCC at *MSAAC@occ.treas.gov* or at (202) 649–5420 to inform the OCC of their desire to attend the meeting so that the OCC can make the necessary arrangements for seating. Attendees should provide their full name, email address, and organization.

FOR FURTHER INFORMATION CONTACT: Donna Deale, Deputy Comptroller for Thrift Supervision, (202) 649–5420, Office of the Comptroller of the Currency, Washington, DC 20219.

SUPPLEMENTARY INFORMATION: By this notice, the OCC is announcing that the MSAAC will convene a meeting on Tuesday, November 18, 2014, at the OCC's offices at 400 7th Street SW., Washington, DC 20219. The meeting is open to the public and will begin at 8:00 a.m. EST. The purpose of the meeting is for the MSAAC to advise the OCC on the regulatory changes or other steps the OCC may be able to take to ensure the continued health and viability of mutual savings associations and other issues of concern to the existing mutual savings associations. The agenda includes a discussion of current topics of interest to the industry, including an update from OCC staff on current portfolio statistics, financial metrics and supervisory data on federal mutual savings associations.

Dated: October 23, 2014.

Thomas J. Curry,

Comptroller of the Currency.

[FR Doc. 2014–25713 Filed 10–28–14; 8:45 am]

BILLING CODE 4810–33–P

FEDERAL REGISTER

Vol. 79 Wednesday,

No. 209 October 29, 2014

Part II

Department of the Interior

Fish and Wildlife Service

50 CFR Part 17

Endangered and Threatened Wildlife and Plants; Listing the African Lion Subspecies as Threatened With a Rule Under Section 4(d) of the ESA; Proposed Rule

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

50 CFR Part 17

[Docket No. FWS–R9–ES–2012–0025; 450 003 0115]

RIN 1018–BA29

Endangered and Threatened Wildlife and Plants; Listing the African Lion Subspecies as Threatened With a Rule Under Section 4(d) of the ESA

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Proposed rule and 12-month finding.

SUMMARY: We, the U.S. Fish and Wildlife Service (Service), announce a proposed rule and a 12-month finding on a petition to list the African lion (*Panthera leo leo*) as endangered under the Endangered Species Act of 1973, as amended (Act). After review of the best available scientific and commercial information, we find that listing the subspecies *Panthera leo leo* as threatened is warranted, and we propose to list the subspecies as threatened. We are also proposing a rule under section 4(d) of the Act to provide for conservation measures for the African lion. To ensure that subsequent rulemaking resulting from this proposed rule is as accurate and effective as possible, we are soliciting information from the scientific community; other governmental agencies, including those within the range of the African lion; nongovernmental organizations; the public; and any other interested parties.

DATES: We will accept comments received or postmarked on or before January 27, 2015. We must receive requests for public hearings, in writing, at the address shown in **FOR FURTHER INFORMATION CONTACT** by December 15, 2014.

ADDRESSES: You may submit comments by one of the following methods:

(1) *Electronically:* Go to the Federal eRulemaking Portal: *http://www.regulations.gov.* In the Search field, enter FWS–R9–ES–2012–0025, which is the docket number for this rulemaking. Then, click the Search button. 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–R9–ES–2012–0025, Division of Policy and Directives Management; U.S. Fish and Wildlife Service; MS: BPHC, 5275 Leesburg Pike, Falls Church, VA 22041–3803.

FOR FURTHER INFORMATION CONTACT: Janine Van Norman, Chief, Branch of Foreign Species, Ecological Services, U.S. Fish and Wildlife Service, MS: ES, 5275 Leesburg Pike, Falls Church, VA 22041–3803; telephone, 703–358–2171; facsimile, 703–358–1735. 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

I. Purpose of the Regulatory Action

Under the Act, a species may warrant protection through listing if it is found to be an endangered or threatened species throughout all or a significant portion of its range. Under the Act, if a species is determined to be endangered or threatened we are required to publish in the **Federal Register** a proposed rule to list the species. The purpose of this proposed listing determination is to publish and seek comments on our 12-month finding on a petition to add the African lion to the list of threatened and endangered species.

II. Major Provision of the Regulatory Action

After review of the best available scientific and commercial information, we find that listing the African lion as threatened is warranted, and we announce a proposed rule to list the subspecies as threatened. We are also proposing a 4(d) rule to provide for conservation measures for the African lion.

III. Costs and Benefits

We have not analyzed the costs or benefits of this rulemaking action because the Act precludes consideration of such impacts on listing and delisting determinations. Instead, listing and delisting decisions are based solely on the best scientific and commercial information available regarding the status of the subject species.

Information Requested

Section 4(b)(1)(A) of the Act directs that determinations as to whether any species is an endangered or threatened species must be made solely on the basis of the best scientific and commercial data available. Therefore, we request comments or information from other concerned governmental agencies, the scientific community, industry, and any other interested parties concerning this proposed rule. We particularly seek comments concerning:

(1) The subspecies' biology, range, and population trends, including:

(a) Genetics and taxonomy;

(b) Historical and current range, including distribution;

(c) Historical and current population levels;

(d) Information pertaining to range countries' regulatory mechanisms, including specific laws and regulations pertaining to loss of habitat, loss of prey base, and human-lion conflict.

(e) Information pertaining to range countries' management plans, including information on management and implementation of hunting concessions, conservation measures in place for this subspecies and its habitat, community education and outreach programs that address lion conservation, revenue gained from trophy hunting and how it is allocated, and any information pertaining to long-term conservation of lions and their habitat and prey base; and

(f) Potential threats not already identified, such as extractive activities.

(2) The factors that are the basis for making a listing determination for a species or subspecies under section 4(a)(1) of the Act (16 U.S.C. 1531 *et seq.*), which are:

(A) The present or threatened destruction, modification, or curtailment of its habitat or range;

(B) Overutilization for commercial, recreational, scientific, or educational purposes;

(C) Disease or predation;

(D) The inadequacy of existing regulatory mechanisms; or

(E) Other natural or manmade factors affecting its continued existence.

(3) The potential effects of climate change on the subspecies and its habitat.

Please include sufficient information with your submission (such as scientific journal articles or other publications) to allow us to verify any scientific or commercial information you include. Submissions merely stating support for or opposition to the action under consideration without providing supporting information, although noted, will not be considered in making a determination.

We request that you send comments only by the methods described above in **ADDRESSES**. We will post all comments on *http://www.regulations.gov.* If you submit information via *http://www.regulations.gov,* your entire submission—including any personal identifying information—will be posted on the Web site. If your submission is made via a hardcopy 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. Please include sufficient information with your comments to allow us to verify any scientific or commercial information you include.

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, Ecological Services, Branch of Foreign Species (see **FOR FURTHER INFORMATION CONTACT**).

Public Hearing

At this time, we do not have a public hearing scheduled for this proposed rule. The main purpose of most public hearings is to obtain public testimony or comment. In most cases, it is sufficient to submit comments through the Federal eRulemaking Portal, described above in **ADDRESSES**. If you would like to request a public hearing for this proposed rule, you must submit your request, in writing, to the person listed in **FOR FURTHER INFORMATION CONTACT** by the date specified in **DATES**.

Peer Review

In accordance with our policy published on July 1, 1994 (59 FR 34270), we will solicit the expert opinions of at least three appropriate and independent specialists for peer review of this proposed rule. The purpose of such review is to ensure that decisions are based on scientifically sound data, assumptions, and analysis. We will send peer reviewers copies of this proposed rule immediately following publication in the **Federal Register**. We will invite peer reviewers to comment, during the public comment period, on the specific assumptions and conclusions regarding the proposed listing status of threatened for the African lion subspecies. We will summarize the opinions of these reviewers in the final decision document, and we will consider their input and any additional information we receive, as part of our process of making a final decision on the proposal.

Peer review is an important tool at our disposal to help evaluate the quality of the data and analyses we rely on in our decision making processes. The 1994 peer review policy commits us to soliciting the expert opinions of ''appropriate and independent specialists regarding pertinent scientific or commercial data and assumptions relating to taxonomy . . . for species under consideration for listing.'' The policy also requires that our final decision must document the opinions of all the independent peer reviewers, and that all information regarding peer review be included in the administrative record. All proposed listing rules must be peer reviewed according to this policy and to applicable standards under the Service's guidelines for implementing the Information Quality Act and the December 15, 2004, Office of Management and Budget Final Information Quality Bulletin for Peer Review.

Petition History and Previous Federal Action(s)

On March 1, 2011, we received a petition dated the same day from the International Fund for Animal Welfare, the Humane Society of the United States, Humane Society International, the Born Free Foundation/Born Free USA, Defenders of Wildlife, and the Fund for Animals requesting that the African lion subspecies be listed as endangered under the Act. The petition identified itself as such and included the information as required by 50 CFR 424.14(a). On November 27, 2012, we published a ''positive'' 90-day finding (77 FR 70727) indicating that we would initiate a status review of the African lion. This document consists of our proposed rule and our determination on the status review for the African lion and publishes our finding. Our status review may be obtained at *http://www.regulations.gov* under Docket No. FWS–R9–ES–2012–0025.

Conservation Status of the African Lion

U.S. Endangered Species Act

The African lion (*Panthera leo leo*) is currently not listed as either endangered or threatened under the Act, although the Asiatic lion (*Panthera leo persica*) has been listed as endangered since 1970 under the Act and its precursor, the Endangered Species Conservation Act of 1969.

International Union for the Conservation of Nature

In 2008, the International Union for the Conservation of Nature (IUCN) classified the African lion as vulnerable with a declining population trend, which means the species is considered to be facing a high risk of extinction in the wild (Bauer *et al.* 2008, unpaginated). This classification is based on a suspected reduction in its population of approximately 30 percent over the previous two decades (Bauer *et al.* 2008, unpaginated). Because the regional lion population in western Africa is isolated and estimated to number well below the IUCN endangered criterion level of 2,500 individuals, it is classified by the IUCN as regionally endangered (Bauer and Nowell 2004, entire). In the assessment for this classification, western Africa is defined as consisting of Benin, Burkina Faso, Cote d'Ivoire, Gambia (identified as ''Regionally Extinct'' (RE)), Ghana, Guinea, Guinea Bissau, Liberia (RE), Mali, Mauritania (RE), Niger, Nigeria, Senegal, Sierra Leone (RE), and Togo (Bauer and Nowell 2004, p. 35).

Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)

The African lion is listed in Appendix II of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). CITES (see *http://www.cites.org*) is an international agreement through which member countries work together to protect against over-exploitation of animal and plant species found in international trade. Parties regulate and monitor international trade in CITES-listed species—that is, their import, export, and reexport, and introduction from the sea—through a system of permits and certificates. CITES lists species in one of three appendices—Appendix I, II, or III. Species such as the African lion that are listed in Appendix II of CITES may be commercially traded, subject to several restrictions. CITES Appendix II includes species that are less vulnerable to extinction than species listed in Appendix I, and ''although not necessarily now threatened with extinction, may become so unless trade in specimens of such species is subject to strict regulation in order to avoid utilization incompatible with their survival.'' The status of the African lion with respect to CITES and how it is affected by international trade is discussed in more detail below, in the section titled Import/Export of Lion Parts and Products.

Periodic Review Under CITES

In an attempt to increase CITES protections for the African lion, in 2004, Kenya submitted a proposal for consideration at the Thirteenth Meeting of the Conference of the Parties to CITES (CoP13) to change the listing of the African lion from Appendix II of CITES to Appendix I (CoP13 Prop. 6; *http://www.cites.org/eng/cop/13/prop/E13-P06.pdf*). An Appendix-I listing includes species threatened with extinction whose trade is permitted only under exceptional circumstances, which generally precludes commercial trade. The import of specimens (both live and dead, as well as parts and products) of an Appendix-I species generally

requires the issuance of both an import and export permit under CITES. Import permits are issued only if findings are made that the import would be for purposes that are not detrimental to the survival of the species in the wild and that the specimen will not be used for primarily commercial purposes. For live specimens, a finding must also be made that the recipient must be suitably equipped to house and care for the specimens (CITES Article III(3)). Export permits are issued only if findings are made that the specimen was legally acquired and the export is not detrimental to the survival of the species in the wild, and that a living specimen will be so prepared and shipped as to minimize the risk of injury, damage to health, or cruel treatment. (CITES Article III(2)).

Although Kenya had submitted its proposal to CoP13 for consideration, it withdrew its proposal due to the lack of regional consensus on the proposal. Furthermore, plans were under way at that time for convening a regional workshop on lion management in 2005, the results of which would be reported to the CITES Animals Committee (Animals Committee) (*http://www.cites.org/eng/cop/13/rep/E13-ComIRep13.pdf*).

Recognizing that lion workshops and other research had been completed, producing updated information on the conservation and status of this species, the Animals Committee, at its 25th Meeting (AC25) (Geneva, Switzerland, July 2011), agreed to include the African lion in the Periodic Review of Felidae [Decision 13.93 (Rev. CoP15)] (*http://www.cites.org/eng/dec/valid15/E15-Dec.pdf*) under the Animals Committee periodic review of the appendices. Kenya and Namibia offered to lead the review as a high priority with range country consultation (*http://www.cites.org/eng/com/ac/25/sum/E25-SumRec.pdf*). At CoP16 in March 2013, the Parties adopted a revised Decision [Decision 13.93 (Rev. CoP16); *http://www.cites.org/common/cop/16/sum/E-CoP16-Plen-06.pdf; http://www.cites.org/eng/dec/valid16/13_93_CoP16.php*], directing the Animals Committee to complete its Review of the Appendices for Felidae and to provide a report at CoP17 on the result of the review of all Felidae. Kenya and Namibia recently submitted a report of their work on the Periodic Review of the African lion for discussion at the 27th Meeting of the Animals Committee (AC27, Veracruz, Mexico, 28 April–3 May 2014) (CITES 2014a, entire). During discussion of this document at AC27, a representative of the IUCN informed the committee that the IUCN would be completing an updated Red List Assessment of the lion in 2015. In addition, she suggested potential nomenclature changes to lion subspecies (see Taxonomy). The Animals Committee took note of the upcoming Red List Assessment and requested Namibia and Kenya to incorporate this information into their Periodic Review and prepare a revised document for consideration at the 28th Meeting of the Animals Committee. Further, the Animals Committee made plans to continue seeking information from lion range states that had not yet responded to requests for information on the species. Finally, the Animals Committee took note of the recent information concerning changes in the nomenclature of lion subspecies and requested that the nomenclature expert of the Animals Committee review the information (CITES 2014b, p. 3).

Regions in Which African Lions Occur

The literature on African lion often includes reference to the following broad geographic regions: northern, western, central, southern, and eastern Africa. The boundaries of these regions vary somewhat among authors, based on the nature and result of the studies undertaken.

As reflected in the literature reviewed for this proposed rule, the lion conservation community generally works in the context of the regions of Africa as they are described in Table 1. The regions as described in Table 1 may vary somewhat from the descriptions of the regions that may be found in taxonomic and other research literature.

TABLE 1—DESCRIPTIONS OF THE DIFFERENT REGIONS OF AFRICA AS GENERALLY USED BY THE CONSERVATION COMMUNITY

[Information derived from Chardonnet 2012, IUCN 2006a and IUCN 2006b]

Regions	Countries
North of Saharan Desert:	
North Africa [1]	Algeria [1], Egypt [1], Libya [1], Morocco [1], Tunisia.[1]
Sub-Saharan Africa:	
Western Africa	Benin, Burkina Faso, Cote d'Ivoire [3], Gambia [1], Ghana [3], Guinea, Guinea-Bissau [3], Mali [3], Mauritania [1], Niger, Nigeria, Senegal, Sierra Leone [1], Togo.[2 3]
Central Africa	Cameroon, CAR, Chad, Congo, DRC, Gabon, Sudan/South Sudan.
Eastern Africa	Burundi [2], Djibouti [1], Eritrea [1], Ethiopia, Kenya, Rwanda, Somalia, Sudan/South Sudan, Tanzania, Uganda.
Southern Africa	Angola, Botswana, Lesotho [1], Malawi, Mozambique, Namibia, South Africa, Swaziland, Zambia, Zimbabwe.

[1] Lions extirpated.
[2] Lions considered occasional or transient by Chardonnet 2002.
[3] Lions considered absent by Henschel *et al.* 2014.

Species Description

The lion is the second-largest extant cat species (second in size only to the tiger) and the largest carnivore in Africa. It has a broad geographical range, historically distributed throughout Africa (Ray *et al.* 2005, p. 67). As with other widely distributed large cats, there is considerable morphological variation within the species as a result of sexual selection, regional environmental adaptations, and gene flow (Mazak 2010, p. 194). These include, among others, variation in size, coat color and thickness, mane color and form, and skull characteristics (Mazak 2010, p. 194, citing several sources; Hollister 1917, in Dubach 2005, p. 15). They are described by CITES (2014, p. 3) as follows:

Characteristics include sharp, retractile claws, a short neck, a broad face with prominent whiskers, rounded ears and a muscular body. Lions are typically a tawny color with black on the backs of the ears and white on the abdomen and inner legs. Males usually have a mane around the head, neck and chest. Lions are sexually dimorphic, with males weighing about 20–27 percent more than females. Adult males, on average, weigh about 188 kg with the heaviest male

on record weighing 272 kg. Females are smaller, weighing, on average, 126 kg. The male body length, not including the tail, ranges from 1.7 m to 2.5 m with a tail from 0.9 m to 1 m (Nowell & Jackson, 1996).

Taxonomy

The lion (*Panthera leo*) was first described by Linnaeus (1758, in Haas *et al.* 2005, p. 1), who gave it the name *Felis leo.* It was later placed in the genus *Panthera* (Pocock 1930, in Haas *et al.* 2005, p. 1). Although the classification of the modern lion as *Panthera leo* is accepted within the scientific community, there is a lack of consensus regarding lion intraspecific taxonomy (Mazak 2010, p. 194; Barnett *et. al.* 2006b, p. 2,120).

Based on morphology, traditional classifications recognize anywhere from zero subspecies (classifying lions as one monotypic species) up to nine subspecies (Mazak 2010, p. 194, citing several sources). The most widely referenced of the morphology-based taxonomies is an eight-subspecies (six extant) classification provided by Hemmer (1974, in Nowell and Jackson 1996, p. 312; Barnett *et al.* 2006a, p. 507; Barnett *et al.* 2006b, p. 2,120), which is recognized by the Integrated Taxonomic Information System (ITIS) (ITIS 2013, *www.itis.gov,* accessed June 6, 2013). It divides the lion species into: *Panthera leo persica* (India); *P. l. leo,* commonly referred to as the Barbary lion (Morocco through Tunisia, extinct); *P. l. senegalensis* (West Africa east to the Central African Republic); *P. l. azandica* (northern Zaire); *P. l. bleyenberghi* (southern Zaire and presumably neighboring areas of Zambia and Angola); *P. l. nubica* (East Africa); *P. l. krugeri* (Kalahari region east to the Transvaal and Natal regions of South Africa), and *P. l. melanochaita,* also called the Cape lion (Cape region of South Africa, extinct) (Nowell and Jackson 1996, p. 312).

In 1987, O'Brien (1987a, entire; 1987b, entire) reported the first results of genetic studies conducted on lion samples from some, but not all, regions of the species' range using early genetic techniques. Results indicated that lions in India differed from lions in Africa, supporting a two-subspecies classification for extant lions: *P. leo leo* and *P. leo persica,* the African and Asian lion, respectively (Ellerman *et al.* 1953, Meester and Setzer 1971, O'Brien *et al.* 1987, in Dubach 2005, p. 16). According to Dubach (2005, p. 16), most taxonomic authorities recognize this two-subspecies taxonomy. This taxonomy is also recognized by the IUCN (Bauer *et al.* 2012, unpaginated) and, consequently, by several international organizations and governing bodies. As a result, this is the classification on which the conservation of the species is largely based. However, results of recent genetic research call into question this classification.

In recent years, several genetic studies have provided evidence of an evolutionary division within lions in Africa (see Barnett *et al.* 2014, p. 6; Dubach *et al.* 2013, p. 746; Bertola *et al.* 2011 (entire); Antunes *et al.* 2008 (entire); Barnett *et al.* 2006a, pp. 511–512). These studies include analysis of DNA samples from all major regions of the species' range, though some regions are represented by few samples. Results of analysis indicate that a major genetic subdivision among lions occurs in Africa, with lions in southern and eastern Africa being genetically distinct from and more genetically diverse than lions elsewhere (western and central western and central Africa and Asia). Evidence indicates that lions in western and central Africa (as well as now-extinct north African lions) are more closely related to lions in India than to lions in southern and eastern Africa (Barnett *et al.* 2014, pp. 4–8; Dubach *et al.* 2013, pp. 741, 746–747, 750–751; Bertola *et al.* 2011, entire). According to Dubach *et al.* (2013, p. 753) contemporary range collapse and fragmentation is too recent a phenomenon to explain the lower genetic variability in these regions. Rather, the low genetic diversity in and between western and central African lion populations suggests they have a shorter evolutionary history than the more genetically diverse lions in southern and eastern Africa (Bertola *et al.* 2011, p. 1362). Several authors argue that the origin of these genetically distinct groups may be the result of regional extinctions and recolonizations during major climate (and consequently biome) fluctuations during the Pleistocene Epoch (Barnett *et al.* 2014, pp. 5–8; Bertola *et al.* 2011, pp. 1,362–1,364).

These genetic studies on lion are based primarily on analysis of mitochondrial DNA (mtDNA), which is inherited only from the mother. Because lions display sex-biased dispersal, in which males leave their natal range and females tend to remain in their natal range, one would expect gene flow in females to be lower than in males, resulting in greater geographic differentiation in females (Mazak 2010, p. 204). Consequently, some authors state that results of mtDNA analyses should be backed up by studies on nuclear DNA (nDNA, inherited from both parents) and morphological traits before assigning taxonomic importance to them (Barnett *et al.* 2014, pp. 1, 8). Recently, Mazak (2010, entire) examined morphological characteristics of 255 skulls of wild lions and found considerable variation throughout the species' range, with variation being greater within populations than between them. However, according to Dubach *et al.* (2013, p. 742), the genetic distinction of lions in southern and eastern Africa from those elsewhere in the species' range is confirmed by results of studies by Antunes *et al.* (2008, entire) which, in addition to analysis of mtDNA, also included analysis of nDNA sequence and microsatellite variation.

The recent results of genetic research have renewed debate on lion taxonomy among the experts. For this reason, the IUCN Species Survival Commission Cat Specialist Group has commissioned a Cat Classification Task Force from among its expert members to determine a consensus taxonomy for the group. Until then, we conclude that the taxonomy of the species is currently unresolved. However, as required by the Act, we base this status review on the best available scientific and commercial information, which is the most recent taxonomy that is the most widely recognized by taxonomic experts: *P. leo leo* (Africa) and *P. leo persica* (India). Consequently, in this document we review the status of the petitioned entity, the African lion, *P. leo leo.*

Range

Historically, lions occupied most of the African continent except the West African coastal rainforest zone, the Congo Basin rainforest zone, and the inner Sahara Desert (Bauer 2003, in Ray *et al.* 2005, p. 67; IUCN 2006a, p. 10; IUCN 2006b, p. 10). Ray *et al.* (2005, p. 52) estimate lion historical range in Africa (at about 150 years prior to their study) to be roughly 22.2 million square kilometers (km^2), while IUCN (2006a, p. 12; 2006b, p. 13) estimates lion historical range in sub-Saharan Africa to be 19.3 million km^2 (Table 2). Depending on the study and methods used, the species' range is reported to currently cover between 3.0 million and 5.0 million km^2 (Table 2). The most recent range-wide study was based on a review of all of the most current available estimates of lion populations (up through 2012) (Riggio *et al,* p. 21), combined with satellite imagery of savannah habitat, and provided estimates of current lion range to be 3.4 million km^2 (Riggio *et al.* 2013, p. 26), or about 25 percent of the subspecies' historic range in savannah habitat. According to Chardonnet (2002, pp. 24–25), about half the range of the African lion falls within protected areas.

The African lion is now believed to be extirpated from between 75 and 83 percent of its former range (Table 2). The subspecies has been extirpated from all of its former range in northern Africa (Black *et al.* 2013, p. 1). In addition, according to IUCN (2006a,b; see Table 2), the species' range has declined by an estimated 91 percent in western Africa, 79 percent in central Africa, and 68 percent in eastern/southern Africa (Table 2), with lion occurrence unknown in an additional 38 percent of the historical range (Bauer *et al* 2008, p. 16). More recently, Henschel *et al.* (2014, p. 5) estimate the confirmed lion range in western Africa, based on data collected between 2006 and 2012, to be 49,000 km², or an estimated 1.1 percent of the species' former range in the region.

TABLE 2—ESTIMATES OF THE AFRICAN LION RANGE

Source	Region of Africa	Historic range (km²)	Current range (km²)	Current range as percent of historic range (percent of historic range w/unknown lion presence)
Ray *et al.* 2005:	Continent-wide	22,200,000	3,800,000	17 percent.
Chardonnet 2002:	Western		121,980	
	Central		651,970	
	Eastern		1,137,205	
	Southern		1,039,212	
	Total		2,950,367	
IUCN 2006a, b: [1]	Western	3,814,576	331,749	9 percent.
	Central	3,392,241	715,482	21 percent.
	Western + Central	7,206,817	1,047,231	15 percent.
	Southern + Eastern	12,080,000	3,915,000	32 percent.
	Total	19,286,817	4,962,231	26 percent.
Bauer *et al.* 2008: [1] thnsp;[2]	Western + Central	7,206,817	1,047,231	15 percent. (0 percent).
	Southern + Eastern	13,010,000	3,564,000	23 percent. (58 percent).
	Total	20,216,817	4,611,231	22 percent. (38 percent).
Riggio 2013 [3] (based on estimates of savannah habitat):.	Western		133,784	
	Central		936,465	
	Eastern		780,401	
	Southern		1,540,171	
	Total	13,500,000	3,390,821	25 percent.
Henschel *et al.* 2014:	Western		49,000	1 percent.

The historical range of the African lion included most current continental African countries (Chardonnet 2002, pp. 25–28). Currently, the subspecies occurs only in sub-Saharan Africa. Within this region, Chardonnet (2002, p. 27) described lions as present in 34 range states (35 with South Sudan, which gained its independence as a country in July 2011) and recently extirpated from 6 range countries (Chardonnet 2002, p. 27) (Table 1). The 34 sub-Saharan African range countries in which Chardonnet considered lions present included 10 in western Africa. More recently, during surveys of 21 large protected areas in western Africa, Henschel *et al.* (2014, p. 4) considered lions to be absent from protected areas in 5 of these 10 countries (Table 1).

Distribution and Abundance

The general distribution of lions in Africa is summarized by Ray *et al.* (2005, p. 67) as follows:

> Lions formerly occupied most of the African continent except for equatorial forest and the inner-Sahara. Today, they are extinct in North Africa and have undergone dramatic range retraction at the limits of their historical distribution. Currently, lions are restricted mainly to protected areas and surrounding conservancies or 'game management areas,' with the largest populations in East and southern Africa. Where protection is poor, particularly outside protected areas, range loss or population decreases can be significant. Declines have been most severe in West and Central Africa, with only small, isolated populations scattered chiefly through the Sahel. Lions in the region are declining in some protected areas and, with the exception of southern Chad and northern Central African Republic, are virtually absent from unprotected areas (Bauer 2003).

Estimates of lion abundance on a large geographical scale are few in number. For a variety of reasons—including low densities, large ranges, cryptic coloration, nocturnal and wary habits—lions are difficult to count (Bauer *et al.* 2005, p. 6; Riggio *et al.* 2013, p. 31). There are large areas of the species' range in which no data are available on lion occurrence or abundance (IUCN 2006b, pp. 12–13). Species experts recognize that estimating the size of the African lion population is an ambitious task, involving many uncertainties (IUCN 2012, p. 2). Estimates, particularly range-wide or broad region-wide estimates, tend to rely to a considerable extent on expert opinion or inference (Riggio *et al.* 2013, p. 21; Chardonnet 2002, p. 19). Consequently, there is a large degree of uncertainty in these estimates. In addition, to date all efforts to estimate the size of the African

[1] Current range includes occasional and probable range.

[2] Bauer *et al* (2008) provides a synthesis of the efforts from which the IUCN (2006a, b) estimates were generated, providing somewhat different numbers for southern and eastern Africa. Also, current range is range where lion occurrence is known, and in approximately 38 percent of historical range, the occurrence of lion is unknown.

[3] Riggio *et al.* (2013) calculate estimates for savannah habitat, defined as areas that receive between 300 and 1,500 mm of rain annually and which includes most of sub-Saharan Africa.

lion population have used different methods; the results of earlier estimates cannot be directly compared to those of later estimates to determine population trend. The earliest estimates of lion abundance in Africa were educated guesses made during the latter half of the 20th Century. Bauer *et al.* (2008, unpaginated) summarize the information as follows:

There have been few efforts in the past to estimate the number of lions in Africa. Myers (1975) wrote, ''Since 1950, their [lion] numbers may well have been cut in half, perhaps to as low as 200,000 in all or even less.'' Later, Myers (1986) wrote, ''In light of evidence from all the main countries of its range, the lion has been undergoing decline in both range and numbers, often an accelerating decline, during the past two decades''. In the early 1990s, IUCN SSC Cat Specialist Group members made educated ''guesstimates'' of 30,000 to 100,000 for the African Lion population (Nowell and Jackson 1996).

Ferreras and Cousins (1996, entire) provided the first quantitatively derived estimate using a GIS-based model calibrated with information obtained from lion experts. Ferreras and Cousins predicted African lion abundance in 1980 to be 75,800. Later, four additional efforts—Chardonnet (2002), Bauer and Van Der Merwe (2004), IUCN (2006a, 2006b), and Riggio *et al.* 2013—estimated lion population sizes ranging from 23,000 to 40,000 (Table 3). Currently, about 90 percent of all African lions occur in southern and eastern Africa (Table 3). According to most studies, most African lions are in eastern Africa (Table 3). According to Riggio *et al.* (2013, p. 27), only nine countries contain resident populations of at least 1,000 free-ranging lions (Central African Republic, Kenya, Tanzania, Mozambique, Zambia, Zimbabwe, South Africa, Botswana, and possibly Angola). Approximately 40 percent of all lions are found in Tanzania (Riggio *et al.* 2013, p. 27). Only about 10 percent of all lions occur in western and central Africa (Table 3). According to the most recent survey effort, numbers in western Africa are extremely low. Henschel *et al.* (2014, p. 5) estimate that only 400 lions in the entire region, with most (about 350, or 88 percent) concentrated in a single population.

TABLE 3—ESTIMATES OF AFRICAN LION ABUNDANCE

[Rows may not tally due to rounding]

Source	Western Africa (percent of total)	Central Africa (percent of total)	Eastern Africa (percent of total)	Southern Africa (percent of total)	Total
Ferreras & Cousins 1996 (estimate for lion abundance in 1980).	.....	.....	.....	.....	75,800 (18,600 in protected areas).
Chardonnet 2002	1,163 (3 percent)	2,815 (7 percent)	15,744 (40 percent).	19,651 (50 percent).	39,373.
Bauer & Van Der Merwe 2004	850 (4 percent)	950 (4 percent)	11,000 (48 percent).	10,000 (44 percent).	23,000.
IUCN 2006[4] (as calculated by Riggio et al. 2013).	1,640 (5 percent)	2,410 (7 percent)	17,290 (52 percent).	11,820 (37 percent).	33,160.
Riggio 2013 (based on estimates of savannah habitat).	480 (1 percent)	2,419 (7 percent)	19,972 (57 percent).	12,036 (34 percent).	34,907.
Henschel *et al.* 2014	406 (n/a).				

In 2005–2006, in response to a growing concern that the African lion was in decline, IUCN and the Wildlife Conservation Society sponsored workshops to determine a lion conservation strategy. During these workshops, lion experts collectively assessed what they believed to be the then-current status of African lions based on a variety of information, including professional opinion. During the workshops, lion experts identified 86 African lion Conservation Units (LCUs). They defined LCUs as areas of known, occasional, or possible lion range that can be considered an ecological unit of importance for lion conservation (IUCN 2006a, p. 14; IUCN 2006b, p. 17). Of the 86 LCUs, 20 are in western and central Africa and 66 are in southern and eastern Africa (Table 4). Most (71 percent) have more than half their area under some form of legal protection (Bauer *et al.* 2008, p. 19). Few (16 percent) were estimated to contain large populations (Table 4). This was particularly the case for western and central Africa, where most (13, or 65 percent) of LCUs were estimated to contain fewer than 50 lions (Table 4). The majority of those with large populations were in southern and eastern Africa (Table 4). Only 23 of 86 LCUs (27 percent) were considered to contain viable populations, though more than half were thought to contain potentially viable populations (Table 4). Lion populations within 42 percent of the 86 LCUs were considered to be decreasing, whereas those in 9 percent were considered increasing. The remaining were considered stable or of unknown trend (Table 4).

TABLE 4—LION CONSERVATION UNITS (LCUS) AS IDENTIFIED AND CHARACTERIZED IN IUCN 2006a AND IUCN 2006b

Number of LCUs	Western & Central Africa	Eastern & Southern Africa	All regions (percent)
Total	20	66	86.
Estimated to contain:			
>500 lions	2	12	14 (16 percent).
50–500 lions	5	28	33 (38 percent).

[4] Estimates were made for individual Lion Conservation Units (defined management units), and were given as population size classes rather than specific figures. As calculated by Riggio *et al.* (2013, p. 27).

TABLE 4—LION CONSERVATION UNITS (LCUS) AS IDENTIFIED AND CHARACTERIZED IN IUCN 2006a AND IUCN 2006b—Continued

Number of LCUs	Western & Central Africa	Eastern & Southern Africa	All regions (percent)
<50 lions	13	26	39 (45 percent).
Considered:			
Viable	4	19	23 (27 percent).
Potentially Viable	12	34	46 (53 percent).
Doubtful Viability	4	13	17 (20 percent).
With Populations Considered to be:			
Increasing	3	5	8 (9 percent).
Stable	5	21	26 (30 percent).
Decreasing	12	24	36 (42 percent).
Unknown		16	16 (19 percent).

Riggio *et al.* (2013, entire) provide the most recent, most comprehensive estimates to date of free-ranging lion populations in Africa. They compiled all existing estimates of African lion populations since 2002, including data from Chardonnet (2002), Bauer and Van Der Merwe (2004), IUCN (2006a, 2006b), over 40 mainly country-specific reports, and their own experiences. They then combined these data with satellite imagery and information on habitat condition to estimate lion abundance and identify lion areas that they characterized as strongholds and potential strongholds. They conducted this within the context of savannah Africa, which they defined as areas that receive between 300 and 1,500 millimeters (mm) of rain annually, and within which most of the present range of the African lion occurs. Also, they used the LCUs identified in the 2005–2006 lion workshops as the general framework within which to identify lion areas, strongholds, and potential strongholds.

Riggio *et al.* (2013, p. 32) describe lion strongholds as areas meeting the necessary requirements for long-term viability; broadly, where management appears to be working. Potential strongholds are described, broadly, as areas where immediate interventions might create a viable population. Specifically defined, strongholds (1) contain at least 500 lions, (2) are within protected areas (including those that allow hunting), and (3) have stable or increasing lion numbers as assessed by IUCN (2006a, 2006b) (Riggio *et al.* 2013, p. 22). Potential strongholds contain at least 250 lions, but do not satisfy either requirement (2) or (3) above. The remaining lion areas—those not meeting the requirements of a stronghold or potential stronghold—are described as areas ''where present management clearly isn't working'' (Riggio *et al.* 2013, p. 32). Riggio *et al.* (2013, p. 32) derived the thresholds of 500 and 250 using information in Björklund (2003) on the number of prides needed to avoid the risk of inbreeding in lion populations, and information in Bauer *et al.* (2008) on the average size of lion prides. Björklund (in Riggio *et al.* 2013, p. 32) assessed the risk of inbreeding due to habitat loss and determined that, ''. . . to sustain a large out-bred population of lions, a continuous population of at least 50 prides, but preferably 100 prides, with no limits to dispersal is required.'' Bauer *et al.* 2008 (in Riggio *et al.* 2013, p. 32) indicate the average lion pride as containing approximately five adults.

The results of Riggio *et al.* indicate the size of the African lion population to be about 35,000, which falls within the range of the other recent estimates (Table 3). However, they state that ''Although these numbers are similar to previous estimates, they are geographically more comprehensive. There is abundant evidence of widespread declines and local extinctions'' (Riggio *et al.* 2013, p. 18).

Riggio *et al.* identified lions as occurring in 67 areas (Table 5). While a small portion (22 percent) of lion areas identified by Riggio *et al.* contain large populations, the majority are small and isolated (Riggio *et al.* 2013, p. 30; Table 5). Most (69 percent) contain fewer than 250 lions. A considerable portion (39 percent) contains very small populations of fewer than 50 lions. These include 63 percent of the lion areas in western and central Africa, and 31 percent of those in e/s Africa.

TABLE 5—NUMBER OF LION AREAS AND NUMBER OF AREAS CONTAINING LION POPULATION CLASSES ACCORDING TO RIGGIO ET AL. 2013

Number of lion areas	Western	Central	Eastern	Southern	All regions (percent)
Total	8	8	28	23	67.
# Estimated to contain:					
≥500 lions	0	1	7	7	15 (22 percent).
250–499 lions	1	2	1	2	6 (9 percent).
50–249 lions	0	2	12	6	20 (30 percent).
<50	7	3	8	8	26 (39 percent).

Riggio *et al.* identify 10 lion strongholds (viable populations) and 7 potential strongholds (Table 6). According to Riggio *et al.* (2013, p. 29), the 10 strongholds contain approximately 24,000 lions, or about 70 percent of the current African lion population. Of those, most (about 19,000 lions) are in protected areas. Potential strongholds contain about 4,000 lions. More than 6,000 lions are located in areas not considered strongholds or potential strongholds and have a very high risk of being extirpated (Riggio *et al.* 2013, p. 33).

TABLE 6—LION STRONGHOLDS AND POTENTIAL STRONGHOLDS IDENTIFIED BY RIGGIO ET AL. 2013

Lion area	Country	Area (km^2)	Stronghold	Lion population size	Population size in protected areas	IUCN (2006a, b) Trend
Western Africa						
W-Arly-Pendjari	Benin, Burkina Faso, Niger	29,403	Potential	350	350	Stable.
Central Africa						
SE Chad	Chad	133,408	Potential [5]	400	140	Stable.
E CAR	Central African Republic	328,721	Potential [6]	1,244	148	Stable.
Eastern Africa						
Boma-Gambella	Ethiopia, South Sudan	106,941	Potential	500	~500	Unknown.
Laikipia-Samburu	Kenya	35,511	Potential	271	46	Stable.
Tarangire	Tanzania	28,771	Potential	731	208	Decreasing.
Ruaha-Rungwa	Tanzania	195,993	Stronghold	3,779	2,235	Stable.
Selous	Tanzania	138,035	Stronghold	7,644	4,953	Stable.
Serengeti-Mara	Kenya, Tanzania	35,852	Stronghold	3,673	3,516	Increasing.
Tsavo-Mkomazi	Kenya, Tanzania	39,216	Stronghold	880	820	Decreasing.
Southern Africa						
Etosha-Kunene	Angola, Namibia	123,800	Potential	455	~315–595	Increasing.
Kafue	Zambia	58,898	Potential	386	386	Stable.
Great Limpopo	Mozambique, South Africa, Zimbabwe.	150,347	Stronghold	2,311	2,179	Increasing.
Kgalagadi	Botswana, South Africa	163,329	Stronghold	800	~800	Stable.
Luangwa	Malawi, Zambia	72,992	Stronghold	574	574	Stable.
Mid-Zambezi	Mozambique, Zambia, Zimbabwe.	64,672	Stronghold	755	~350–650	Stable.
Niassa	Mozambique, Tanzania	177,559	Stronghold	1,573	1,080	Increasing.
Okavango-Hwange	Botswana, Zimbabwe	99,552	Stronghold	2,300	~2,300	Stable.

Most of the strongholds and potential strongholds identified by Riggio *et al.* are trans-boundary areas. The vast majority, including all 10 strongholds, are located in southern and eastern Africa. Of the 17 strongholds and potential strongholds, only two potential strongholds are located in western and central Africa, one each in western Africa and central Africa. Only a small portion of the lions in the central Africa potential stronghold are within protected areas. The western Africa potential stronghold has one of the smallest lion populations of the 17 strongholds/potential strongholds and, according to Herschel *et al.* (2014, p. 5), contains 88–90 percent of all lions in the western Africa region.

By definition, all 10 strongholds identified by Riggio *et al.* include protected areas. Packer *et al.* (2013a, entire; 2013b, entire) looked at the relationship between lion densities, population trends, management practices, and several other variables (human population densities, governance, sport hunting, private management, and reserve size) from 42 sites in 11 countries in Africa. Results of modeling indicate that by 2050 about 43 percent of lion populations in unfenced reserves may decline to less than 10 percent of the carrying capacities of the unfenced reserves, including those in Botswana, Kenya, Cameroon, Ghana, Tanzania, and Uganda. According to the same modeling results lion populations in fenced reserves are expected to remain at or above the carrying capacity of the fenced reserves for the next 100 years, although most are small protected areas with small lion populations (Creel *et al.* 2013, entire).

Trends

Based on the best available information, as discussed above, African lion range and numbers have clearly declined over the past several decades. However, not all African lion populations have declined—some have increased or remained stable (see Distribution and Abundance), and some have been restored to areas from which they were previously extirpated (Packer *et al.* 2013, p. 636). Reports from the IUCN Species Survival Commission Cat Specialist Group (IUN 2006a, b) characterize the population as increasing in 3 of the lion strongholds identified by Riggio *et al.* (Table 6), as stable in 6 of the strongholds, and as decreasing in 1 stronghold. While four of the lion strongholds or potential strongholds identified by Riggio *et al.* (Table 6) are considered to be increasing, several African lion populations, containing a total of more than 6,000 individuals, have a very high risk of local extinction (Riggio *et al.* 2013, p. 33). During the 2005–2006 African lion workshops, lion experts characterized lion populations in 36 (42 percent) of the 86 LCUs as decreasing. In extensive surveys recently conducted within 15 of the 20 LCUs in western and central Africa, Henschel *et al.* (2010, entire) were able to confirm lion presence in only four. The work of Packer *et al.* (2013) suggests future declines within a number of protected areas. Craigie *et al.* (2010, entire) provide evidence of declining large

[5] Two lion areas in central Africa make up one potential stronghold.

[6] Riggio *et al.* make one exception to the requirement that lion strongholds contain populations that are stable or increasing. IUCN 2006 indicate lion numbers in the Tsavo/Mkomazi lion area are decreasing in numbers, but Riggio *et al.* believe that, while lion numbers are declining outside of protected areas, lions within the parks are usually well protected and in sufficient numbers to meet the criteria.

mammal populations in Africa's protected areas, indicating that protected areas in Africa have generally failed to mitigate threats to large mammal populations, including African lion. Although Craigie *et al.* (2010, p. 2,225) found large regional differences (from large declines in western Africa to positive rates of change in southern Africa), they found overall populations decreased steadily from 1970 to 2005.

Biology/Ecology

Habitat

Historically, the species occurred in all habitats in Africa, except rainforest and the hyper-arid interior of the Sahara (Ray *et al.* 2006, p. 66). Today they are found primarily in savannah, although there are some remnant populations in other habitat types (Riggio *et al.* 2013, p. 19). According to Nowell and Jackson (1996, p. 19), optimal habitat appears to be open woodlands and thick bush, scrub, and grass complexes, where sufficient cover is provided for hunting and denning. The highest lion densities are reached in savannah woodlands plains mosaics of eastern and southern Africa (Ray *et al.* 2005, p. 66). The species is intolerant of anthropogenic (human-caused) habitat conversion, such as farming or overgrazing by livestock (Ray *et al.* 2005, p. 66).

General Biology

Lions are well studied. Much information exists on African lion habits, behavior, and ecology. CITES (2014a, p. 3) provides a general overview as follows:

> Lions are generalist, cooperative hunters, with foraging preferences changing with season and with lion group size. Lions live in groups called ''prides'', which are ''fission-fusion'' social units with a stable membership that sometimes divide into small groups throughout the range. Lions have no fixed breeding season. Females give birth every 20 months if they raise their cubs to maturity, but the interval can be as short as 4–6 weeks if their litter is lost. Gestation lasts 110 days, litter size ranges 1–4 cubs, and sex ratio at birth is 1:1. At about four years of age, females will have their first litter and males will become resident in a pride. Pride takeovers by male lions and subsequent infanticide of cubs sired by the ousted male lions greatly influences reproductive success. Lionesses defending their cubs from the victorious males are sometimes killed during the takeover. Infanticide accounts for 27 percent of cub mortality. Adult mortality is typically caused by humans, starvation, disease or attacks from other lions. Injury and death can also occur during hunting attempts on some of their larger prey.

Haas *et al.* (2005, entire) provide a summary of information on lion, including the following:

> Prides vary in size and structure, but typically contain 5–9 adult females (range, 1–18), their dependent offspring, and a coalition of 2–6 immigrant males (Heinsohn and Packer 1995; Packer *et al.* 1991). . . . Pride sizes are smallest in arid environments with limited prey species (Elliott and Cowan 1977; Hanby and Bygott 1979; Ruggiero 1991; Schaller 1972; Stander 1992b; Wright 1960) . . . Males reside in a pride for [approximately] 2 years before being replaced by another group of males (Packer *et al.* 1988). . . . In the absence of a pride takeover, males generally leave their natal pride when 2–4 years old (Bertram 1975b; Pusey and Packer 1987). Most females are incorporated into their natal prides (Pusey and Packer 1987; Van Orsdol *et al.* 1985). . . . A small proportion of lions is nomadic, including young and adult males without a pride. Nomadic lions follow the migrations of prey and hunt and scavenge cooperatively (Bertram 1975a; Bygott *et al.* 1979; Schaller 1968, 1969; Van Orsdol *et al.* 1985).
>
> . . . Lion productivity (measured as number of surviving cubs) is limited by food. . . . Cub mortality is high in lions and is linked to periods of prey scarcity and infanticide by male lions during pride takeovers (Packer and Pusey 1983b; Schaller 1972; Van Orsdol *et al.* 1985; Whitman and Packer 1997).
>
> . . . Lions are mainly active at night . . . [They] usually hunt in groups; males hunt less frequently than do females, but males are stronger and can gain access to kills made by females (Bertram 1975a; Scheel and Packer 1991). Prey selection is related to seasonal weather patterns and the migration of large herbivores in some parts of Africa (Hanby *et al.* 1995). . . . Lions exhibit individual preferences in prey selection within and between prides in the same area (Rudnai 1973b; Van Orsdol 1984).

Diet and Prey

Lions are opportunistic hunters and scavengers. As scavengers, lions are dominant and can usually readily displace other predators from their kills (Packer 1986, Schaller 1972, in Haas *et al.* 2005, pp. 4–5). As hunters they are known to take a variety of prey. However, they are also the largest carnivore in Africa and, as a result, require large prey to survive. Ray *et al.* (2005, pp. 66–67) summarizes lion prey as follows:

> Lions are generalists and have been recorded to consume virtually every mammal species larger than 1 kg in their range, as well as a wide variety of larger reptiles and birds (Nowell & Jackson 1996; Sunquist & Sunquist 2002). The constraints of large physical size and extended social groups, however, bind them to large-bodied prey, and their diet is dominated by medium-large ungulates. In fact, only a few species of large ungulates comprise a majority of their diet wherever they occur (Schaller 1972; Stander 1992; Packer *et al.* 1995), and they are unable to persist in areas without large-bodied prey. The threshold of this requirement is perhaps represented at Etosha National Park, Namibia, where Stander (1992) showed that lions hunting in pairs met their minimum requirements hunting springboks which, at <50 kg, are the smallest preferred prey species recorded.

Prey availability affects the reproduction, recruitment, and foraging behavior of lions and, as a result, strongly influences lion movements, abundance, and population viability (Winterbach *et al.* 2012, p. 7, citing several sources). Lion densities are directly dependent on prey biomass (Van Orsdol *et al.* 1985, in Packer *et al.* 2013a, p. 636; Hayward *et al.* 2007, entire), and range from 0.08–0.13 adults and subadults per 100 km^2 in Selous Game Reserve up to 18 per km^2 in protected areas of eastern Africa and South Africa (Creel and Creel 1997, Nowell and Jackson 1996, in Haas *et al.* 2005, p. 4). Aside from human-related mortality, prey availability is likely the primary determinant of lion density (Fuller & Sievert 2001, in Winterbach *et al.* 2012, p. 7). In areas of low natural prey density, or high human contact, lions may prey on livestock (see Human-Lion Conflict).

Movements/Home Range

Availability of prey is perhaps the primary factor that determines the ranging behavior of large carnivores (Gittleman & Harvey 1982, Van Orsdol *et al.* 1985, Grant *et al.* 2005, Hayward *et al.* 2009, in Winterbach *et al.* 2012, p. 4). Home-range sizes of lion prides correlate with lean-season prey biomass (Van Orsdol *et al.* 1985, in Haas *et al.* 2005, p. 4) and, therefore, vary widely among habitats. Average range sizes of African lion prides are 26–226 km^2, but can be considerably larger (Stander 1992b; Van Orsdol *et al.* 1985; Viljoen 1993, in Haas *et al.* 2005, p. 4). In areas of low or variable prey biomass, annual range requirements for a single lion pride can exceed 1,000 km^2 (Packer *et al.* 2013, p. 636). Funston (2011, p. 5) found the home ranges of lion prides in the dune-savannah habitat of Kgalagadi Transfrontier Park to range from 1,762 to 4,532 km^2.

Because lion home ranges can be very large, many protected areas are not large enough to sustain them (Winterbach *et al.* 2014, p. 1; Funston 2011, p. 1, citing several sources). Where lion ranges approximate protected area size, lions roam near or beyond the protected area boundary, increasing human-lion contact and human-caused lion mortality. In these situations, local or regional extirpation probability is high due to the population sink created around the boundary of the protected area (Davidson *et al.* 2011, in Winterbach *et al.* 2012, p. 5; Funston

2011, p. 1, citing several sources; Brashares *et al.* 2001, entire). This ''edge effect'' is a major threat to carnivore populations inside protected areas throughout the world (Woodroffe 2001, in Winterbach *et al.* 2012, p. 5) (also see Human-Lion Conflict).

Habitat Loss

Habitat loss and degradation is reported to be among the main threats to African lions (IUCN 2006a, p. 18; Ray *et al.* 2005, pp. 68–69). The main cause of lion habitat loss and degradation is expansion of human settlements and activities, particularly agriculture and intensive livestock grazing in lion habitat (IUCN 2006a, p. 18; IUCN 2006b, p. 23; Ray *et al.* 2005, pp. 68–69; Chardonnet 2002, pp. 103–106). Expansion of human settlements and activities into lion habitat renders the habitat unsuitable for lions primarily because it results in reduced availability of the wild prey that lions depend on for survival (see Loss of Prey Base) and increased human-lion conflict resulting in lion mortality (see Human-Lion Conflict)—two of the main factors that influence the distribution and population viability of large carnivores such as lions (Winterbach *et al.* 2014, p. 1). Ray *et al.* (2005, p. 69) note that, although lions have a wide tolerance for habitats, they are generally incompatible with humans and human-caused habitat alteration and loss. Lions are sensitive to loss of cover or prey. Riggio *et al.* (2013, p. 18) state that dense human populations and widespread conversion of land to human use preclude use by lions.

Habitat destruction and degradation has been extensive throughout the range of the African lion, resulting in local and regional lion population extirpations, reduced lion densities, a dramatically reduced subspecies range (see Range), and small, fragmented, and isolated lion populations that are increasingly limited to protected areas (see Distribution and Abundance) (Ray *et al.* 2005, p. 69; Bauer and Van der Merwe 2004, pp. 29–30; Nowell and Jackson 1996, pp. 20–21). Lions appear to have one of the lowest levels of ecological resilience to human-caused habitat fragmentation; they are the least successful large African carnivore outside conservation areas (Woodroffe 2001, in Winterbach *et al.* 2012, p. 6). Large carnivores with low ecological resilience have a high risk of local extinction. In order to survive, they require larger contiguous habitats with lower negative human impacts than do more resilient species (Winterbach *et al.* 2012, p. 5). As human populations continue to rise in sub-Saharan Africa, the amount of land required to meet the needs of those populations is constantly increasing (Brink *et al.* 2014, entire; Brink and Eva 2009, entire; Eva *et al.* 2006, p. 4), a problem accentuated by slow rates of technological progress in food production and land degradation from both overuse and natural causes (United Nations Environment Programme (UNEP) 2012a, p. 3; Chardonnet *et al.* 2010a p. 19; International Assessment of Agricultural Knowledge, Science and Technology for Development (IAASTD) 2009, pp. 3–4, 8; United Nations Economic Commission for Africa 2008, pp. 3–5). The result of this process is accelerated transformation of natural landscapes at the expense of wilderness that sustains species such as lions and their prey (Chardonnet *et al.* 2010a p. 19). From 1970 to 2000, the human population in sub-Saharan Africa increased by 126 percent (from 282 million to 639 million) (United Nations (UN) 2013, p. 9), while at about the same time (1975 to 2000), there was a 57 percent increase in agriculture area (from just over 200 million ha to almost 340 million ha) and 21 percent decrease in natural vegetation in the region (Brink and Eva 2009, p. 507). In 2009, approximately 1.2 billion ha, or 40 percent, of Africa's land area was in permanent pasture or crops, with the vast majority (31 percent) in pasture (UNEP 2012b, p. 68).

Growing human populations have been associated with declines in large carnivore populations all over the world, and high human density is strongly associated with local extirpation of large carnivores (Linnell *et al.* 2001, Woodroffe 2001, in Woodroffe and Frank 2005, p. 91; Woodroffe 2000, entire). Chardonnet *et al.* (2002, p. 103) indicate that the distribution maps of lion subpopulations tend to confirm a direct inverse correlation of lion density and numbers with human activity and presence. Further, Packer *et al.* (2013, entire) found that lions in unfenced reserves are highly sensitive to human population densities in surrounding communities.

Based on a comparison of land-use and human population data, Riggio *et al.* (2013, p. 23) determined that a density of 25 or more people per km² served as a proxy for the extent of land-use conversion that would render habitat unsuitable for lions. Woodroffe (2000, p. 167) analyzed the impact of people on predators by relating local carnivore extinctions to past and projected human population densities and estimated 26 people per km² as the mean human density at which lions went locally or regionally extinct. Riggio *et al.* (2013, p. 29) estimate that there were originally approximately 13.5 million km² of savannah habitat in Africa. In 1960, 11.9 million km² of these habitats had fewer than 25 people per km², and in 2000 this number decreased to 9.7 million km². Based on analysis of land-use conversion using satellite imagery and human population densities, Riggio *et al.* (2013, p. 29) found current savannah habitat that is suitable for lions to be fragmented and to total about 3.4 million km² (or 25 percent of African savannah habitat). These data suggest a substantial decrease in lion habitat over the past 50 years.

Projections of future human population growth, area of conversion to agriculture, and livestock numbers in Africa suggest suitable lion habitat will continue to decrease into the foreseeable future. Africa has the fastest population growth rate in the world (UNEP 2012a, p. 2). Future population growth in sub-Saharan Africa is projected to be large and rapid (UN 2013, p. 9). Although urbanization is increasing in sub-Saharan Africa (UN 2014, p. 20), the majority of the population is rural, and about 60–70 percent of the population relies on agriculture and livestock for their livelihood (UNEP 2006, pp. 82, 100, 106; IAASTD 2009, p. 2). Much of the agriculture and livestock-raising is at subsistence level (IAASTD 2009, pp. 8, 28). As a result, a large portion of the growing population will depend directly on expansion of agriculture and livestock grazing to survive. Between 2010 and 2050 the population of sub-Saharan Africa is projected to more than double to more than 2 billion (from 831 million to 2.1 billion) (UN 2013, p. 9). During about this same time period (2005 to 2050), Alexandratos and Bruinsma (2012, p. 107) project the area of cultivated land to increase by 51 million ha (approximately 21 percent). However, this figure does not include range land, and the majority of agricultural land in Africa is devoted to grazing (UNEP 2012b, p. 68). The number of livestock (cattle, sheep, and goats) in sub-Saharan Africa is projected to increase about 73 percent, from 688 million to 1.2 billion, by 2050 (Alexandratos and Bruinsma 2012, p. 133).

Expansion of human settlements, agriculture, and/or livestock grazing are reported as occurring in or on the periphery of several of the areas identified by Riggio *et al.* (2013, suppl. 1) as lion strongholds (viable populations) and potential strongholds (IUCN 2006a, p. 16; IUCN 2006b, pp. 20–22), and are particularly a threat in western, central, and eastern Africa and

some parts of southern Africa. There are only two potential strongholds in western and central Africa (one in each region). Expansion of agriculture and livestock grazing are reported in or around both (Heschel *et al.* 2014, pp. 5–6; Houessou *et al.* 2013, entire; Chardonnet *et al.* 2010, pp. 24–26; IUCN 2008, pp. 8, 28–29), and management of protected areas in portions of both is reported as weak (Heschel *et al.* 2014, pp. 5–6; IUCN 2008, p. 8). Eastern Africa contains over half of all the lions in Africa (Table 3). Seven of the seventeen African lion strongholds and potential strongholds identified by Riggio *et al.* occur in eastern Africa, and six of those seven (all four strongholds and two of three potential strongholds) are located in Tanzania and Kenya (Table 6).

Between 1990 and 2010, Kenya's human population grew from 23 million (40/km^2) to 41 million (70/km^2), whereas Tanzania's grew from 25 million (27/km^2) to 45 million (48/km^2) (UN 2013, pp. 421, 798). Not unexpectedly, sources indicate that expansion of agriculture and livestock grazing is occurring in these countries (Brink *et al.* 2014, entire; UNEP 2009, p. 91; Mesochina *et al.* 2010, p. 74), including in or around lion strongholds and potential strongholds (Ogutu *et al.* 2011, entire; Mesochina *et al.* 2010, pp. 71–74, 76; Packer *et al.* 2010, pp. 8–9; UNEP 2009, pp. 98–99; Newmark 2008, pp. 322–324; IUCN 2006b, pp. 20–22; Ogutu *et al.* 2005, entire). Mesochina *et al.* (2010, p. 74) state that widespread destruction of wildlife habitat and human encroachment in wildlife corridors are major threats to lion conservation in Tanzania and consider loss of suitable habitat as a top threat to lion survival in the country. In Kenya, the Kenya Wildlife Service (2009, p. 21) indicates that habitat loss due to land-use changes and human encroachment into previously wild areas is having a major impact on lion range size. By 2050 the UN projects the human population of Tanzania to almost triple its 2010 population, reaching a density of 137 people per km^2, whereas Kenya's population is projected to more than double, reaching a density of 167 people per km^2 (Table 7).

The human populations of most other current and recent lion range countries are also expected to have very high growth rates (Table 7). It is important to note that the country-wide human population densities provided here (and in Table 7) are not directly comparable to the density thresholds determined by Riggio *et al.* (discussed above) due to the differences in scale at which they were made. However, country-wide population densities relate the number of humans to land area and, consequently, are indicative of the level of pressure that will exist to convert land to uses that will meet the needs of the human population. This is particularly the case given that much of sub-Saharan Africa is rural and locals depend on agriculture for their livelihood.

In southern Africa, the extent of current habitat destruction and degradation appears to vary widely. For example, according to the Zambia Wildlife Authority (2009 pp. 4–5), unplanned human settlement and other land-use activities in game management areas are a major threat to the long-term survival of the lion in Zambia. They note that conversion of natural habitat in game management areas for cropping and grazing of livestock has led to habitat destruction and indicate that elimination of tsetse flies and subsequent increase in pastoralist activities in game management areas places the lion under renewed direct conflict with humans. On the other hand, according to Funston (2008, pp. 123–126), in several areas of southern Africa where lions were recently extirpated, lions are reestablishing as a result of, among other factors, adequate protection of habitat and prey. Human population growth, and resulting pressures exerted on habitat, are also expected to vary widely in the region. Population increases from 2010 to 2050 are projected to range from about 23 percent (South Africa) to well over 200 percent (Zambia), with 2050 densities in the region ranging from 5 people per km^2 (Botswana and Namibia) to 348 people per km^2 (Malawi) (Table 7).

Summary of Habitat Loss

In the past several decades the human population has been expanding with concomitant large decreases in lion habitat and lion populations, resulting in an extremely large reduction in the species' range. Habitat for African lion continues to be threatened with destruction, modification, and curtailment. Human populations are projected to increase dramatically in sub-Saharan Africa in coming decades. As human populations continue to rise in sub-Saharan Africa, the amount of land required to meet the expanding human population's needs is constantly increasing. In addition, as indicated above, lions are increasingly limited to protected areas, and human population growth rates around protected areas in Africa tend to be higher than the average rural growth rate (Wittemyer *et al.* 2008, entire). Considering the majority of the human population in sub-Saharan Africa is rural, and land supports the livelihood of most of the population, loss and degradation of lion habitat can be expected to accompany the rapid growth in sub-Saharan Africa's human population. Therefore, overall, because (1) lion prides have vast ranges and the subspecies requires large areas of suitable habitat to survive, (2) the subspecies' range has already declined dramatically and is increasingly limited to protected areas, and (3) habitat loss and degradation is occurring in or around several of the remaining lion strongholds (viable populations) and potential strongholds, we conclude based on the best available scientific and commercial information that the continued destruction, modification, and curtailment of lion habitat is likely to become a significant threat to the African lion throughout its range.

Human-Lion Conflict

Human-lion conflict and associated retaliatory killing of lions has played a major role in the reduction of lion populations (Lion Guardians 2013, p. 1; Lion Guardians 2011, p. 2; Hazzah and Dolrenry 2007, p. 21; Frank *et al.* 2006, p. 1; Patterson *et al.* 2004, p. 508) and is the greatest threat to remaining lion populations (Hazzah *et al.* 2009, p. 2,428; Moghari 2009, p. 31; Kissui 2008, p. 422; Frank *et al.* 2006, pp. 1, 3, 10; Ray *et al.* 2005 in Hazzah 2006, p. 2; IUCN 2006b, p. 18). Conflict between humans and wildlife has been linked to population declines, reduction in range, impacts to small population demographics, and even species extinctions (Dickman 2013, p. 377; Begg and Begg 2010, p. 2; Hazzah *et al.* 2009, p. 2,428; Moghari 2009, p. 36; Kissui 2008, p. 422; Hazzah 2006, pp. 15, 23, 25).

Human-wildlife conflict stems from human population growth and the resulting overlap of humans and wildlife habitat (Chardonnet *et al.* 2010, p. 6; Hazzah 2006, pp. 14, 15). Lion populations are increasingly restricted to protected areas, due to human expansion and associated expansion of livestock husbandry and agricultural activities. However, despite being within protected areas, lions continue to be impacted by people living on adjacent land. Villages are established on the borders of protected areas, cattle herders enter the protected areas, and lions move beyond the borders of protected areas in search of food, increasing interactions between humans and lions and the risk of human-lion conflict (Hazzah *et al.* 2013, p. 1; Republic of Namibia 2013, p. 13; Chardonnet *et al.* 2010, pp. 11–12;

Mesochina *et al.* 2010a, p. 39; Mesochina *et al.* 2010b, p. 33; Packer *et al.* 2010, pp. 2, 6; Gebresenbet *et al.* 2009, p. 9; Moghari 2009, pp. 1, 14, 25, 26, 78; Kissui 2008, p. 422; Hazzah 2006, p. 2). The most significant cause of human-lion conflict is livestock depredation. Poor husbandry practices and grazing of livestock within or adjacent to protected areas increase exposure of livestock to lions and increase livestock loss (Uganda Wildlife Authority 2010, p. 27; Woodroffe and Frank 2005 in Moghari 2009, p. 35; Hazzah and Dolrenry 2007, pp. 22–23). Although lions generally avoid people, they will occasionally prey on humans, causing serious injury or death (Dickman 2013, pp. 380, 384; Chardonnet *et al.* 2010, pp. 11, 12, 13; Moghari 2009, pp. 14, 49, 26, 88; Bauer *et al.* 2001 in Moghari 2009, pp. 31, 78, 84; Frank *et al.* 2006, p. 1; Hazzah 2006, pp. 14, 17; Patterson *et al.* 2004, p. 507). Attacks on humans appears to be more frequent in southern and eastern Africa (Chardonnet *et al.* 2010, pp. 12, 13; Mesochina *et al.* 2010a, pp. 29–30; Frank *et al.* 2006, pp. 1, 10). Lion attacks can have various impacts on those communities that coexist with conflict-causing animals, generating resentment towards them. When lions cause or are perceived to cause damage to livestock, property, or people, the response is generally to kill them (Dickman 2013, pp. 378–379; Moghari 2009, p. 25; Frank *et al.* 2006, p. 1).

Loss of Prey Base

The lion's prey base has decreased in many parts of its range for various reasons, but a large factor is due to competition for meat by humans. Humans in Africa rely on protein obtained from bushmeat, resulting in direct competition for prey between humans and lions, and commercial poaching of wildlife is becoming a significant threat to many species, including those that lions rely upon for food. Historically, subsistence hunting with spears was traditionally used to hunt wildlife, which had minimal impact to wildlife populations. Spears have since been replaced by automatic weaponry (Chardonnet *et al.* 2010, p. 27), allowing for poaching of large numbers of animals for the bushmeat trade.

The human population in a majority of African countries within the range of the lion has quadrupled since the 1960s (Riggio *et al.* 2013, p. 29; IUCN 2009, p. 15), increasing the demand for bushmeat. Bushmeat comprises between 6 percent (southern Africa) and 55 percent (Central African Republic) of a human's diet within the African lion's range (Chardonnet *et al.* 2005, p. 9; IUCN 2006b, p. 19). In addition, the sale of bushmeat is an important livelihood in Africa, (Chardonnet *et al.* 2010, p. 27; Mesochina *et al.* 2010a, p. 38; Abwe and Morgan 2008, p. 26; Bennett *et al.* 2007, p. 885; Fa *et al.* 2006, p. 507). This growing demand and widely available modern weapons has led to increased poaching of native wildlife (Chardonnet *et al.* 2010, pp. 13–14, 27; Packer *et al.* 2010, p. 8). Because many wildlife species are being hunted at unsustainable levels to meet this demand within the range of the lion, its prey base is becoming depleted in many areas, which has led lions to seek out livestock (and in some cases, humans) for food (Hoppe-Dominik *et al.* 2011, p. 452; Chardonnet *et al.* 2010, pp. 6, 13–14; Frank *et al.* 2006, p. 12).

Further, the demand for agriculture to meet the increasing needs of a growing population has been met by intensified agricultural and livestock practices (Chardonnet *et al.* 2010, p. 19). As natural habitats are converted to agricultural or pastoral land, it removes the food and cover needed by wildlife, and the lion's natural prey base is reduced, causing them to prey on domestic livestock (Chardonnet *et al.* 2010, p. 27; Gebresenbet *et al.* 2009, p. 9).

In Tanzania, which is home to more than 40 percent of the African lion population, conversion of rangeland to agricultural use has blocked several migratory routes for wildebeest and zebra populations, both lion prey species, which likely forces lions to rely more on livestock (Packer *et al.* 2010, p. 9). Conditions worsen as livestock numbers and area under cultivation increase, leading to overgrazing, further habitat destruction, and greater depredation rates by lions (Gebresenbet *et al.* 2009, p. 9; Hazzah 2006, p. 61; Frank *et al.* 2005, Ntiati 2002, Mishra 1997, Meriggi and Lovari 1996, Rao 1996, Mech *et al.* 1988 in Hazzah 2006, p. 18). Additionally, the use of fences to subdivide group ranches interferes with traditional wet and dry season grazing schedules for livestock and wildlife (Hazzah 2006, pp. 58–59). Restricting wildlife movement reduces wild prey and, when combined with an increase in livestock numbers, increases the rate of human-lion conflict (Hazzah 2006, pp. 59, 61). Although well-built bomas can effectively constrain cattle and keep predators out (Frank et al. 2006, p. 8), they are traditionally built to keep livestock confined, but do not offer effective protection from predators (Moghari 2009, p. 35). In the absence of reliable methods for protecting livestock, some amount of depredation can be expected, and some lions can become habitual livestock killers (Frank *et al.* 2006, p. 9).

Studies have shown variation in rates of livestock depredation with regional rainfall that correlate with prey availability, including changes in herding strategies, movement of prey, and movement of lions (Lion Guardians 2011, p. 6; Moghari 2009, p. 32; Hazzah 2006, pp. 17, 18; Patterson *et al.* 2004, p. 514). For example, in some parts of Zimbabwe, Kenya, and Tanzania, livestock losses occur during the dry season. During this time, herders travel further for forage and water, they use temporary bomas (a livestock enclosure) that are typically weak, they are unfamiliar with carnivore movements in these new areas, and livestock are weak due to disease, which makes them more vulnerable to predator attacks by lions (Hazzah 2006, p. 17). Additionally, herders are dependent on resources within protected areas, and livestock may be left to wander for days or weeks during a prolonged drought to find forage, increasing opportunities for attacks on livestock by lions (Chardonnet *et al.* 2010, p. 24; Frank *et al.* 2006, p. 6). In other parts of Kenya, the Maasai Steppe region of Tanzania, and Queen Elizabeth National Park, Uganda, livestock losses were greater during or following the rainy season (Moghari 2009, p. 88; Kissui 2008, pp. 427, 428; Frank *et al.* 2006, p. 6; Patterson *et al.* 2004, pp. 510, 514). Weakened prey and readily available carcasses provide easy meals during times of drought, leading to fewer livestock attacks. However, when rains return, the abundant grass makes wild prey harder to catch and lions may turn to livestock. Migratory prey species, such as zebra and wildebeest, will move to other areas for forage and replenished water sources, leaving lions to turn to livestock as an alternate food source. Migratory prey may also move outside of protected areas. Opportunities for livestock predation on communal land increase when lions follow (Packer *et al.* 2010, p. 9; Kissui 2008, p. 427; Patterson *et al.* 2004, p. 514; Frank *et al.* 2006, p. 6). Similarly, environmental factors such as vegetative cover, habitat, climate, seasonality, and prey availability may affect the rate of attacks on humans. A certain amount of vegetative cover is crucial for hunting success; however, in some cases, the vegetative cover may make it more difficult to catch prey, leading to more attacks on humans. Additionally, dense cover near settlements allows lions to hide or stalk humans at a close distance

(Mesochina *et al.* 2010a, p. 39; Moghari 2009, p. 85; Frank *et al.* 2006, p. 12).

Attacks on Livestock

Traditional livestock husbandry practices are effective at reducing depredation of livestock by lions (Chardonnet *et al.* 2010, p. 35; Moghari 2009, p. 35; Frank *et al.* 2006, p. 2; Hazzah 2006, p. 22). These practices include livestock being closely herded by men and dogs during the day and being brought into bomas at night with people living in huts around them (Frank *et al.* 2006, p. 4). However, these traditional practices are being replaced by less diligent husbandry practices, which are increasing conflict (Woodroffe and Frank 2005 in Moghari 2009, p. 35; Frank *et al.* 2006, pp. 2, 10; Hazzah and Dolrenry 2007, p. 23). In Botswana, livestock are often left to wander outside bomas at night (Frank *et al.* 2006, p. 5). In Kenya and Tanzania, social changes are altering traditional Maasai pastoral livelihoods, reducing dependency on livestock, and reducing traditional livestock care and management, leaving livestock more vulnerable to predation (Chardonnet *et al.* 2010, p. 35; Hazzah and Dolrenry 2007, pp. 22–23). Young Maasai boys traditionally guarded herds at night; however, increased access to schools has left herds unattended to wander into predator areas at night (Chardonnet *et al.* 2010, p. 35).

Attacks on Humans

Provoked attacks on humans are usually associated with someone approaching a lion too closely or trying to injure or kill it and stealing a lion's prey for bushmeat (Chardonnet *et al.* 2010, p. 14; Uganda Wildlife Authority 2010, p. 27). Unprovoked attacks are usually associated with old, sick, or injured lions that turn to humans as easy prey. Additionally, there are risks of unprovoked attacks associated with certain human activities. These activities include walking alone at night, sleeping outside, and surprising a lion, particularly if it has cubs (Begg and Begg 2010, pp. 3, 21; Chardonnet *et al.* 2010, pp. 14, 15; Mesochina *et al.* 2010a, pp. 38, 39; Mesochina *et al.* 2010b, p. 32; Uganda Wildlife Authority 2010, p. 27; Moghari 2009, p. 85; Frank *et al.* 2006, pp. 11, 12). Inebriated people may walk in an altered manner that resembles sick or injured prey, attracting the attention of lions (Moghari 2009, p. 85). The most common context for attacks on humans occurs during harvest, due to prey dispersal during the wet season, bush pig attraction to crops, and because humans are particularly vulnerable in makeshift tents while protecting crops (Frank *et al.* 2006, p. 12).

Retaliatory Killing of Lions

Competition with humans, habitat changes, and regional climate variations can decrease availability of prey and increase human-lion conflict. When native prey are unavailable or difficult to find and kill, lions will target domestic livestock or humans (Chardonnet *et al.* 2010, p. 27; Moghari 2009, pp. 78, 83; Hazzah 2006, pp. 17–18; Patterson *et al.* 2004, pp. 507, 514). Lion attacks occur at the highest frequency in areas where natural prey abundance is lowest (Packer *et al.* 2010, p. 9; Frank *et al.* 2006, pp. 9, 12; Patterson *et al.* 2004, p. 507). Livestock provide an economic value to humans, particularly those in extreme poverty who rely solely on livestock for their protein source and livelihood. When lions have no economic value to local communities, and they kill or are perceived to kill livestock that do have an economic value to people, they are subject to retaliatory killing. This greatly impacts already-dwindling lion populations (Chardonnet *et al.* 2010, pp. 12–14; Mesochina *et al.* 2010a, p. 38; Mesochina *et al.* 2010b, p. 32; Gebresenbet *et al.* 2009, p. 9; Moghari 2009, pp. 4, 25, 49; Kissui 2008, pp. 423, 429; Hazzah 2006, p. 24; IUCN 2006a, pp. 23, 24; IUCN 2006b. pp. 18–19; Frank *et al.* 2006, p. 3). The availability of guns and poison makes killing suspected predators cheaper and easier than other control methods, such as reinforcing bomas (Hazzah *et al.* 2009, p. 2,429; Moghari 2009, p. 35; Frank *et al.* 2006, p. 14; Hazzah 2006, p. 3). Spearing, shooting, trapping, and poisoning of lions, as either a preventive measure or in retaliation for livestock and human attacks, occurs regularly (Government of Namibia 2013, pp. 12, 13–14; Begg and Begg 2010, p. 15; Chardonnet *et al.* 2010, pp. 41–42; Packer *et al.* 2010, pp. 9–10; Uganda Wildlife Authority 2010, pp. 13, 42; Gebrensenbet *et al.* 2009, p. 7; Hazzah *et al.* 2009, p. 2,429; Moghari 2009, pp. 52, 89, 91; Ikanda 2008, pp. 5–6; Hazzah and Dolrenry 2007, p. 21; Frank *et al.* 2006, pp. 2–4, 7; Hazzah 2006, p. 52; IUCN 2006b, p. 15). Studies have shown that lion populations are declining in areas where pastoralism persists (Hazzah *et al.* 2009, p. 2,428). Within protected areas, human-wildlife conflict is likely under-reported because cattle herders are within the protected areas illegally and, therefore, unlikely to report it (Chardonnet *et al.* 2010, p. 14; Mesochina *et al.* 2010b, p. 34). For example, Etosha National Park and Caprivi Game Park have the highest rates of lions killed per 100 km^2, yet it may be that just under half of the lions that are killed are reported (Republic of Namibia 2013, p. 14). Although most of the information on human-lion conflict comes from just a few areas of the lion's range (e.g., Kenya, Tanzania, and Uganda), it is reasonable to conclude that lions are being killed due to conflict in all major range countries, due to their depredation on livestock (Frank *et al.* 2006, p. 4).

In areas of high conflict, identifying the responsible animal is often difficult, and a token animal may be killed instead (Hazzah 2006, p. 25), leaving the problem lion to continue to attack and the potential for additional retaliatory killings. In Tanzania, game officers kill numerous lions each year in retaliation for attacks (Frank *et al.* 2006, p. 12). Whereas shooting or spearing target specific problem animals, poisoning is indiscriminate and is known to remove entire prides at once (Frank *et al.* 2006, pp. 2, 10, Living with Lions no date, unpaginated). In the absence of reliable methods for protecting livestock, rural people often turn to indiscriminant methods, like poisoning, to control livestock depredation. Poisoning is an easy method for lethal control since it is readily available, and reinforcing bomas or more carefully tending livestock requires time and effort. The use of Furadan, a widely available and cheap agricultural pesticide, is particularly lethal to wildlife and is increasingly being used to kill predators in small pastoralist areas of Kenya and Tanzania. Livestock carcasses are doused with the poison, killing predators and scavengers that feed on them (Frank *et al.* 2006, pp. 2, 10, Living with Lions no date, unpaginated). Poisoning of bush pig carcasses to kill lions is not uncommon after attacks on humans. These practices have serious negative impacts on lion populations (Frank *et al.* 2006, p. 9).

Factors That Drive Retaliation

Several anthropogenic factors drive the level of resentment towards lions and the extent of retaliatory killing (Dickman 2013, pp. 379, 385), including the extent of the loss caused by the lions, and the wealth and security of the people affected (Dickman 2013, p. 381; Mesochina *et al.* 2010b, p. 54; Moghari 2009, pp. 14, 25; Hazzah 2006, p. 81). Depending on alternative assets or incomes, the economic impact of lions killing livestock can be significant. Domestic livestock can provide manure, milk, and meat, and are the basis of many family incomes, savings, and social standing; losses can amount to a large proportion of a subsistence

herder's annual income. These losses are generally uncompensated, reinforcing negative community attitudes toward lions and causing retaliation (Dickman 2013, pp. 380, 381; Chardonnet *et al.* 2010, pp. 11, 12, 18, 29; Hazzah *et al.* 2009, p. 2,428; Moghari 2009, pp. 14, 25, 27, 36; Kissui 2008, pp. 422–423). Furthermore, a common perception among local communities is that lions are conserved at the cost of community safety and uncompensated financial losses. When the people who suffer significant costs from wildlife feel that the wildlife's needs are being put before their own needs, their frustration can lead to retaliatory killings (Dickman 2013, p. 382). This situation further contributes to negative attitudes toward lion conservation programs (Moghari 2009, p. 37).

Lions are particularly vulnerable to retributive killing because they are often driven by a perceived level of lion predation on livestock rather than actual levels of conflict. In some locations, other predators (e.g., baboons (*Papio ursinus*), spotted hyenas (*Crocuta crocuta*), and leopards (*Panthera pardus*)) as well as disease are responsible for the majority of livestock losses and human casualties, yet it is lions that are sought and killed more often. Negative perceptions of lions may be based on an over-estimated number of lions in a community or protected area and an over-estimated number of human-lion conflicts (Dickman 2013, p. 380; Begg and Begg 2010, p. 20; Chardonnet *et al.* 2010, pp. 12, 21–22; Hazzah *et al.* 2009, p. 2,436; Maclennan *et al.* 2009 in Hazzah *et al.* 2009, p. 2,429; Moghari 2009, pp. 77–78, 107, 150; Holmern *et al.* 2007 in Moghari 2009, p. 34; Butler 2001 in Moghari 2009, p. 34; Kissui 2008, pp. 426, 428, 429; Hazzah 2006, pp. 18–19, 83–85, 96, 98, 107, 111; Patterson *et al.* 2004, pp. 514, 515). One cause for the disproportionate blame put on lions is that the lion is a highly visible species. It is a large-bodied species that lives in groups and has cultural significance. Because of its physical presence, there is often a ''hyper-awareness'' of the potential risk for lion attacks and lions may be blamed simply because they have been seen in an area (Dickman 2013, pp. 380–381).

Cultural beliefs and traditions can have a negative impact on lions. Because cattle are of great cultural significance to Maasai, their loss can impose social or cultural costs and incite greater resentment and higher levels of retributive killing (Dickman 2013, p. 384; Kissui 2008, p. 429; Hazzah 2006, p. 99). In some areas of Africa, locals believe in ''spirit lions'', a lion whose body is overtaken by evil to kill rivals or their livestock (West 2001 in Dickman 2013, pp. 381–382). Because people believe spirit lions are created by their enemies, the number of perceived spirit lions, and killing of these lions, increases during times of social tension (Dickman 2013, p. 382. The prohibition of ritual lion hunts provides a greater incentive for participating in retaliatory hunts (Packer *et al.* 2010, p. 10; Moghari 2009, pp. 13–14, 28; Ikanda 2008, pp. 5, 6; Kissui 2008, p. 423; Frank *et al.* 2006, p. 10; Hazzah 2006, p. 99).

Social tensions within tribes and between local communities and other communities, the government, park officials, or tourists can lead to conflict and retributive killing of lions (Dickman 2013, p. 382; Hazzah 2006, p. 75). Locals often report that wildlife authorities do not react effectively when chronic livestock raiders are reported (Frank *et al.* 2006, p. 9). Significant numbers of lions have been killed when promised benefits were not received or adequate compensation was not provided for livestock and human losses (Dickman 2013, p. 383; Hazzah 2006, p. 45).

Summary of Human-Lion Conflict

Human-lion conflict and associated retaliatory killing of lions has played a major role in the reduction of lion populations and is the greatest threat to remaining lion populations. The most significant cause of human-lion conflict is livestock depredation and, to a lesser extent, attacks on humans. Expansion of human settlements and agricultural and pastoral activities into lion habitat, and even into protected areas, decreases prey availability and increases exposure of livestock and humans to lions.

The most common solution to lion attacks is retaliatory killing. Spearing, shooting, trapping, and poisoning of lions occur regularly. Although a majority of information on human-lion conflict comes from a few areas of the lion's range, we can reasonably conclude that lions are being killed due to conflict in all major range countries, because of their depredation on livestock (Frank *et al.* 2006, p. 4).

Impacts on victims of lion attacks create resentment towards lions and lion conservation, and a greater likelihood of retaliation. Even when lions are not the predators responsible for the majority of attacks, lions incite a greater response and are killed more often than other predators of livestock.

In areas of high human density and low lion density, mainly in smaller reserves and outside large protected areas, lion populations may not be sustainable. Attacks on humans can impact long-term viability for lions as people who fear for their lives or safety are unlikely to support conservation actions and are more likely to retaliate by killing any lions found near settlements (Frank *et al.* 2006, p. 12). Every year, human-lion conflicts intensify due to habitat loss, poor livestock management, and decreased availability of wild prey, further increasing the likelihood that the subspecies will be at risk of extinction within the foreseeable future (Lion Guardians 2013, p. 1).

Human population growth within the lion's range is projected to be 2.1 billion by 2050 (UN 2012, p. 2). The number of livestock within the lion's range is projected to increase by about 73 percent by 2050 (Food and Agriculture Organization of the United Nations 2012, p. 133). Given this expected increase in humans and livestock by 2050, we conclude the conditions described above will continue to worsen to the point that African lions will likely be at risk of extinction within the foreseeable future. As livestock numbers increase, expansion of agricultural and pastoral practices continue, and the lion's prey base is hunted at unsustainable levels to meet a growing demand for food, livestock depredation and retributive killing of lions will likely increase (Dickman 2013, p. 379; Hoppe-Dominik *et al.* 2011, p. 452; Chardonnet *et al.* 2010, p. 19; Gebresenbet *et al.* 2009, p. 9; Hazzah and Dolrenry 2007, p. 3). Furthermore, as the need for grazing land becomes more critical, expansion of livestock numbers may be partially supported by the network of protected areas, seen by herders as unused pastures (Chardonnet *et al.* 2010, p. 25).

Retaliatory killing of lions continue in many areas and this practice impacts the viability of lion populations throughout its range. The killing of lions due to human-lion conflict is enough to result in the local extirpation of lion populations, though at present does not place the subspecies in danger of extinction. Human-lion conflict is exacerbated by an increasing human population, the expansion of human settlements, loss of prey base due to the bushmeat trade and expanding agriculture, as well as increasing pressures on natural resources to meet the needs of the growing human population. We expect retaliatory killings due to human-lion conflict to continue to increase into the foreseeable future. We conclude based on the best available scientific and commercial information that the continuation of this

activity is a significant threat to the African lion throughout its range.

Disease

Wild lions are known to be infected with various pathogens (Hunter *et al.* 2012, p. 2; Craft 2008, p. 6; Michel *et al.* 2006, p. 92; Hofmann-Lehmann *et al.* 1996, pp. 559–561). The human population within the range of the lion is expanding into lion habitat, increasing the exposure of lions to diseases from domestic animals (IUCN 2006b, p. 26). Because lions are a top predator, they are at a particularly high risk of exposure to pathogens (Keet *et al.* 2009, p. 11). Some pathogens are endemic, meaning they are constantly present, but often do not cause disease. Others are epidemic and cause a sudden severe outbreak with the potential to cause high mortality (Craft 2008, pp. 5, 6). Although lions are known to be infected with certain pathogens, information on the extent of the subspecies' infections and impacts of these diseases on lion populations is limited, because few long-term studies have been conducted; for example, those lion populations found in Serengeti National Park, Ngorongoro Crater, and Kruger National Park.

Feline calicivirus, feline herpesvirus, feline parvovirus, feline coronavirus, and feline leukemia virus are endemic viruses known to occur in lions of Serengeti National Park, Ngorongoro Crater, Lake Manyara National Park, Kruger National Park, and Etosha National Park (but not all viruses are known in all parks). However, these diseases are not known to affect lion survival (Hunter *et al.* 2012, p. 2; Craft 2008, p. 6; Hofmann-Lehmann 1996, pp. 559, 561).

Lions within Kruger National Park and Hluhluwe-iMfolozi Park, South Africa, and Serengeti National Park, Tanzania, are known to be infected with *Mycobacterium bovis,* a pathogen that causes bovine tuberculosis (bTB). This pathogen is not endemic to African wildlife and was likely introduced from cattle imported from Europe. *M. bovis* is transmitted to ungulates, such as African buffalo (*Syncerus caffer*) and wildebeest (*Connochaetes taurinus*) from domestic cattle located on the periphery of the parks (Maas *et al.* 2012, p. 4,206; Keet *et al.* 2009, pp. 4, 11; Renwick *et al.* 2007, p. 532; Michel *et al.* 2006, pp. 92, 93; Cleaveland *et al.* 2005, pp. 446, 449, 450). Spillover of the disease from buffalo to other lion prey species, such as kudu (*Tragelaphus strepsiceros*) and warthog (*Phacochoerus africanus*), have also been documented (Keet *et al.* 2009, pp. 4, 11; Renwick *et al.* 2007, p. 535; Cleaveland *et al.* 2005, p. 450). Because the lion's primary prey are infected with bTB, they are frequently exposed to large amounts of infected tissue and are at risk of infection (Keet *et al.* 2009, pp. 4, 6; Renwick *et al.* 2007, pp. 532, 536; Michel *et al.* 2006, p. 93; Cleaveland *et al.* 2005, pp. 450, 451). Furthermore, predators prey on weak animals and scavenge on carcasses, increasing their likelihood of being exposed to *M. bovis* (Renwick *et al.* 2007, p. 536; Michel *et al.* 2006, p. 93). Transmission may also occur among lions via scratching and biting (Keet *et al.* 2009, p. 7; Renwick *et al.* 2007, pp. 532–533). *M. bovis* is a pathogen that causes the infected animal to remain infectious and, therefore, a source of infection, until it dies (Renwick *et al.* 2007, p. 531).

The social behavior of buffalo and lions allows *M. bovis* to spread to larger areas and facilitates the transmission within and between prides. Drought conditions may also encourage the spread of this pathogen as herds must move into new areas in search of forage, potentially putting them in contact with new, uninfected herds (Keet *et al.* 2009, pp. 4, 6; Renwick *et al.* 2007, p. 533; Michel *et al.* 2006, p. 93). In Kruger National Park, bTB was introduced in the southeastern corner of the park between 1950 and 1960. It gradually made a northern progress and reached the park's northern boundary in 2006. In 2009, the disease was found in buffalo across the river boundary in Zimbabwe (Keet *et al.* 2009, pp. 6, 11; Renwick *et al.* 2007, pp. 532, 533; Michel *et al.* 2006, pp. 92, 96, 98). In time it will likely spread to Mozambique (Keet *et al.* 2009, p. 6). In Serengeti National Park, infection may be widespread due to the large, migratory wildebeest population that ranges throughout the Serengeti ecosystem, including Maasai Mara National Reserve (Cleaveland *et al.* 2005, p. 450). Although an eradication program has been implemented for cattle in South Africa, once an infection is established in a free-ranging maintenance host, like buffalo, it is unlikely to be eradicated (Keet *et al.* 2009, p. 11; Renwick *et al.* 2007, pp. 537, 538; Michel *et al.* 2006, p. 96). In fact, modeling has predicted that prevalence could reach as high as 90 percent over the next 25 years, with similar consequences for predators (Renwick *et al.* 2007, p. 535).

Clinical signs of bTB in lions include: emaciation, respiratory complications, swollen lymph nodes, draining sinuses, ataxia, and lameness (Keet *et al.* 2009, p. 13; Renwick *et al.* 2007, pp. 533, 534; Cleaveland *et al.* 2005, p. 450), although some lions may be subclinically infected but remain asymptomatic until they experience another bTB infection, suffer from poor nutrition or advancing age, or become super-infected with other diseases that may exacerbate the infection (Renwick *et al.* 2007, p. 533). The impact of bTB on lions is largely unknown. Researchers suggest that bTB may lower breeding success, reduce resiliency, and may be a mortality factor based on data that indicate survival is shortened in infected lions, with death ranging between 2 and 5 years after infection (Maas *et al.* 2012, p. 4,212; Renwick *et al.* 2007, p. 536; Michel *et al.* 2006, p. 93; Cleaveland *et al.* 2005, pp. 450, 451). Thirty percent of the inbred populations in Hluhluwe-iMfolozi Park died due to a combination of bTB and malnutrition (Hunter *et al.* 2012, p. 3). A study from Kruger National Park indicated that bTB spreads quickly through lion populations; in an area with high herd prevalence of *M.* bovis, 90 percent of lions became infected (Cleaveland *et al.* 2005, p. 451). However, despite bTB infection and a high prevalence in prey species, the lion population in Kruger National Park has remained stable (Ferreira and Funston 2010, p. 201).

Epidemics of canine distemper virus (CDV) are known to have occurred in the Serengeti-Mara Ecosystem, an area that encompasses the Serengeti National Park, Ngorongoro Conservation Area, and Maasai Mara National Reserve (Craft 2008, pp. 13–14; Cleaveland *et al.* 2007, pp. 613, 616, 618). CDV is a common pathogen in the large population of domestic dogs around the Serengeti-Mara Ecosystem, which are believed to be the source of CDV (Cleaveland *et al.* 2007, pp. 613, 617). CDV is assumed to be transferred to lions by the sharing of food sources with spotted hyenas (*Crocuta crocuta*) or jackals (*Canis* spp.) that become infected by consuming the infected carcasses of domestic dogs (*Canis lupus familiaris*). Lions may also transmit CDV among themselves via sharing food, fights, and mating (Craft *et al.* 2009, pp. 1,778, 1,783; Craft 2008, pp. 13, 18, 71).

CDV generally lacks clinical signs or measurable mortality in lions, and most CDV events have been harmless. However, in 1994 and 2001, CDV epidemics in the Serengeti National Park/Maasai Mara National Reserve and Ngorongoro Crater, respectively, resulted in unusually high mortality rates (Hunter *et al.* 2012, p. 2; Craft 2008, p. 14; Munson *et al.* 2008, pp. 1, 2; Cleaveland *et al.* 2007, pp. 613, 618; Roelke-Parker *et al.* 1996, pp. 441, 443). These outbreaks coincided with climate extremes that resulted in a higher number of *Babesia,* a tick-borne

parasite, infections (Munson *et al.* 2008, pp. 2, 5). *Babesia* is common in lions, but typically at low levels with no measurable impacts on their health (Craft 2008, p. 14; Munson *et al.* 2008, p. 3). However, droughts in 1993 and 2000 in Serengeti National Park/Maasai Mara National Reserve and Ngorongoro Crater, respectively, led to large-scale starvation and widespread die-offs of buffalo. This situation combined with resumption of rains and fire suppression in Ngorongoro Crater favored propagation of ticks, vectors of *Babesia,* leading to unusually high tick burdens. The compromised health of buffalo allowed lions to feed on an inordinate number of tick-infested prey (Craft 2008, p. 14; Munson *et al.* 2008, pp. 2, 4, 5).

Exposure to either CDV or *Babesia* singly is not typically associated with a compromise in health or an increase in mortality (Craft 2008, p. 14; Munson *et al.* 2008, pp. 1, 2, 3). However, the *Babesia* infections were exacerbated by the immunosuppressive effects of CDV and led to the unusually high mortality rates (Craft 2008, p. 14; Munson *et al.* 2008, p. 5). The Serengeti National Park/Maasai Mara National Reserve lion population lost 30 percent of its population (approximately 1,000 lions), but has recovered to its pre-epidemic population levels (Craft 2008, pp. v, 14, 41; Munson *et al.* 2008, p. 1; Cleaveland *et al.* 2007, pp. 613, 617; Roelke-Parker *et al.* 1996, p. 444). Thirty-four percent of the Ngorongoro Crater lion population was killed, but frequent outbreaks of disease have prevented this population from recovering back to its carrying capacity (Craft 2008, p. 14; Munson *et al.* 2008, pp. 1, 2; Cleaveland *et al.* 2007, p. 617). The difference in recovery is likely due to the highly inbred nature of the Ngorongoro Crater lion population, compared to the Serengeti population, and its greater susceptibility to parasitic and viral infections (Hunter *et al.* 2012, p. 2; Munson *et al.* 2008, p. 5; Brown *et al.* 1994, pp. 5,953–5,954).

Feline immunodeficiency virus (FIV) is an endemic pathogen in many lion populations of southern and eastern Africa (Maas *et al.* 2012, p. 4,206; Adams *et al.* 2011, p. 173; Pecon-Slattery *et al.* 2008, p. 2; Hofmann-Lehmann *et al.* 1996, pp. 555, 558; Brown *et al.* 1994, p. 5,966). FIV is believed to have been present in lions since the late Pliocene (O'Brien *et al.* 2012, p. 243; Troyer *et al.* 2011, p. 2; Roelke *et al.* 2009, p. 3; Pecon-Slattery *et al.* 2008, p. 8). There are 6 subtypes of FIV, A through F, each with a distinct geographic area of endemnicity (Adams *et al.* 2011, p. 174; Troyer *et al.* 2011, p. 2; Roelke *et al.* 2009, p. 3; Pecon-Slattery *et al.* 2008, p. 4; O'Brien *et al.* 2006, p. 262). The social nature of lions allows for viral transmission within and between prides through saliva when biting (Maas *et al.* 2012, p. 4210; Pecon-Slattery *et al.* 2008, p. 5; Brown *et al.* 1994, p. 5,953). Prevalence of FIV in infected lion populations is high, often approaching 100 percent of adults (O'Brien *et al.* 2012, p. 243; Troyer *et al.* 2011, p. 2; Roelke *et al.* 2009, p. 3; O'Brien *et al.* 2006, p. 262; Hofmann-Lehmann *et al.* 1996, p. 559).

FIV causes immune deficiencies that allow for opportunistic infections in the host (Brown *et al.* 1994, p. 5,953). Chronic effects of FIV are important to long-term survival and differ according to subtype (Troyer *et al.* 2011, p. 6). Studies have indicated that lions may exhibit signs of opportunistic infection associated with AIDS, such as swollen lymph nodes, gingivitis, tongue papillomas, dehydration, poor coat condition, and abnormal red blood cell parameters, and in some cases death (Troyer *et al.* 2011, p. 2; Roelke *et al.* 2009, pp. 2, 3–6). Lions in Botswana and Tanzania have demonstrated multiple clinical features of chronic immune depletion similar to HIV and domestic cat AIDS (Troyer *et al.* 2011, pp. 2–3). However, there is no evidence that it poses a threat to wild populations (Frank *et al.* 2006, p. 1); FIV does not appear to be impacting lions in Kruger National Park (Maas *et al.* 2012, p. 4,212), and no evidence of AIDS-like illnesses or decreased lifespan has been found in FIV lion populations in the Serengeti (O'Brien *et al.* 2006, p. 263).

Infection with a single disease does not appear to have detrimental impacts on lions, although general body condition, health, and lifespan may be compromised. Co-infections, however, could have synergistic effects that lead to greater impacts on lions than a single infection. Lions impacted by the 1994 CDV outbreak in Serengeti National Park/Maasai Mara National Reserve may have been more susceptible to CDV due to depleted immunity caused by FIV (O'Brien *et al.* 2006, p. 263). Troyer *et al.* (2011, pp. 5–6) found that survival during the CDV/*Babesia* outbreak in Serengeti National Park/Maasai Mara National Reserve was significantly less for lions infected with FIV A and/or C than FIV B. This finding suggests that FIV A and C may predispose carriers to CDV pathogenesis and may increase the risk of mortality (O'Brien *et al.* 2012, p. 243). Additionally, certain environmental conditions may exacerbate the effects of an otherwise innocuous infection. For example, as discussed above, CDV and *Babesia* infections generally have no measurable impacts on lion health, but climatic conditions increased exposure of lions to *Babesia* infections, which were exacerbated by the immunosuppressive effects of CDV and led to unusually high mortality rates. Furthermore, species with reduced genetic variation may be less able to mount an effective immune response against an emerging pathogen (O'Brien *et al.* 2006, p. 255). Some lions infected with bTB may remain asymptomatic until conditions change and they suffer from poor nutrition due to low prey density, advancing age, or become super-infected with other diseases that may exacerbate the infection (Renwick *et al.* 2007, p. 533). Impacts of coinfections of FIV with FCV, FPV, FHV, and FCoV on individual lions are negligible and do not endanger the lion population, at least in the absence of other aggravating cofactors (Hofmann-Lehmann *et al.* 1996, p. 561). Pathogen–pathogen interactions may become more important when lions are under additional stress (e.g., increased parasite load or low prey density) (Maas *et al.* 2012, p. 4,212).

Although disease is known in several populations, the impacts are known in only a couple of populations where disease has been frequently studied. Disease can be a factor in the decline of lions when combined with other factors, including environmental changes, reduced prey density, and inbreeding depression. However, this type of impact has been observed in some small populations that are at a higher risk, but has not been observed at the species population level. Therefore, we conclude, based on the best scientific and commercial information available, that disease is not a significant threat to the species.

Deleterious Effects Due to Small Population Sizes

The risk of extinction is related to the moment when a declining population becomes a small population and is often estimated using minimum viable population (MVP) sizes (Traill *et al.* 2010, p. 28). The viability of a lion population is complex, but it partly depends on the number of prides and ability of males to disperse and interact with other prides, which affects exchange of genetic material (Bjorklund 2003, p. 518). Without genetic exchange, or variation, individual fitness is reduced and species are less able to adapt to environmental changes and stress, increasing the risk of extinction (Bijlsma and Loeschcke 2012, pp. 117, 119; Segelbacher *et al.* 2010, p. 2; Traill *et al.* 2010, p. 31; Bjorklund 2003, p. 515).

Some scientists believe that the minimum viable population size (MVP) to maintain genetic viability is between 500 and 5,000 individuals, although this estimate is not specific to lion (Bijlsma and Loeschcke 2012, p. 122; Traill *et al.* 2010, p. 30; Willi *et al.* 2006, p. 449). The MVP for the African lion has not been formally established and agreed upon by species experts (Riggio *et al.* 2011, p. 5; CITES 2004, p. 2; Bjorkland 2003, p. 521); however, it has been suggested that, to conserve genetic diversity populations of 50 to 100 prides (250 to 500 individuals), with no limits to dispersal, are necessary because inbreeding increases significantly when populations fall below 10 prides. If there are less than 10 prides, inbreeding will increase from an F-value of 0.0 in the initial state to an F-value 0.26–0.45 after 30 generations, while if the number of prides is 100 this F-value is only around 0.05 assuming no migration into the population (Bjorkland 2003, p. 515). F is the probability that the two alleles of a gene in an individual are identical by descent. Therefore, the Service considers the MVP to be 50 prides. Because the number of prides and male dispersal are the most important factors for maintaining viability, sufficient areas are needed to support 50 or more prides and allow unrestricted male dispersal. Unfortunately, few lion populations meet these criteria, and few protected areas are large enough to support viable populations (Bauer *et al.* 2008, unpaginated; Riggio 2011, p. 5; Hazzah 2006, p. 2; Bauer and Van Der Merwe 2004, pp. 28–30; Bjorklund 2003, p. 521). Even within large areas, inbreeding will increase if dispersal is limited, (Bjorklund 2003, pp. 521–522). More than 6,000 lions are in populations where their probability of survival is likely to be at risk of extinction within the foreseeable future (Riggio *et al.* 2013, p. 33). Furthermore, research indicates that there is a general lack of gene flow in most lion conservation units (Dubach *et al.* 2013, pp. 749, 750; Bertola *et al.* 2011, p. 1364; Chardonnet *et al.* 2009, p. 54). Small populations (e.g. fewer than 50 lions) can persist in the wild for some time; however, the lack of dispersal and genetic variation can negatively impact the reproductive fitness of lions in these populations and local extirpation is likely (Traill *et al.* 2010, p. 30; O'Brien 1994, p. 5,748).

Increasing human population growth between now and 2050 will continue to decrease and fragment large areas of habitat needed to support viable lion populations and disrupt dispersal routes for genetic exchange. Additionally, as the human population grows and lion populations decline, as discussed above, more lion populations could reach levels below the suggested minimum of 10 prides to maintain genetic diversity, putting more populations at risk of inbreeding and extirpation. Therefore, we conclude, based on the best scientific and commercial information available, that small population sizes currently pose a threat to the species.

Trophy Hunting

Trophy hunting (also known as sport hunting) has been identified by the petitioners as one of the factors contributing to the decline of African lions (Petition 2011, p. 24). Lions are a key species in sport hunting as they are considered one of the ''big five'' (lion, leopard, elephant, rhino, and cape buffalo), touted to be the most challenging species to hunt, due to their nimbleness, speed, and behavioral unpredictability (Lindsey *et al.* 2012a, p. 2). However, with the documented decline in lion population numbers throughout Africa, the sport hunting of lions for trophies has become a highly complex issue that has raised considerable controversy among stakeholders.

Range Countries

As of May 2014, approximately 18 countries in Africa permit lions to be hunted for trophies: Benin, Burkina Faso, Central African Republic (CAR), Democratic Republic of Congo (DRC), Ethiopia, Ivory Coast, Mali, Mozambique, Namibia, Senegal, Somalia, South Africa (RSA), Sudan, Tanzania, Togo, Uganda, Zambia, and Zimbabwe. However, in 2013 lion trophy hunting was only documented to occur in nine countries, specifically Benin, Burkina Faso, CAR, Mozambique, Namibia, RSA, Tanzania, Zambia, and Zimbabwe (Lindsey 2013, personal communication). Four countries, Burundi, Guinea Bissau, Lesotho, and Swaziland, provide no legal protection for lions (CITES 2014a, p. 14).

Hunting Moratoriums

In response to growing international recognition of reduced population numbers, many countries began implementing moratoriums banning the sport hunting of lions. In this document we use the terms moratorium and ban interchangeably. A ban or moratorium can be permanent, long term, or temporary, and can occur in countries that have hunting quotas in place. Having both a moratorium and a quota in place at the same time means that, although the country may have a hunting quota, the country has halted authorization of trophy hunting pursuant to that quota until some later date or until some further action is taken, as prescribed by that country. Therefore, you will see us refer to countries like Zambia and Botswana, each of which has hunting quotas and bans in place. Trophy hunting is currently banned in 12 countries: Angola, Botswana, Cameroon,[7] Congo, Gabon, Ghana, Kenya, Malawi, Mauritania, Niger, Nigeria, and Rwanda (CITES 2014a, p.14; Lindsey *et al.* 2013a, entire; Lindsey 2013, pers. comm.; Jackson 2013, pp. 7–8). Botswana banned lion hunting between 2001 and 2004, and then again from 2008 to the present (Davison *et al.* 2011, p. 114). Kenya banned all sport hunting in 1977 (African Wildlife Foundation 1998, p. 3). Trophy hunting is restricted to problem or dangerous animals in Ethiopia and Uganda (Lindsey 2008, p. 42). Zambia banned all sport hunting in January of 2013; while restrictions were lifted from other trophy species in August 2014, the ban on lions and leopards remains in place (ABC News 2014, unpaginated; Flocken 2013, unpaginated). In 2011, researchers in Cameroon suggested that there should be an immediate moratorium of at least 5 years on the hunting of lions in Cameroon, during which lions are allowed to recover and a management plan for lion hunting is established (Croes *et al.* 2011).

Quotas

A scientifically based ''quota'' is the maximum number of a given species that can be removed from a specific population without damaging the biological integrity and sustainability of that population (World Wildlife Fund (WWF) 1997, p. 9). For a quota to be scientifically based, it must be based upon available monitoring data of the species. Although varying by country and by economic resources, monitoring data used to determine quotas have included, but are not limited to, past hunting off-take records, trophy quality data, ground transect surveys, wildlife ranger and safari operator input, the species' reproductive biology, and aerial population census data, although usually aerial data is limited to species that can be easily observed from the air, such as elephants and buffalo (Barnett & Patterson 2005, p. 102). Generally, the conservation principle behind scientifically based quotas is to limit

[7] We found conflicting data on Cameroon, which was reported to prohibit trophy hunting (CITES 2014, p. 14), although other information provided by Lindsey (2013, pers. comm.) and Jackson (2013, p. 8) state that trophy hunting is legal in Cameroon.

offtake of the species to either equal or slightly lower than the growth rate of the target specimens (e.g., males vs. female), provided the offtake does not damage the integrity and sustainability of that population.

In order for scientifically based quotas to result in offtake less than the growth rate of target specimens, many factors are evaluated including the species' biological factors (reproductive rate, gender, age, and behavior), as well as community and client objectives (WWF 1997, pp. 14–19). Each quota should be then assigned to a geographical area and/or population based on this information. Thus, for lions, a scientifically based quota defines the specific number of lions that can be removed from a specific geographical area and population, for any purpose, within a particular year. Scientifically based quotas do not apply solely to sport hunting, but set the limits for all offtake for a particular year; other potential offtake includes problem-animal control (to reduce human-wildlife conflict), translocation (to expand conservation), culling (reducing population pressures), and local hunting (for protein/meat or employment) (WWF 1997, pp. 8–10).

While each of these uses offers advantages and disadvantages, quotas are typically utilized only for sport hunting, as it may provide the highest all-around benefits to local communities. For example, a portion of a quota could be used to kill a problem animal; the benefits to the community would then include the use of the animal parts for meat or trade and it would theoretically reduce the conflict. However, this provides a more limited economic benefit to the community than would selling the same quota for trophy hunting, which could potentially eliminate the problem animal, provide meat and parts for trade, and provide revenue for the community (WWF 1997, pp. 31–33).

There are two primary types of quotas, ''fixed'' and ''optional.'' Trophy fees for ''optional'' quotas are paid only when the lion is shot, whereas, ''fixed'' quotas require the payment of a portion (40–100 percent) of the lion trophy fee, regardless of whether the hunt is successful. Until 1999, male lions were typically on ''fixed'' quotas, whereas female lions were under ''optional'' quotas. Due to this approach, trophies collected in the 1990's were often of lower quality, younger, less desirable male lions, as operators and hunters had no incentive to be selective (e.g. the hunter had already paid for it). Therefore, current recommendation for all quotas is to be the ''optional'' type (Lindsey *et al.* 2013a, p. 9; Packer *et al.* 2006, pp. 5, 9).

Two primary concerns have been raised by the scientific and international community with regards to current lion quotas. Specifically, that existing quotas are set above sustainable levels and the data used for setting quotas is inconsistent and not scientifically based (Hunter *et al.* 2013, unpaginated; Lindsey *et al.* 2006, p. 284). For example, recent quotas appear rarely to address safeguards for sustainability or establish a systematic approach to setting lion quotas (Hunter *et al.* 2013, p. 2; Lindsey *et al.* 2013b, p. 8). Additionally, it has been noted that previous quotas in Namibia, Mozambique, and Zimbabwe may have been influenced by human-lion conflict, with higher quotas being allocated to locations with reportedly higher human-lion conflict levels (Lindsey *et al.* 2013b, p. 4). Apparently, in recognition of these inconsistencies, range countries and conservationists have been working to establish a set of best practices in order to create a more consistent, scientifically based approach to determining quotas. The recommended best practices include: (1) Establishing processes and procedures that are clearly outlined, transparent, and accountable; (2) establishing processes and procedures that are CITES compliant;(3) demonstrating management capacity; (4) standardizing information sources; (5) establishing monitoring systems for critical data; (6) recording and analyzing trophy hunting data; (7) conducting data collection and analysis for each hunting block and concession; and (8) establishing a primary body who will approve quotas (Burnett and Patterson 2005, p. 103). We have no information on whether these best practices have been implemented by the lion range states. However, most countries that allow trophy hunting of lions appear to be reviewing their trophy hunting practices (Jackson 2013, pp. 2–3; White 2013, pp. 12–13). Benin halved their quotas in 2002 after the first population census of lions was conducted and resulted in the current quota of six lions every 2 years in Pendjari and four lions every 2 years in western Benin or one lion annually in each of the five hunting zones. This was largely due to impacts to lions from habitat degradation and fragmentation (particularly exacerbated by the increase of human population), loss of prey by poaching, trade (both legal and illegal), and human-lion conflict. (CITES 2014a, p. 5; Sogbohossou 2014, p. 1).

Throughout the countries in Africa, most appear to have reduced their offtake considerably since the 1990's. According to Packer *et al.* (2006, pp. 2–3), regardless of population estimates, countries are allowing for only a small proportion of their lion populations to be hunted, with most countries ranging from 2–4 percent annually (excluding offtake from South Africa, where offtake has been increasing from the trophy hunting of primarily captive-born lions, and Zimbabwe, where offtake was 2–3 percent higher than other countries from 1998–2004.

Regardless of these reductions, many stakeholders consider the quota system to be outdated and ineffective because it does not address the biological and social impacts of trophy hunting on lion prides. Opponents also state that trophy hunting affects the social structure of the pride and results in increased infanticide of lion cubs. This supposition is inconclusive and not well supported (CITES 2014a, p. 14; Dagg 2000, pp. 831–835) (See Infanticide and Age-based Hunting Strategies). Regardless, since 2006, researchers have recommended the implementation of age-based hunting strategies; these are discussed below (Packer *et al.* 2006, pp. 6–8).

Five countries maintain quotas to allow for approximately 6–15 lion trophies to be taken per year: Benin, Burkina Faso, Cameroon,[7] Mozambique, and Namibia. Tanzania allows the take of approximately 50 lions annually, and Zimbabwe allows approximately 70 animals annually to be taken (Jackson 2013 pp. 7–8, CITES WCMC–UNEP trade database, accessed December 2013). In Ethiopia and Uganda, trophy hunting is restricted to problem or dangerous animals only (Lindsey 2008, p. 42), and Botswana and Zambia currently ban all trophy hunting (CITES 2014a, p.14). South Africa has not set a quota for the take of wild lions since 99 percent of the trophy-hunted lions are reportedly not of wild origin, but captive-born (Hunter *et al.* 2013, p. 2; RSA 2013, pp. 5, 7).

Below is a summary of estimated annual hunting quotas for the African lion:

TABLE 7—ANNUAL TROPHY QUOTAS (APPROXIMATE) AS OF 2013

Country	Annual lion trophy quotas (Jackson 2013, pp. 7–8)
Benin	6
Botswana (moratorium)	30
Burkina Faso	6
Cameroon[7]	6
Mozambique	15
Namibia	10
Tanzania (as of 2012)	50

TABLE 7—ANNUAL TROPHY QUOTAS (APPROXIMATE) AS OF 2013—Continued

Country	Annual lion trophy quotas (Jackson 2013, pp. 7–8)
Zambia (moratorium)	50
Zimbabwe	70

Import/Export of Lion Trophies

Although each country has its own method of regulating trophy hunting, international trade of lion trophies must adhere to CITES (see Conservation Status). International trade of lion parts and products (including trophies) are reported by both the exporting and importing countries and tracked by the United Nations Environment Programme World Conservation Monitoring Centre (UNEP–WCMC). The international trade data on the African lion that has been compiled in the CITES UNEP–WCMC Trade Database is extensive. Therefore, it is likely that the actual numbers of African lion parts and products in international trade is slightly smaller than what we have reported using the UNEP–WCMC ''gross exports'' report (CITES lion gross exports, *http://trade.cites.org,* accessed April 23, 2014).

In 2012, the most recent year for which CITES trade data are available, U.S. CITES Annual Report trade data indicated that the United States allowed the direct import of African lion trophies from eight African countries, as follows:

Central African Republic = 1 trophy
Ethiopia = 1 trophy
Mozambique = 5 trophies
Namibia = 5 trophies
South Africa = 413 trophies (the majority of which are reported to be of captive-born origin)
Tanzania = 42 trophies
Zambia = 32 trophies
Zimbabwe = 49 trophies

According to the CITES UNEP–WCMC database, between 2005 and 2012, exports of lion trophies have demonstrated a decreasing trend when exports of captive-born lions from South Africa are excluded (CITES lion gross exports, *http://trade.cites.org,* accessed April 23, 2014). For example, in 2005 there were 874 lion trophy exports reported in UNEP–WCMC, 521 if South Africa were excluded; whereas in 2012, there were 1,237 lion trophy exports reported in UNEP–WCMC, 336 if South Africa is excluded.

Here it should be noted that there are limitations to interpreting the above reported information. The 2004 guide to using the CITES Trade Database indicates that the outputs produced by the CITES Trade Database can be easily misinterpreted if one is not familiar with it (CITES 2004b, p. 5). The number of ''trophies'' reported does not necessarily equate to the number of lions hunted. Additionally, the number of trophies reported for a given year in the trade report does not equate directly to the number of animals hunted in that given year (CITES export permits may be valid for 6 months, and a trophy could in theory be exported the year after it was hunted). The second limitation to interpreting this information is, although many permits may indicate that an animal is of wild origin (source code ''W''), these permits may be incorrectly coded. This is true for South Africa, where during the period of 2000 to 2009, animals that were captive-born and released into private reserve systems were assigned an incorrect source code of ''wild.'' South Africa has since requested their provincial authorities to use the correct source code for ''captive bred'' in order to correctly reflect the source of sport-hunted lion trophies; however, some provinces are still not complying (RSA 2013, pp. 8–9). However, based on South African trade data, the bulk of the exports of lions and their parts and products (including trophies) from South Africa were from captive-born lions (RSA 2013, p. 7).

Tanzania, with the highest lion populations (Hamunyela *et al.* 2013, pp. 29, 283; Riggio *et al.* 2013, p. 32; Ikanda 2008, p. 4; Baldus 2004, pp. 5, 6), was the largest exporter of wild-origin lion trophies, but their exports have decreased significantly since 2006. In 2008, approximately 138 lions had been estimated to be killed in Tanzania as trophies. In 2010, Tanzania's numbers declined to 128 exports, 55 in 2011, and 42 in 2012 (CITES lion gross exports, *http://trade.cites.org/,* accessed April 25, 2014). In 2012, Tanzania established an annual quota to limit trophy hunting to no more than 50 animals (Jackson 2013, p. 7). Again, it should be noted that there may be discrepancies between the annual quota and the actual number of trophies exported in a given year (see *http://www.cites.org/common/resources/TradeDatabaseGuide.pdf* for additional information). Regardless, the numbers of lion trophies exported by Tanzania according to the UNEP–WCMC database suggest a decreasing trend.

In other areas within the range of the African lion, the number of lions hunted or authorized to be hunted annually has remained fairly consistent. In Burkina Faso, approximately 12 lions per year have been hunted over the past two decades (IUCN 2009, pp. 36–37; Bauer and Nowell 2004, p. 36), although their current annual quota is 6 animals. In Botswana, a quota of 30 lions per year was authorized for nearly two decades; however, Botswana has recently implemented a hunting moratorium (Jackson 2013, p. 8). (CITES lion gross exports, *http://trade.cites.org,* accessed April 23, 2014; CITES UNEP–WCMC database, accessed January 8, 2014, and August 16, 2013).

Potential Impacts of Trophy Hunting

Infanticide and Age-Based Hunting Strategies

Tourist safari hunting of males has been suggested by the petitioners to increase infanticide rates (when males kill young lion cubs sired by other males) (Petition 2011, p. 24; Whitman *et al.* 2004, p. 175), due in part to trophy hunters taking males under a certain age. Removing a younger male lion is purported to allow another male to take over the pride, and kill the former patriarch's cubs. This supposition is inconclusive and not well supported (CITES 2014a, p. 14; Dagg 2000, pp. 831–835). Infanticide is a common practice among many species, including lions (Hausfater *et al.* 1984, pp. 31, 145, 173, 487). When an adult male lion in a pride is killed, surviving males who form the pride's coalition become vulnerable to takeover by other male coalitions, and this often results in injury or death of the defeated males (Davidson *et al.* 2011, p. 115). In some cases, replacement males who take over the pride will kill all cubs less than 9 months of age in the pride (Whitman *et al.* 2004, p. 175). One range country specifically addressed this issue; the Republic of Namibia indicates that lion populations reproduce at similar rates in both harvested and non-harvested populations, but it is unclear whether cub survival is consistent in harvested vs. non-harvested lion populations.

While utilizing individual-based simulation models, Whitman *et al.* (2004, pp. 175–177) found that if offtake is restricted to males older than 6 years of age, then trophy hunting will likely have minimal impact on the pride's social structure and young (Packer *et al.* 2006, p. 6). This 6-year age restriction approach for lion trophies is in the process of being self-implemented, along with other best practices, by professional hunting guides, and is being adopted by certain range states (White 2013, p. 14; Davidson *et al.* 2011, p. 114; Whitman *et al.* 2004, p. 176). It involves conducting an age assessment of male lions using identification

techniques, such as mane development, facial markings, nose pigmentation and tooth-aging, to establish the relative age of male lions. Tooth wear on incisors, yellowing and chipping of teeth, coupled with scars, head size, mane length and color, and thinning hair on the face, as well as other factors can be an indicator of advanced age in lions (Whitman and Packer 2006, entire). Although these characteristics may be subjective, as regional differences may occur between lion populations, there are clear attempts by the trophy hunting community to establish and implement best practices. Promoting the removal of males 6 years of age or older, theoretically allows younger males the opportunity to remain resident long enough to rear a cohort of cubs (allowing their genes to enter the gene pool; increasing the overall genetic diversity). By removing males in a manner that promotes healthy population growth, the lion population could yield more males in the long term (Davidson *et al.* 2011, p. 114; Whitman *et al.* 2004, p. 176). The governments of Tanzania, western Zimbabwe, Mozambique in the Niassa National Reserve, Zambia, and most recently Benin have instituted or are in the process of instituting reforms such as 6-year age restrictions on lion trophies to increase the likelihood that trophy hunting of lion is sustainable in those countries (Van der Merwe 2013, p. 2; Jackson 2013, p. 3; White 2013, p. 14; Dallas Safari Club 2013, pp. 1–2; Hunter *et al.* 2013, p. 2).

In addition to quota-setting, moratoriums, and the 6 year age limit, it has been reported that more protective standards and guidelines are implemented, such as the best practices listed below (Jackson 2013, pp. 3, 8–10, Dallas Safari Club 2013, pp. 1–2).

- Minimum trophy quality, sizes, and standards;
- Wildlife hunting regulations enacted and enforced;
- Professional hunting associations formed;
- Professional hunting training courses;
- Professional hunter standards established;
- Quota-setting procedures;
- Compliance with CITES demonstrated;
- Monitoring; and
- Information and data collection and analysis.

While the supposition of increased infanticide due to the remove of established males from a pride is inconclusive and not well supported, it is clear that improved management practices are beneficial to maintaining viable lion populations. Developing and implementing best management practices, while not categorically establishing a direct correlation with increased population numbers and health, do appear to have practical impacts on lion populations. Based on the best available scientific and commercial information, infanticide, as a result of the removal of lions through hunting, is not a threat to African lions. Further, it is not likely to become a threat in the foreseeable future since the science is not well supported as to whether infanticide resulting from offtake due to trophy hunting is a significant threat to the subspecies (Whitman *et al.* 2004, pp. 175–176; CITES 2014a, p. 14).

Corruption

Corruption is common in some areas within the range of the African lion, particularly in areas with extreme poverty (Michler 2013, pp. 1–3; Kimati 2012, p. 1; Garnett *et al.* 2011, p. 1; IUCN 2009, p. 89; Leader-Williams *et al.* 2009, p. 296–298; Kideghesho 2008, pp. 16–17; *http://www.transparency.org*). Several of the range countries of African lion have experienced political instability for many years, which appears to be a contributing factor in intensifying levels of corruption. Political instability results in war and famine, which essentially halt conservation efforts and the enforcement of existing wildlife protection laws (Barnett & Patterson 2005, p. 82). Corruption manifests itself in several ways, including embezzlement of funds and acceptance of bribes to overlook illegal activities or for political influence (Garnett *et al.* 2011, p. 1). Given the financial aspects of sport hunting, it is reasonable to assume that corruption and the inability to control it could have a negative impact on decisions made in lion management by overriding biological rationales with financial concerns.

Corruption has complex roots and will not end immediately, but from all appearances, it is being addressed in many of the African lion range countries where it has occurred in the past. Countries throughout the range of the African lion are putting tools in place to combat corruption and create awareness (*http://www.transparency.org/cpi2012/results,* accessed June 20, 2013). In recent years, in several African lion range countries, leadership has taken steps to address corruption, or activities that facilitate corruption, associated with wildlife management. For example, in 2013, the Tourism Minister of Zambia banned hunting in 19 game management areas for 1 year due to corruption and malpractice among the hunting companies and various government departments. Some game management areas and privately owned game ranches were not included in the ban, but lion hunting appears to be currently prohibited throughout the country (Michler 2013, pp. 1–3). According to some authors (Martin 2012, pp. 4, 104; Kimati 2012, p. 1; Kideghesho 2008, pp. 16–17), corruption in the wildlife sector has often been one of the most discussed topics in Tanzania's National Assembly, which presumably would indicate the awareness of and willingness to address the corrupting factors in the wildlife sector.

Provided that countries continue to address corruption within the wildlife sector, we conclude, based on the best scientific and commercial information available, that corruption, in and of itself, does not currently pose a threat to the species. However, if efforts to address corruption do not continue, it could become a threat to African lions in the future.

Revenue From Trophy Hunting

The high value of lions makes them one of the most expensive large game species to hunt. The revenue derived from lion hunting is substantial. Lions are reported to generate the highest daily rate of any mammal hunted (USD $2,650 per day), the longest number of days that must be booked, and the highest trophy fee ($24,500) (Jackson 2013, p. 6; Lindsey *et al.* 2012a, p. 5). According to Groom (2013, p. 4), a 21-day lion hunt in Zimbabwe may be sold for approximately $2,500 per day, with an additional trophy fee of $10,000. Depending on the country in which a hunter visits, there may be several different fees required, including game fees, observer fees, conservation fees, permit fees, trophy handling fees, and government payments in terms of taxes, as well as safari operator fees (Barnett & Patterson 2005, p. 71). In the late 1990's, Tanzania reported annual revenue of $29.9 million from all trophy hunting, South Africa reported $28.4 million, Zimbabwe reported $23.9 million from all trophy hunting, Botswana reported $12.6 million, and Namibia reported $11.5 million; the revenue generated solely from lion hunting was not broken out (Barnett & Patterson 2005, p. iv). In the past, government and private land owners were the primary beneficiaries of the revenue gained; however, a portion of the revenue derived from hunting, in some countries, is now being distributed to local communities as well, which benefits the livelihoods of local people as well as contributes to

national economies of African range states (Barnett & Patterson 2005, p. vi).

Trophy Hunting as a Wildlife Management Tool

The concept of using trophy hunting to support lion conservation is complex and counterintuitive to many. Many range countries rely heavily on tourism (predominantly ecotourism and safari hunting) to provide funding for wildlife management (IUCN 2006a, p. 24). The countries that rely most on lion hunting are proportionally the highest in Mozambique, Tanzania, and Zambia (Lindsey *et al.* 2012a, pp. 7–8). The revenue generated from these industries provides jobs for locals, such as game guards, cooks, drivers, and security personnel, and often brings in revenue for local microbusinesses that sell art, jewelry, and other native crafts. Revenue generated from scientifically based management program is used to build and maintain fences, provide security personnel with weapons and vehicles, provide resources for anti-poaching activities, and provides resources for habitat acquisition and management (Chardonnet *et al.* 2010, pp. 33–34; Newmark 2008, p. 321). Revenue from trophy hunting increases the ability of many African countries to manage wildlife populations both within and adjacent to reserves; many of these hunting areas are geographically linked to national parks and reserves, providing wildlife corridors and buffer zones (Chardonnet *et al.* 2010, p. 34; Newmark 2008, p. 321).

Proponents and most species experts support trophy hunting as a conservation tool for the African lion (Hunter 2011, entire; van der Merwe 2013, entire; Hunter *et al.* 2013, entire) because it provides: (1) Incentives for the conservation of large tracts of prime habitat, and (2) funding for park and reserve management, anti-poaching, and security activities. As habitat loss has been identified as one of the primary threats to lion populations, it is notable that the total amount of land set aside for hunting throughout Africa, although not ameliorating the concerns about habitat loss, exceeds the total area of the national parks, accounting for approximately half of the amount of viable habitat currently available to lions (Chardonnet *et al.* 2010, p. 34; Packer *et al.* 2006, pp. 9–10). In Tanzania, 25–33 percent of the total area, encompassing 190 hunting units and over 247,000 km², has been set aside for sport hunting purposes; this has resulted in an area 5.1 times greater than Tanzania's fully protected and gazetted parks (Jackson 2013, p. 6; Barnett & Patterson 2005, p. 61).

In Botswana, despite the current ban on lion hunting, the country currently has over 128,000 km² of gazetted wildlife management areas and controlled hunting areas set aside for hunting purposes, which equates to 22.1 percent of the country's total area. This is in addition to 111,000 km² (or 19.1 percent) that has been set aside as habitat in the form of National Parks, Game Reserves, and Forest Reserves (Barnett & Patterson 2005, p. 7). Tanzania has land set aside for sport hunting in the form of safari areas, communal land, and privately owned properties that make up 23.9 percent of the total land base (Barnett & Patterson 2005, pp. 76–77). In 2000, five countries in southern Africa (Botswana, Namibia, South Africa, Tanzania, and Zimbabwe) had set aside a combined 420,000 km² of communal land, 188,000 km² of commercial land, and 420,089 km² of state land totaling over 1,028,000 km² for sport hunting purposes (Barnett & Patterson 2005, p. iii). As a species with a considerable range (up to 1,000 km²) (Packer *et al.* 2013 p. 636; Haas *et al.* 2005, p. 4), suitable habitat is important to the survival of the species, and the marked decline in suitable habitat is a significant threat to the species (see Habitat Loss). The land currently designated for use in sport hunting has helped to reduce, but not eliminate, the impact of habitat loss for the African lion.

Cost estimates for maintaining lion populations range, from an annual budget of $500 per km² in smaller fenced reserves to $2,000 per km² annually for unfenced populations (Packer *et al.* 2013, p. 640; Lindsey *et al.* 2012a, p. 9). This includes but is not limited to costs associated with permanent and temporary staff, fencing installation and maintenance (fences can cost $3,000 per km to install), infrastructure maintenance, anti-poaching activities such as surveillance and snare/trap removal, wildlife restocking fees (both for lions killed by illegal poaching/snares as well as other trophy species killed by lions on the reserves), community outreach, and compensation for loss of livestock in surrounding communities (Packer *et al.* 2013, p. 640; Groom 2013, pp. 4–5; Lindsey *et al.* 2012a, p. 9; Barnett & Patterson 2005, p. 82). For example, in the past, the Savé Valley Conservancy in Zimbabwe invested $546,000 annually on anti-poaching activities and employed 186 permanent scouts, while operators in Coutada 16, Mozambique, spent $60,000 annually on anti-poaching (such as the removal of 5,000 gin traps) (Groom 2013, p. 5; Lindsey *et al.* 2012a, p. 9). According to Barnett and Patterson (2005, p. 82), in Zimbabwe:

> Land invasions, resettlement and political instability has had dire consequences for wildlife occurring in the commercial sector. Land invasions have affected all wildlife management activities, and resulted in severe habitat destruction, increased poaching and infrastructure damage with thousands of kilometers of fences being destroyed to make wire snares . . . A typical questionnaire response from an invaded 50,000 acre farm in Masvingo Province . . . indicates substantial poaching losses of up to $1,819,040, with over 3,400 snares recovered and 134 poachers arrested in just two months.

Niassa National Reserve, Mozambique, incurs annual costs of approximately $1.9–2 million to maintain a 42,000-km² area (Lindsey *et al.* 2012a, p. 9). As a single source of revenue, the trophy hunting of lions provides a substantial source of funds to pay for the management of lion habitat. According to Lindsey *et* al. (2012a, p. 5), with the exception of rhinoceros and exceptional elephant trophies, ''lions generate the highest revenue per hunt of any species in Africa.'' In Niassa National Reserve, lion trophy hunting has generated $380,000–400,000 annually (Lindsey *et al.* 2012a, p. 9). In the Savé Valley Conservancy, between 2005 and 2011, lion hunting in Zimbabwe provided an estimated net income (based on 26 lions) of approximately $1,365,000 in per-night charges and roughly $260,000 in trophy fees (Groom 2013, p. 4).

Trophy hunting of lions, if part of a scientifically based management program, can provide direct benefits to the species and its habitat, both at the national and local level (See: Role of Local Communities in Lion Conservation). Trophy hunting and the revenue generated from trophy hunting are tools that range countries can use to facilitate maintaining habitat to sustain large ungulates and other lion prey, protecting habitat for lions, supporting the management of lion habitat, and protecting both lions and their prey base through anti-poaching efforts. While hunting alone will not address all of the issues that are contributing to the declined status of the species, it can provide benefits to the species.

Role of Local Communities in Lion Conservation

Over the last few decades, conservationists and range countries have realized the integral role local communities play in the conservation of lions and their habitat; when communities benefit from a species,

they have incentive to protect it. Therefore, utilizing the wildlife sector as a land-use option and source of income for rural populations has increasingly been employed throughout the range countries of the African lion. Many of these countries are classified as 'developing' nations; specifically, seven of the ten countries (we include Cameroon here) where trophy hunting is permitted have 27–64 percent of their populations living in severe poverty (United Nations Development Programme's (UNDP) Human Development Report, *http://hdr.undp.org/en/data,* accessed July 7, 2014; Barnett & Patterson 2005, p. iii). These countries often have high population growth, high unemployment, limited industry, and a Gross Domestic Product (GDP) per capita lower than the poverty level (Barnett & Patterson 2005, p. iii). These combined challenges highlight the need for innovative solutions. Conservationists and range countries recognize the value of the wildlife sector; if managed sustainably, there is high potential to contribute to rural economic development while simultaneously protecting the unique ecological habitats and species contained therein (Chardonnet *et al.* 2010, p. 33; Kiss [editor] 1990, pp. 1, 5–15).

Studies have indicated that, in order for species such as the African lion to persist, the local communities must benefit from or receive a percentage of funds generated from tourism such as wildlife viewing, photography, or trophy hunting (White 2013, p. 21; Martin 2012, p. 57; Kiss [editor] 1990, pp. 1, 5–15). The economic value of a species, such as lion, can encourage range countries to develop management and conservation programs that involve local communities which would ultimately discourage indiscriminate killings by local communities (Groom 2013, pp. 3, 5; Hazzah *et al.* 2013, p. 1; White 2013, p. 21; Martin 2012, p. 49). If local communities see no beneficial value of lions being present in their communal areas, sustainable utilization of lions as a land-use becomes less competitive with other land-use options, such as grazing and livestock management, and local communities become unwilling and unable to manage their wildlife heritage (Barnett & Patterson 2005, p. iii). When the value of lions in areas outside of national parks is diminished, those areas are likely to be converted to forms of land use less suitable for lions, such as agriculture, livestock pastures, or areas of resource extraction, making them even more vulnerable to expanding human settlement (Van der Merwe 2013, p. 2).

Community conservancies that benefit from trophy hunting have specifically been formed as a way to protect wildlife and habitat. As an example, in Namibia, 160,000 km² (61,776 mi²) of community conservancies were established in part due to revenue from trophy hunting. These conservancies benefit the local communities, which in turn protect lion habitat. For example, in 2012, the Savé Valley Conservancy (Zimbabwe) ''provided over US$100,000 worth of support to adjacent villages or farmers in the resettled areas. Assistance included drilling boreholes, maintaining boreholes, dredging of dams, building clinics and schools, assisting with repairs, maintenance and materials for schools, education initiatives, school field trips, provision of computer equipment in schools, and craft programs'' (Groom 2013, p. 5) Connecting conservation to community benefits can provide a value for wildlife, including lions, where there was previously resentment or indifference, helping to instill a sense of importance for lion conservation Additionally, an estimated 125,000 kg of game meat is provided annually to rural communities by trophy hunters at an estimated value of $250,000 per year, which is considerable for rural locations where severe poverty and malnutrition exists (White 2013, p. 21), further providing a value for wildlife, including lions. Lastly, local communities benefit from the trophy hunting industry by gaining employment as cooks, drivers, game guards, security, and anti-poaching personnel, and they also obtain revenue for items purchased by trophy hunters such as jewelry, art, and native handicrafts.

Trophy hunting as part of a scientifically based management program may provide direct economic benefits to the local communities and can create incentives for local communities to conserve lions, reduce the pressure on lion habitat, and end retaliatory killing, primarily because lions are viewed as having value. Conversely, lack of incentives could cause declines in lion populations because lions are viewed as lacking value and are perceived to kill livestock, which do have value to communities (see Human-lion Conflict).

Many range countries have realized local communities must benefit from the conservation of the species because [why?] and have revised their land management and ownership policies to reflect this. Of the ten countries where lion trophy hunting currently occurs (including Cameroon), seven have developed National Poverty Reduction Strategies in partnership with the International Monetary Fund (for a complete list, see *http://www.imf.org/external/np/prsp/prsp.aspx*); each of these has incorporated sustainable natural resource development as a main priority, and emphasized benefit distribution and management to rural communities (Benin 2000, unpaginated; Burkina Faso 2000, unpaginated; unpaginated; CAR 2000, p. 45; Mozambique 2000, unpaginated; Tanzania 2000, pp. 13, 21; Zambia 2000, unpaginated). As a result, an increase in participation by local communities in managing natural resources that are adjacent to reserves is occurring in several areas.

Captive Lions

In analyzing threats to a species, the Service focuses its analysis on threats acting upon wild specimens within the native range of the species, because the goal of the Act is survival and recovery of the species within its native ecosystem. We do not separately analyze ''threats'' to captive-held specimens because the statutory five factors under section 4 (16 U.S.C. 1533) are not well-suited to consideration of specimens in captivity and captive-held specimens are not eligible for separate consideration for listing. However, we do consider the extent to which specimens held in captivity create, contribute to, reduce, or remove threats to the species.

Captive-held African lions, including those that are managed for trophy hunting in South Africa and lions held in captivity in zoos, are believed to number between a few thousand and 5,000 worldwide (Republic of South Africa 2013, p. 5; Barnett *et al.* 2006a, p. 513). Captive lions in general are not suitable for reintroduction due to their uncertain origins (Barnett *et al.* 2006a, p. 513; Hunter *et al.* 2012, p. 3), potential maladaptive behaviors, and higher failure risk compared to translocated individuals (Hunter *et al.* 2012, pp. 2–3). There may be cases where captive specimens provide a benefit to the species under certain circumstances. For example, the display of Giant pandas in U.S. zoos has generated considerable revenue that is used for in-situ conservation of the species in China. It may be possible that captive lions could also serve a purpose of generating revenue for in-situ conservation.

Summary of Trophy Hunting

Although there is some indication that trophy hunting could contribute to

local declines in lion populations through unsustainable quotas, corruption, and possible disruption of pride structure through infanticide and take of males that are too young, we do not find that any of these activities rises to the level of a threat to the African lion subspecies at this time. It appears that most range countries that allow trophy hunting of African lions restrict offtake to approximately 2–4 percent of their lion populations for trophy hunting annually, excluding South Africa, where offtake is from predominantly captive-born animals, and Zimbabwe, where offtake is 2–3 percent higher than in other countries (Packer *et al.* (2006, pp. 2–3). Exports of lion trophies have demonstrated a decreasing trend when exports of likely captive-born lions from South Africa are excluded (CITES lion gross exports, *http://trade.cites.org,* accessed April 23, 2014), and lions from South Africa are likely captive-born (RSA 2013, p. 5). Most of the range countries that allow trophy hunting have quotas in place to limit take. Tanzania, with a population of approximately 16,000 lions, has a quota of 50 animals per year. Many other range countries have laws in effect that address trophy hunting, and several have moratoriums in place. The hunting community is taking the lead in developing best management practices to address take of males that are under 6 years of age, and they are guiding the development of scientifically based tools for minimizing the impact of trophy hunting on the social structure of lion populations. This 6-year age restriction on lion trophies is in the process of being self-implemented by professional hunting guides, and is being adopted by certain range states, such as Tanzania (White 2013, p. 14; Whitman *et al.* 2004, p. 176).

Currently, most countries that allow trophy hunting of lions appear to be reviewing their trophy hunting practices (Jackson 2013, pp. 2–3; White 2013, pp. 12–13). Range countries have recognized the need to incorporate best management practices, and have been progressively updating the policies and management systems in order to implement them (Lindsey *et al.* 2013a, pp. 4–10).

Finally, we found that, if trophy hunting of lions is part of a scientifically based management program, it could provide considerable benefits to the species, by reducing or removing incentives by locals to kill lions in retaliation for livestock losses, and by reducing the conversion of lion habitat to agriculture. Trophy hunting, if managed well and with local communities in mind, can bring in needed revenue, jobs, and a much-needed protein source to local people, demonstrating the value of lions to local communities (Groom 2013, pp. 1–3; Lindsey *et al.* 2006, pp. 283, 289). In addition, the amount of habitat that has been set aside by range countries specifically for trophy hunting has greatly increased the range and habitat of lions and their prey base, which is imperative given the current ongoing rate of habitat destruction occurring in Africa. The total amount of land set aside for trophy hunting throughout Africa exceeds the total area of the national parks, providing half the amount of viable lion habitat (Chardonnet *et al.* 2010, p. 34; Packer *et al.* 2006, pp. 9–10). However, expanding protected areas without taking the human population into consideration could lead to more resentment and retaliatory killing of lions (Nelson *et al.* 2009, p. 315).

Therefore, we conclude, based on the best scientific and commercial information available, that trophy hunting is not a significant threat to the species.

Traditional Use of Lion Parts and Products

CITES (2014, p. 8) reports that many African countries, including Somalia, Nigeria, Burkina Faso, Kenya, and Cameroon, maintain local markets in lion products, which include teeth, claws, fat, whiskers, bone, bile, testicles, meat, and tails for use as talismans, decorations, and in traditional African medicine. In Ghana, lion parts and products are used for ceremonial, medicinal, and nutritional purposes (Burton *et al.* 2010, p. 4). Skins and claws of lions were observed for sale in a market in Tamale, Ghana. Lions in and around Mole National Park in Ghana have been killed for traditional consumptive purposes (Burton *et al.* 2010, p. 4). In some cases, lions (either alive or dead) have been ''laundered'' through other countries so that their country of origin is unknown. As an example, lions have been found to be shot in Zimbabwe and Mozambique and declared as South African trophies (Lion Aid 2011, p. 20). In other cases, there have been reports of captive-born lions being smuggled between Botswana and South Africa and described as wild (Mouton 2013, pp. 1–2). Lion products, such as the trade in lion bone, seem to be primarily byproducts of trophy hunting; hunters are primarily interested in the trophy and skin and, therefore, the bones and other parts are sold separately (CITES 2014a, p. 10). However, since the reports of these types of activities are primarily anecdotal in nature, based on the best available scientific and commercial information, we find that the sale of these byproducts does not currently pose a threat to the species. Further, without a significant shift in the market, it is not likely to become a threat in the foreseeable future.

Conservation Measures in Place To Protect Lions

There has been awareness for several years that conservation strategies need to be implemented for the African lion due to the apparent decrease in its population numbers (Hamunyela *et al.* 2013, p. 1; Henschel *et al.* 2010, p. 34; Gebresenbet *et al.* 2009, p. 5; IUCN 2006a, b, entire). Prior to 2006, institutional inconsistencies throughout the African lion's range resulted in poor lion conservation policies and little to no enforcement of existing laws (IUCN 2006b, p. 18). As mentioned, in 2005 and 2006, nongovernmental organizations (NGOs) and several governments at various levels organized two regional lion conservation workshops. Species specialists, wildlife managers, and government officials attended these regional workshops in order to provide range country governments with frameworks for developing their own national action plans for the conservation of lions. Over 50 lion specialists, representing all lion range countries, participated in these workshops (Henschel *et al.* 2010, p. 34). During the workshops lion experts collectively assessed what they believed to be the then-current status of African lions based on a variety of information, and subsequently identified 86 African LCUs. This information was then used as a framework to identify lion areas, strongholds, and potential strongholds by Riggio *et al.* (2013, p. 32).

Many countries with very small lion populations have developed or updated their conservation plans for the African lion. Some of these include Benin, Cameroon, Uganda, and Malawi. Some range countries participate in transboundary conservation projects and are collaborating on transboundary lion conservation initiatives for shared lion populations. Most range countries have a national lion action plan or strategies in place, particularly if there are economic incentives for them to have viable lion populations (Groom 2013; Nghidinwa *et al.* 2013, pp. 11–12; Zambia Wildlife Authority 2012; Lion Aid 2011, pp. 1–2; Mesochina *et al.* 2010; Government of Tanzania 2010; Begg and Begg 2010). Range states have also implemented a number of conservation strategies designed to conserve habitat, reduce human-lion

conflict, and preserve the lion's prey-base.

Conservation Measures To Stem Habitat Loss

Habitat loss represents one of the main threats facing the African lion (Bauer *et al.* 2008, unpaginated). Attempts by range countries to address this decline in habitat are manifested in a number of ways, such as the creation of protected areas and the establishment of wildlife corridors to connect fragmented habitats.

Two conservation tools utilized by range countries for African lions include the establishment of protected areas and the enforcement of protections in these areas (Mesochina *et al.* 2010a and b; Treves *et al.* 2009, pp. 60, 64). Over the past few decades, the effectiveness of protected areas in protecting habitat has been studied, particularly in Africa (Pfeifer *et al.* 2012, p. 1; Craigie *et al.* 2010, pp. 2,221–2,222). A study conducted by the Wildlife Conservation Society in 2005 found that most lion populations in protected areas of southern and eastern Africa have been essentially stable over the previous three decades (Ray *et al.* 2005, p. 67). However, several problems have emerged. For example, certain land-tenure systems do not recognize community ownership of land and wildlife and undermine the extent to which benefits are converted into incentives for conservation. Protected-area ''boundaries'' are not always visible. Additionally, law enforcement in protected areas can be sporadic, and parks are often understaffed (Pfeifer *et al.* 2012, pp. 1, 7). Lastly, despite the Wildlife Conservation Society's findings, more recent evidence suggests that some protected areas are being more commonly encroached upon as human populations expand and search for resources.

Despite encroachment, protected areas are somewhat effective at protecting wildlife and habitat as rates of habitat loss tend to be lower in protected areas than outside them (Green *et al.* 2013, p. 70; Pfeifer *et al.* 2012, p. 2). African countries are realizing the benefits of managing their wildlife populations and parks for tourism; however, conservation of vast areas of land for megafauna such as the African lion is not only complex, but also expensive. As an example, the 28-km (17-mi) elephant corridor, completed in 2011 in Kenya, cost $1 million (The Nature Conservancy 2013, unpaginated). Additionally, the overall costs of anti-poaching and compensation is expected to increase in range states concurrently with growing human populations, declining purchasing power of external funds, and corruption (Garnett *et al.* 2011, pp. 1–2; Wittemyer *et al.* 2008, pp. 123, 125).

Another mechanism for protecting habitat is to reconnect fragmented habitat across national boundaries. Corridors are being restored, fences are being removed, and protected areas are being connected. Restoration of these corridors allows wildlife to travel between areas of suitable habitat (Jones *et al.* 2012, pp. 469–470). In some areas, fences have been constructed to protect grazing resources for domestic livestock as well as to provide barriers to disease (Gadd 2012, pp. 153, 176). One aspect of these fences is that they separate lions from their prey. In southern Africa, the trend now is to take down fences to increase the size of connected habitat and link it to reserves and national parks (IUCN 2009, p. 101; IUCN 2008, various). The Limpopo Transfrontier Park is another example of where this is being implemented (Newmark 2008, p. 327). Boundary fences along national borders that separate many reserves are being removed to form a 35,000-km² park. Limpopo National Park (formerly known as Coutada 16) in Mozambique; Kruger National Park in South Africa; Gonarezhou National Park, Manjinji Pan Sanctuary, and Malipati Safari Area in Zimbabwe will all be connected, as will be the area between Kruger and Gonarezhou, and the Sengwe communal land in Zimbabwe and the Makuleke region in South Africa (Newmark 2008, p. 327). However, in some locations, areas that have previously been designated as corridors have been encroached upon by human settlements and agriculture (Estes *et al.* 2012, pp. 258–261; Jones *et al.* 2012, p. 469).

Tanzania is an example of a country attempting to reconnect habitat. As of 2002, the Tanzanian Government, with donor and NGO support, was reconnecting the nine largest blocks of forest in the East Usambara Mountains using wildlife corridors (Newmark 2002, various). Additionally, the 2009 Wildlife Act of Tanzania allows the Minister, in consultation with relevant local authorities, to designate wildlife corridors, dispersal areas, buffer zones, and migratory routes. The 2010–2015 National Elephant Management Plan of Tanzania indicates that corridors are the primary objective of the plan, and although primarily designed for elephants, these corridors allow for continuity of populations of other large mammal species such as lions (Jones *et al.* 2012, p. 470).

In 2011, Kenya (which neighbors Tanzania to the North), completed a 28-km corridor through an area that had been heavily impacted by human-wildlife conflict. The purpose of the corridor was primarily to reduce human-elephant conflict and appears to have been successful (Mount Kenya Trust 2011, p. 1). The corridor also allows other wildlife such as lions to disperse through habitat that otherwise would have been unfavorable for wildlife to travel through (Mount Kenya Trust 2011, p. 1). It was an expensive project, but recent reports indicate that the effort has served its purpose: Elephants are using the corridor on a regular basis (particularly an underpass under a highway), and humans are reporting less human-wildlife conflict (Mount Kenya Trust 2011, p. 1).

However, connectivity alone does not ensure the dispersal of animals (Roever *et al.* 2013, pp. 19–21). The Tanzania Wildlife Research Institute (TAWIRI) is a parastatal organization under Tanzania's Ministry of Natural Resources and Tourism, and is responsible for conducting and coordinating wildlife research activities in Tanzania (*http://tawiri.or.tz/*). In this role, TAWIRI has been actively involved in promoting the development of and monitoring the use of wildlife corridors in Tanzania (*http://www.tzwildlifecorridors.org*). Surveys conducted in 2009 and 2010 suggest that the Nyanganje Corridor in Tanzania is no longer being used by elephants and other wildlife. This corridor is at a narrow passage in the Kilombero Valley and is the shortest distance for animals to cross between the Udzungwa and Selous ecosystems. Despite efforts in place, much of the corridor is being encroached upon by conversion of land to rice farming and cattle grazing (Jones *et al.* 2012, p. 469). Because these activities often deter wildlife from passing through, the corridor is ineffective (Jones *et al.* 2012, p. 469). TAWIRI reminds wildlife managers that they need to continue to implement steps to ensure that corridors are functioning properly.

Conservation Measures in Place To Stem the Loss of Prey Base

Lions, like most large carnivores, prey upon a variety of species including buffalo, plains zebra, wildebeest, giraffe, gemsbok, kob, and warthog (Kenya Wildlife Service 2013, p. 13; Niassa National Reserve Technical Report 2011, p. 4; Nowell and Jackson 1996, p. 18). Depletion of these prey species due to competition with humans represents a threat to the lion (Chardonnet *et al.* 2005, pp. 8–9). As noted, the increase in the human population in Africa is a major contributor to the increase in the

demand for bushmeat, which in turn increases human encroachment into wildlife lands (Lindsey *et al.* 2012b, p. 36). In addition to the increase in the human population, lack of an alternative livelihood, lack of alternate food sources, and lack of clear rights over land or wildlife are contributing factors toward the increase in demand for bushmeat (Lindsey *et al.* 2012b, pp. 36–41). The advent of automatic weapons in the bushmeat trade impacts the lion's prey base, which is being hunted at unsustainable levels.

Reconnecting fragmented habitat has the additive effects of not only conserving the biodiversity of the African lion's habitat, but also that of its prey base (Lindsey *et al.* 2012b, p. 43). These types of restoration practices enhance the health of species by allowing genetic interchange to occur and, thus, conserve the genetic diversity of all wildlife. Wildlife management entities are linking many of the major protected areas by removing boundary fences along national borders that separate many reserves in addition to creating or improving corridors to link good-quality habitat for wildlife (Gadd 2012, p. 179; Newmark 2008, pp. 323–324). To address the increasing consumption of bushmeat, host countries have employed a variety of different strategies, including the development of alternative industries for communities. Helping local communities develop alternate industries represents one of the ways range countries can reduce their dependence on bushmeat. Throughout Africa, several ideas have been attempted with varying levels of success. For example, the Anne Kent Taylor Fund (AKTF) helps local Maasai women to buy beads and other supplies to produce traditional items for the local tourist industry (AKTF 2012, p. 7; Lindsey *et al.* 2012b, p. 45; van Villet 2011, p. 17). In addition, AKTF helps organize local men into anti-poaching and de-snaring teams (AKTF 2012, p. 5; van Villet 2011, p. 17). By creating programs targeting both men and women, AKTF creates an environment that provides communities with financial stability as well as direct community interest in protecting local wildlife. With 13 years assisting local communities, the AKTF represents one of the more successful attempts to encourage locals to shift away from relying on bushmeat.

Studies compiled by Huzzah 2013 (pp. 1, 8) have shown that local communities who lived near protected areas with more lenient policies have a more positive attitude and relationship with both the manager and the protected area as a whole. This open approach to protected area management reflects a trend in recent years to bring in local communities to assist in the management of protected areas (Lindsey *et al.* 2012b, p. 53). Wildlife management programs run by local communities are defined by two goals: Conserving wildlife and providing economic aids to the community (Bandyopadhyay *et al.* 2010, p. 5). With regards to discouraging the consumption of bushmeat, this new approach is seen in the creation of community-based wildlife management programs (van Villet 2011, p. 26). The purpose of these programs is to give the local community a direct stake in the management of wildlife areas. One use for these areas is to turn them into game ranches. These areas are used both for legal bushmeat production as well as trophy hunting and ecotourism.

One such program is the Chivaraidze Game Ranch in Zimbabwe (van Villet 2011, pp. 28–29). The Chivaraidze Game Ranch started in 1996 with the stated goal of reducing poaching through providing bushmeat at a reduced price. However, internal infighting in the organization over the devolution of power to local communities, between those in favor of devolution and a powerful local interest group, limited the effectiveness of the organization. In the span of 8 years (between 2001 and 2009), the Chivaraidze Game Ranch has had six different boards of directors (Mombeshora and Le Bel 2010, p. 5). Furthermore, a power shake-up in local communities along party lines and kinship affiliation limited the abilities for communities to cooperate with each other (van Villet 2011, pp. 28–29; Mombeshora and Le Bel 2010, p. 7). The result was that the cost of maintaining the program exceeded the benefits to the local community. The decline in economic benefits to the local community coincided with a resurgence in poaching within areas of the park (Mombeshora and Le Bel 2010, p. 3). The result of the Chivaraidze Game Ranch project reflects the difficulty in shifting wildlife management from a centralized national government approach towards a more decentralized, community-based approach.

Unlike the difficulties encountered in Zimbabwe, Namibia has had greater success in setting up community-run conservancies. After gaining independence in 1990, Namibia began to turn over ownership of wildlife areas to local communities (van Vliet 2011, p. 29; Bandyopadhyay *et al.* 2010, p. 6). By 2011, Namibia had 64 communities that covered 17 percent of the country total area (van Vliet 2011, p. 29; Connif 2011, npn; NASCO 2010, p. 4). The majority of the incomes from these conservancies come from ecotourism, followed by trophy hunting (NASCO 2010, p. 22). These incomes are then used to support infrastructure improvement in the community. In addition, legal bushmeat acquired within conservancy lands is distributed to local families (NASCO 2010, p. 25). The success of the program in Namibia has been attributed to Namibia's unique characteristics, including low population density and favorable seasonal rain, which helps prey species recover (van Vliet 2011, p. 30). Despite the successes in Namibia, the country's unique characteristics mean that adapting Namibia's success to other, more densely populated countries will be difficult.

Conservation Measures To Stem Human-Lion Conflict

As the human population expands, the potential for conflict with wildlife increases. In Africa, conflict between villagers and lions, who prey upon livestock, represent a threat to the species (Chardonnet *et al.* 2010, p. 12; Moghari 2009, p. 14; IUCN 2006a, p. 23). In addition, habitat loss due to conversion of land increases the chance of villagers coming into direct contact with lions (Chardonnet *et al.* 2010, p. 24). In an attempt to address these problems, range countries have employed a variety of different strategies to help the lion. Such strategies involve education, an effective conservation plan, and interacting with the local community.

Historically, range countries seek to mitigate human-lion conflict through controlling rather than conserving the predator population. In countries such as Malawi, for example, the Department of Game, Fish and Tsetse Control would shoot large carnivores that prey upon livestock. The result of this policy was that, between 1948 and 1961, over 560 predators (which include lions and leopards) were killed in the country (Mesochina *et al.* 2010b, p. 35). While this department was disbanded in 1963 and jurisdiction shifted to the new Department of Forestry, crop and livestock protection still remains an important part of its function. Despite the department focusing on protecting crops and livestock, the number of lions killed in the country has declined. Between 1977 and 1982, eight lions were killed, whereas six lions were killed between 1998 and 2007 (Mesochina *et al.* 2010b, p. 35). While fewer lions are being killed than in the previous decades, problems remain, including lack of resources, lack of

manpower, and corruption within the range countries.

Current governmental management of lions in countries such as Malawi, Tanzania, and Zambia are managed by the Problem Animal Control units (Mesochina *et al.* 2010a, p. 41; Mesochina *et al.* 2010b, p. 36). When lion attack incidents occur, Problem Animal Control dispatches officials to investigate the problems. If the problem lion is located, it is either removed or eliminated. When properly funded, this program has helped in reducing not only conflicts between lions and humans but also has driven down the numbers of lions killed. Between 2005 and 2009, there were 116 reported cases of lions killed, with the number of lions killed being less than 50 per year in Tanzania (Mesochina *et al.* 2010a, p. 41). However, limitations of resources (including both manpower and funds) have hampered the effectiveness of these officials in responding to these incidents. In addition, many Problem Animal Control interventions resulted in the death of the lion (Mesochina *et al.* 2010a, p. 41; Chardonnet *et al.* 2009, p. 36). Even in cases of translocation, the lions that were being transported often end up injured or continue to pose problems to the community (Bauer *et al.* 2007, p. 91).

NGOs are also assisting in protecting lions. Intervention by NGOs often takes the form of interacting with the local community (Winterbach *et al.* 2010, p. 98). Lion Guardians, which operate in Kenya, recruits and educates local young men. These men then monitor and track lion movement and warn herders of lion presence in the area, thereby mitigating or preventing possible lion-human conflict (Hazzah *et al.* 2014, p. 853; Lion Guardians 2013, p. 7; Lion Guardians 2012, p. 3). In addition, Lion Guardians work with tribal elders to dissuade young men from killing lions for ceremonial purposes. Historically, the killing of lions through ritualized lion hunts called *ilmurran* is rewarded with gifting of cows and other rewards (Lion Guardians 2012, p. 5; Goldman *et al.* 2010, p. 334). After introducing village elders to the Lion Guardians program first hand, many return home to their village and give their blessings to the project. This education led to significant results; on August 11, 2013, two Lion Guardians stopped a group of hunters who were planning to hunt a lion in retaliation for the lion preying on their livestock. The local village elders fined the potential hunters two cattle each for going on a lion hunt, marking a gradual but significant shift in the cultural attitudes regarding the lion (Hazzah *et al.* 2014, p. 858; Lion Guardians 2013, p. 20). Since its establishment in 2007, only five lions had been killed in territories where Lion Guardians operates, in contrast to more than 100 lions killed in adjacent areas (Lion Guardians 2013, p. 5). Furthermore, reduced lion mortality was sustained across multiple years, resulting in the reserve having one of the highest lion densities in Africa (Hazzah *et al.* 2014, p. 857; Schuette et l. 2013, p. 149). Despite the success of this program, retaliatory as well as ceremonial killings of lions outside the program areas remain a threat to the species.

We found that many of the lion range states are trying to address lion conservation through the establishment of protected areas, wildlife management areas, wildlife corridors, and reconnecting habitat. In some areas, creating incentives for lion conservation is occurring through community conservation programs in range countries. In other cases, participatory strategies have been implemented to enhance local tolerance for large carnivores in Africa. An increasing number of programs encourage local communities to solve problems that arise from human-lion conflict without killing lions. However, the effectiveness of these measures still ranges from successful to unsuccessful, due in part to lack of resources, political will, and infighting. It is imperative that range countries continue to recognize and support the role that local communities play in lion conservation. Greater support by countries to address the needs of local communities, and thereby address the needs of lions, may be the single-most important role these countries can play in changing the trajectory of lion declines.

Regulatory Mechanisms

Regulatory mechanisms in place to provide protections to African lions vary substantially throughout Africa. As mentioned in the Conservation Status of African Lions CITES section, lions are listed in Appendix II under CITES, and with the exception of South Sudan, all of the lion range states are parties to CITES. According to the draft CITES Periodic Review of the Status of African Lions (CITES 2014a, pp. 14–15) outside of CITES, lions have no legal protections in four countries: Burundi, Guinea Bissau, Lesotho, and Swaziland. However, CITES 2014a (p. 15), states that most of the southern and eastern lion range states have regulatory mechanisms in place to protect lions. We found that most of the range states have national environmental legislation to establish national parks and conservation areas, and to conserve and regulate the take, hunting, and trade of wildlife, including parts and products, but could find no legislation specific to lions, nor to the main threats affecting lions: habitat loss, human-lion conflict, and loss of prey base (See: Appendix A, Ecolex information was accessed July 7–10, 2014, at *http://www.ecolex.org*.[8]).

Our status review did not reveal regulatory mechanisms in place that specifically address the main threats affecting lions. We are requesting comments or information from lion range states, other concerned governmental agencies, the scientific community, or any other interested parties concerning regulatory mechanisms that address the three main threats to lions: habitat loss, human-lion conflict, and loss of prey base.

Finding

Section 4 of the Act (16 U.S.C. 1533) and its implementing regulations at 50 CFR 424 set forth the procedures for adding a species to, and/or removing a species from, the Federal Lists of Endangered and Threatened Wildlife and Plants. As noted in the Information Requested section, a species may be determined to be an endangered or threatened species due to one or more of the five factors set forth in section 4(a)(1) of the Act:

(A) The present or threatened destruction, modification, or curtailment of its habitat or range;

(B) Overutilization for commercial, recreational, scientific, or educational purposes;

(C) Disease or predation;

(D) The inadequacy of existing regulatory mechanisms;

(E) Other natural or manmade factors affecting its continued existence.

In assessing whether the African lion meets the definition of an endangered or threatened species, we considered the five factors in section 4(a)(1) of the Act. A species is ''endangered'' for purposes of the Act if it is in danger of extinction throughout all or a significant portion of its range and is ''threatened'' if it is likely to become endangered within the foreseeable future throughout all or a significant portion of its range. The ''foreseeable future'' is the period of time over which events or effects reasonably can or should be anticipated, or trends extrapolated.

[8] ECOLEX is a comprehensive database on environmental law, maintained by the International Union for Conservation of Nature (IUCN), the United Nations Environment Programme (UNEP), and the Food and Agriculture Organization of the United Nations (FAO). Our search terms used with respect to wildlife laws were ''African lion'' and ''country'', e.g., ''Angola'', ''Benin'', etc. See Appendix A.

When considering what factors might constitute threats to a species, we must look beyond the mere exposure of the species to a factor to evaluate whether the species may respond to the factor in a way that causes actual impacts to the species. If there is exposure to a factor and the species responds negatively, the factor may be a threat and we attempt to determine how significant a threat it is. The threat is significant if it drives, or contributes to, the risk of extinction of the species such that the species may warrant listing as endangered or threatened as those terms are defined in the Act. We conducted a review of the best scientific and commercial data available regarding the status of the African lion and assessed whether the African lion is endangered or threatened throughout all of its range.

There is consensus within the research community as well as lion range states that the African lion is impacted by a number of factors actively contributing to its population decline throughout Africa: habitat loss (fragmentation and degradation) (Factor A); decreased access to food prey sources (aka loss of prey base) (Factor B); retaliatory killing, snaring, and poaching (both intentional and unintentional), and deleterious effects in its viability due to small populations in some areas within its range (Factor E) (Nyanganji *et al.* 2012, p. 12; Seguya *et al.* 2010, p. 26).

We find three main threats, habitat loss, loss of prey base, and human-lion conflict, are impacting lions, alone and in combination, such that the subspecies is likely to become endangered within the foreseeable future throughout all of its range. In the past several decades, the human population has been expanding with concomitant large decreases in lion habitat and likely lion numbers, resulting in an extremely large reduction in the species' range. As human populations continue to rise in sub-Saharan Africa, the amount of land required to meet the expanding human population's needs is constantly increasing. Lions are increasingly limited to protected areas, and human population growth rates around protected areas in Africa tend to be higher than the average rural growth rate (Wittemyer *et al.* 2008, entire). Considering the majority of the human population in sub-Saharan Africa is rural, and land supports the livelihood of most of the population, loss and degradation of lion habitat, loss of prey base, and increased human-lion conflict can reasonably be expected to accompany the rapid growth in sub-Saharan Africa's human population into the foreseeable future.

Africa has the fastest population growth rate in the world (UNEP 2012a, p. 2). The majority of the population is rural, and about 60–70 percent of the population relies on agriculture and livestock for their livelihood (UNEP 2006, pp. 82, 100, 106; IAASTD 2009, p. 2). As a result, a large portion of the growing population will depend directly on expansion of agriculture and livestock grazing to survive in the future. Between 2010 and 2050, the population of sub-Saharan Africa is projected to more than double to more than 2 billion (from 831 million to 2.1 billion) (UN 2013, p. 9). During about this same time period (2005 to 2050), the area of cultivated land is projected to increase by 51 million ha (approximately 21 percent) (Alexandratos and Bruinsma 2012, p. 107). However, this figure does not include rangeland, and the majority of agricultural land in Africa is devoted to grazing (UNEP 2012b, p. 68), thus that figure may be much larger. The number of livestock (cattle, sheep, and goats) in sub-Saharan Africa is projected to increase about 73 percent, from 688 million to 1.2 billion, by 2050 (Alexandratos and Bruinsma 2012, p. 133). Therefore, in the case of African lion, the best available scientific and commercial data that we rely upon in projecting future conditions for the purpose of this listing determination establish the foreseeable future to be 2050.

Human settlements and agricultural and pastoral activities have expanded into lion habitat and protected areas, decreasing prey availability and increasing exposure of livestock and humans to lions. Human-lion conflict and associated retaliatory killing of lions will continue to play a major role in the reduction of lion populations and is the greatest current threat to remaining lion populations. The lion's prey base has decreased in many parts of its range in large part due to the bushmeat trade

Bushmeat is the primary source of protein for humans in much of the lion's range (Chardonnet *et al.* 2010, p. 27; Mesochina *et al.* 2010a, p. 38; Abwe and Morgan 2008, p. 26; Bennett *et al.* 2007, p. 885; Fa *et al.* 2006, p. 507), comprising between 6 percent (southern Africa) and 55 percent (Central African Republic) of a human's diet (Chardonnet *et al.* 2005, p. 9; IUCN 2006b, p. 19). This reliance by humans on protein obtained from bushmeat results in direct competition for prey species between humans and lions, and commercial poaching of wildlife through the use of automatic weapons is a significant threat to lion prey (Chardonnet et al. 2010, p. 27). Because many wildlife species are being hunted at unsustainable levels to meet this demand within the range of the lion, its prey base is becoming depleted in many areas and has led to lion attacks on livestock and humans (Hoppe-Dominik *et al.* 2011, p. 452; Chardonnet *et al.* 2010, pp. 6, 13–14; Frank *et al.* 2006, p. 12). Given the rapid increase in humans and livestock by 2050, we can reasonably expect the conditions described above to worsen. Also, as livestock numbers increase and as expansion of agricultural and pastoral practices continue to deplete and degrade the habitat that lion's prey rely on, the lion's prey base is expected to further decline. As the lion's prey base is hunted at unsustainable levels to meet a growing demand for food, livestock depredation and retributive killing of lions through spearing, shooting, trapping, and poisoning will continue to occur, and will likely increase (Dickman 2013, p. 379; Hoppe-Dominik *et al.* 2011, p. 452; Chardonnet *et al.* 2010, p. 19; Gebresenbet *et al.* 2009, p. 9; Hazzah and Dolrenry 2007, p. 3).

Lion range countries are aware of the threats affecting lions, and many are working to address them. NGOs and several governments at various levels have organized regional lion conservation workshops, which have helped them to identify Lion Conservation Units. Most range countries have a national lion action plan or strategy in place (Groom 2013; Nghidinwa *et al.* 2013, pp. 11–12; Zambia Wildlife Authority 2012; Lion Aid 2011, pp. 1–2; Mesochina *et al.* 2010; Government of Tanzania 2010; Begg and Begg 2010). Some range countries participate in transboundary conservation projects to create wildlife corridors and reconnect habitat, and are collaborating on transboundary lion conservation initiatives for shared lion populations. Reconnecting fragmented habitat has the additive effects of not only strengthening the biodiversity of the African lion but also that of its prey species (Lindsey *et al.* 2012b, p. 43). Wildlife management entities are linking many of the major protected areas by removing boundary fences along national borders that separate many reserves, in addition to creating or improving corridors to link good-quality habitat for wildlife (Gadd 2012, p. 179; Newmark 2008, pp. 323–324).

Range states have also implemented a number of conservation strategies designed to conserve habitat, reduce human-lion conflict, and preserve lion

prey-base. In order to address the increasing consumption of bushmeat, host countries have employed a variety of different strategies, including the development of alternative industries for communities, which can reduce their dependence on bushmeat. For example, the Anne Kent Taylor Fund (AKTF) helps local Maasai women to buy beads and other supplies to produce traditional items for the local tourist industry (AKTF 2012, p. 7; Lindsey *et al.* 2012b, p. 45; van Villet 2011, p. 17) and has organized local men to participate in anti-poaching and de-snaring teams (AKTF 2012, p. 5; van Villet 2011, p. 17). By targeting both men and women in the community, such programs provide communities with financial stability as well as direct community interest in protecting local wildlife. African countries are realizing the benefits of managing their wildlife populations and parks for tourism; however, conservation of vast areas of land for megafauna such as the African lion is expensive. The costs of anti-poaching and compensation is expected to increase in range states concurrently with growing human populations, declining purchasing power of external funds, and corruption (Garnett *et al.* 2011, pp. 1–2; Wittemyer *et al.* 2008, pp. 123, 125).

Studies have shown that local communities who live near protected areas (PAs) with community-based conservation policies have more positive attitudes and relationships with both the park manager and the PA as a whole (Huzzah 2013, pp. 1, 8). This open approach to PA management reflects a trend in recent years to bring in local communities to assist in the management of PAs (Lindsey *et al.* 2012b, p. 53). Wildlife management programs run by local communities are defined by two goals: conserving wildlife and providing economic aids to the community (Bandyopadhyay *et al.* 2010, p. 5). NGOs are also assisting in protecting lions. Intervention by NGOs often takes the form of interacting with the local community (Winterbach *et al.* 2010, p. 98). For example, Lion Guardians, which operates in Kenya, has shown great success with its Lion Guard program. Lion Guardians educates local young men who monitor and track lion movement and warn herders of lion presence in the area, thereby mitigating or preventing possible lion-yhuman conflict (Hazzah *et al.* 2014, p. 853; Lion Guardians 2013, p. 7; Lion Guardians 2012, p. 3). Outreach to tribal elders has successfully helped elders to dissuade young men from killing lions for ceremonial purposes. The result of such programs has been a gradual change in cultural attitudes towards lions (Hazzah *et al.* 2014, p. 858; Lion Guardians 2013, p. 20).

Finally, many range countries rely heavily on tourism (predominantly ecotourism and safari hunting) to provide funding for wildlife management (IUCN 2006a, p. 24). The revenue generated from these industries can be critical to fund wildlife management programs in range states. Tourism, through ecotourism and trophy hunting, can provide jobs to locals (such as game guards, cooks, drivers, security personnel) and often brings in revenue for local microbusinesses that sell art, jewelry, and other native crafts. Lions can generate the highest daily rate of any mammal hunted (USD $2,650 per day), the longest number of days that must be booked, and the highest trophy fee ($24,500) (Jackson 2013, p. 6; Lindsey *et al.* 2012a, p. 5), thus generating significant revenue for range countries. Creating community-based incentives to conserve lions from revenue derived from trophy hunting may ameliorate the human-lion conflict that arises from lions and humans coexisting in the same area.

Revenue from scientifically based management programs that include trophy hunting can increase the ability of many African countries to manage wildlife populations both within and adjacent to reserves; many of these hunting areas are geographically linked to national parks and reserves, providing wildlife corridors and buffer zones (Chardonnet *et al.* 2010, p. 34; Newmark 2008, p. 321). In the past, government and private land owners were the primary beneficiaries of the revenue gained; however, a portion of the revenue derived from hunting is reportedly now being distributed to local communities, creating a value for lions that encourages their conservation (Barnett & Patterson 2005, p. iv). Revenue from trophy hunting is purported to create: (1) Incentives for countries to conserve large tracts of prime habitat; and (2) funding for park and reserve management, anti-poaching, and security activities. Because habitat loss has been identified as one of the primary threats to lion populations, it is notable that trophy hunting has provided lion range states incentives to set land aside for hunting throughout Africa, and the land set aside exceeds the total area of the national parks, accounting for approximately half of the amount of viable lion habitat (Chardonnet *et al.* 2010, p. 34; Packer *et al.* 2006, pp. 9–10).

In Tanzania, which is home to 40 percent of all lions, land set aside for sport hunting purposes has resulted in an area 5.1 times greater than Tanzania's fully protected and gazetted parks (Jackson 2013, p. 6; Barnett & Patterson 2005, p. 61). In Botswana, despite the current ban on lion hunting, the country currently has more than 128,000 km² of gazetted wildlife management areas and controlled hunting areas set aside for hunting purposes, which equates to 22.1 percent of the country's total area; this is in addition to 111,000 km² (or 19.1 percent) that has been set aside as habitat in the form of National Parks, Game Reserves, and Forest Reserves (Barnett & Patterson 2005, p. 7). In 2000, five countries in southern Africa (Botswana, Namibia, South Africa, Tanzania, and Zimbabwe) had set aside a combined 420,000 km² of communal land, 188,000 km² of commercial land, and 420,089 km² of state land totaling more than 1,028,000 km² for sport hunting purposes (Barnett & Patterson 2005, p. iii). As a species with a considerable range (up to 1,000 km²) (Packer *et al.* 2013 p. 636; Haas *et al.* 2005, p. 4), suitable habitat is important to the survival of the species, and the marked decline in suitable habitat is a significant threat to the species. The habitat currently preserved for use in sport hunting has helped to reduce the impact of habitat loss for the African lion, but as discussed previously, habitat loss remains a significant threat to the species.

Within its current range, the African lion exists in 10 stronghold populations containing approximately 24,000 lions (70 percent of the current African lion population), 19,000 of which are in protected areas, and in 7 potential stronghold populations containing another 4,000 lions. Reports from the IUCN Species Survival Commission Cat Specialist Group (IUN 2006a, b) characterize the population as increasing in 3 of those strongholds, as stable in 6 of the strongholds, and as decreasing in 1 stronghold. Most lion populations in protected areas of southern and eastern Africa have been essentially stable over the last three decades (Ray *et al.* 2005, p. 67). In contrast to the stronghold or potential stronghold populations, other African lion populations, containing a total of more than 6,000 individuals, have a very high risk of local extinction (Reggio *et al.* 2013, p. 33. During the 2005–2006 African lion workshops, lion experts characterized lion populations in 36 (42 percent) of the 86 LCUs as decreasing. In extensive surveys recently conducted within 15 of the 20 LCUs in western and

central Africa, Henschel *et al.* (2010, entire) were able to confirm lion presence in only four. The work of Packer *et al.* (2013) suggests future declines within a number of protected areas. Craigie *et al.* (2010, entire) provide evidence of declining large mammal populations in Africa's protected areas, indicating that protected areas in Africa have generally failed to mitigate threats to large mammal populations, including African lion. Although Craigie *et al.* (2010, p. 2,225) found large regional differences (from large declines in western Africa to positive rates of change in southern Africa), they found overall populations decreased steadily from 1970 to 2005.

The best available scientific and commercial information leads us to conclude that the African lion is in danger of extinction within the foreseeable future throughout all of its range. Accordingly, we find that listing is warranted and we propose to list it as a threatened species throughout its range, wherever found.

Significant Portion of Its Range

Under the Act and our implementing regulations, a species may warrant listing if it is endangered or threatened throughout all or a significant portion of its range. The term ''species'' includes ''any subspecies of fish or wildlife or plants, and any distinct population segment [DPS] of any species of vertebrate fish or wildlife which interbreeds when mature.'' We published a final policy interpreting the phrase ''Significant Portion of its Range'' (SPR) (79 FR 37578, July 1, 2014). The final policy states that (1) if a species is found to be endangered or threatened throughout a significant portion of its range, the entire species is listed as endangered or threatened, respectively, and the Act's protections apply to all individuals of the species wherever found; (2) a portion of the range of a species is ''significant'' if the species is not currently endangered or threatened throughout all of its range, but the portion's contribution to the viability of the species is so important that, without the members in that portion, the species would be in danger of extinction, or likely to become so in the foreseeable future, throughout all of its range; (3) the range of a species is considered to be the general geographical area within which that species can be found at the time FWS or NMFS makes any particular status determination; and (4) if a vertebrate species is endangered or threatened throughout an SPR, and the population in that significant portion is a valid DPS, we will list the DPS rather than the entire taxonomic species or subspecies.

We found the African lion to be in danger of extinction within the foreseeable future throughout all of its range. Therefore, no portions of the species' range are ''significant'' as defined in our SPR policy and no additional SPR analysis is required.

Proposed 4(d) Rule

The purposes of the ESA are to provide a means whereby the ecosystems upon which endangered species and threatened species depend may be conserved, to provide a program for the conservation of such endangered species and threatened species, and to take such steps as may be appropriate to achieve the purposes of the treaties and conventions set forth in the ESA. When a species is listed as endangered, certain actions are prohibited under section 9 of the ESA, as specified in 50 CFR 17.21. These include, among others, prohibitions on take within the United States, within the territorial seas of the United States, or upon the high seas; import; export; and shipment in interstate or foreign commerce in the course of a commercial activity.

The ESA does not specify particular prohibitions and exceptions to those prohibitions for threatened species. Instead, under section 4(d) of the ESA, the Secretary, as well as the Secretary of Commerce depending on the species, was given the discretion to issue such regulations as deemed necessary and advisable to provide for the conservation of such species. The Secretary also has the discretion to prohibit by regulation with respect to any threatened species any act prohibited under section 9(a)(1) of the ESA. Exercising this discretion, the Service has developed general prohibitions (50 CFR 17.31) and exceptions to those prohibitions (50 CFR 17.32) under the ESA that apply to most threatened species. Under 50 CFR 17.32, permits may be issued to allow persons to engage in otherwise prohibited acts for certain purposes.

Under section 4(d) of the ESA, the Secretary, who has delegated this authority to the Service, may also develop specific prohibitions and exceptions tailored to the particular conservation needs of a threatened species. In such cases, the Service issues a 4 (d) rule that may include some or all of the prohibitions and authorizations set out in 50 CFR 17.31 and 17.32 but which also may be more or less restrictive than the general provisions at 50 CFR 17.31 and 17.32. For the African lion, the Service has determined that a 4(d) rule is appropriate.

We propose to add a 4(d) (special) rule for the African lion (*Panthera leo leo*) at 50 CFR 17.40(n). This 4(d) rule would maintain all of the prohibitions and exceptions codified in 50 CFR 17.31 and 17.32 and would supersede with regard to African lion the import exemption found in 50 CFR 17.8 for threatened wildlife listed in Appendix II of CITES, such that a threatened species import permit under 50 CFR 17.32 would be required for the importation of all African lion specimens. Through the promulgation of the proposed 4(d) rule, the presumption of legality provided under Section 9(c)(2) of the Act for the otherwise lawful importation of wildlife listed in Appendix II of CITES that is not an endangered species listed pursuant to section 4 of the Act would not apply to this subspecies. Thus, under the proposed 4(d) rule, all otherwise prohibited activities, including all imports of African lion specimens, would require prior authorization or permits under the Act. Under our regulations, permits or authorization to carry out an otherwise prohibited activity could be issued for scientific purposes, the enhancement of propagation or survival of the species, economic hardship, zoological exhibitions, educational purposes, or special purposes consistent with the purposes of the Act. Applications for these activities are available from *http://www.fws.gov/forms/3-200-37.pdf.*

The intent of this proposed 4(d) rule is to provide for the conservation of the African lion consistent with the purposes of the Act. Under the proposed 4(d) rule, the prohibitions would, in part, make it illegal for any person subject to the jurisdiction of the United States to ''take'' (includes harass, harm, pursue, hunt, shoot, wound, kill, trap, capture, or to attempt any of these) within the United States or upon the high seas; import or export; deliver, receive, carry, transport, or ship in interstate or foreign commerce, by any means whatsoever, in the course of commercial activity; or sell or offer for sale in interstate or foreign commerce any lion specimens. It would also be illegal to possess, sell, deliver, carry, transport, or ship any such wildlife that has been taken in violation of the Act. We believe that these protections, including the requirement for an import permit for all African lion specimens, will support and encourage conservation actions for the African lion and require that permitted activities involving lions are carried out in a manner that is consistent with the purposes of the Act and our implementing regulations.

In connection with this proposed 4(d) rule, the Service notes that the African lion is listed in Appendix II of CITES, and thus can be imported into the U.S. pursuant to Section 9(c)(2) of the Act and upon presentation of a proper CITES export permit from the country of origin. Section 9(c)(2) of the Act provides that the otherwise lawful importation of wildlife that is not an endangered species listed pursuant to section 4 of the Act, but that is listed in Appendix II of CITES, shall be presumed to be in compliance with provisions of the Act and implementing regulations. While there has been question as to whether this provision of the Act might automatically require allowing the importation of a species that is both listed as threatened and in Appendix II, and preclude the issuance of more restrictive 4 (d) rules covering importation, the Service has concluded that such 4 (d) rules may be issued to provide for the conservation of the involved species. Section 9(c)(2) does not expressly refer to threatened species or prevent the issuance of appropriate 4 (d) rules and could not logically have been intended to allow the addition of a species to an appendix of an international convention to override the needs of U.S. law, where there is reliable evidence to affect the presumption of validity. Finally, the term ''presumed'' implies that the established presumption is rebuttable under certain circumstances, including through the promulgation of a protective regulation pursuant to section 4(d) of the Act.

In the case of the African lion, there are substantive grounds on which to challenge the presumption. For the import of sport-hunted trophies, while there is evidence that many of the range countries are implementing lion management plans, we want to encourage and support efforts by these countries to develop plans that are based on sound scientific information. As noted, the proposed 4(d) rule for African lion would provide for the importation into the United States of trophies taken legally in range countries upon the issuance of a threatened species import permit. While the Service cannot control hunting of foreign species such as African lion, we can regulate their importation and thereby require that U.S. imports of sport-hunted African lion trophy specimens are obtained in a manner that is consistent with the purposes of the Act and the conservation of the subspecies in the wild, by allowing importation from range countries that have management plans that are based on scientifically sound data and are being implemented to address the threats that are facing lions within that country.

Such management plans would be expected to address, but are not limited to, evaluating population levels and trends; the biological needs of the species; quotas; management practices; legal protection; local community involvement; and use of hunting fees for conservation. In evaluating these factors, we will work closely with the range countries and interested parties to obtain the best available scientific and commercial data. By allowing entry into the United States of African lion trophies from range countries that have scientifically based management plans, the range countries would be encouraged to adopt and financially support the sustainable management of lions that benefits both the species and local communities. In addition to addressing the biological needs of the subspecies, a scientifically based management plan would provide economic incentives for local communities to protect and expand African lion habitat.

As stated, anyone wishing to conduct any otherwise prohibited activity, such as interstate commerce or imports, must first obtain a permit under the current permitting regulations found at 50 CFR 13 and 50 CFR 17. As will all permits, the individual requesting authorization to carry out an otherwise prohibited activity under the Act must submit a permit application to the Service with specific information concerning the proposed activity and the benefits/impacts of the activity on the species. In some cases, such as imports of sport-hunted trophies, it is not always possible for the applicant to provide all of the necessary information needed by the Service to make a positive determination under the Act to authorize the activity. For the import of sport-hunted trophies, it is typical for the Service to consult with the range country and other interested parties to obtain the necessary information. To date, the Service typically has made the required findings on sport-hunted trophy imports on a country-wide basis, although individual import permits are issued for each applicant. While the Service encourages the submission of information from individual applicants, we would primarily rely on information from other sources when making a permitting decision.

Effects of This Rule

This rule, if made final, would revise 50 CFR 17.11(h) to add the African lion to the List of Endangered and Threatened Wildlife. This rule, if adopted, would also establish a 4(d) rule for the African lion, which implements all of the prohibitions and exceptions under 50 CFR 17.31 and 17.32 and requires a threatened species import permit under 50 CFR 17.32 for the importation of all African lion specimens. Under the proposed 4(d) rule, the import exemption found in 50 CFR 17.8 for threatened wildlife listed in Appendix II of CITES would not apply to this subspecies. Through the promulgation of the proposed 4(d) rule, the presumption of legality provided under Section 9(c)(2) of the Act for the otherwise lawful importation of wildlife listed in Appendix II of CITES that is not an endangered species listed pursuant to section 4 of the Act would not apply to this subspecies. (See: Proposed Special Rule section).

Available Conservation Measures

Conservation measures provided to species listed as endangered or threatened under the Act include recognition of conservation status, requirements for Federal protection, and prohibitions against certain practices. Recognition through listing encourages and results in public awareness and conservation actions by Federal and State governments in the United States, foreign governments, private agencies and groups, and individuals.

Section 7(a) of the Act, as amended, and as implemented by regulations at 50 CFR part 402, requires Federal agencies to evaluate their actions that are to be conducted within the United States or upon the high seas, with respect to any species that is proposed to be listed or is listed as endangered or threatened. Because the African lion is not native to the United States, no critical habitat is being proposed for designation with this rule. Regulations implementing the interagency cooperation provision of the Act are codified at 50 CFR part 402. Section 7(a)(2) of the Act requires Federal agencies to ensure that activities they authorize, fund, or carry out are not likely to jeopardize the continued existence of a listed species or to destroy or adversely modify its critical habitat. If a proposed Federal action may adversely affect a listed species, the responsible Federal agency must enter into formal consultation with the Service. Currently, with respect to the African lion, no Federal activities are known that would require consultation.

Section 8(a) of the Act authorizes the provision of limited financial assistance for the development and management of programs that the Secretary of the Interior determines to be necessary or useful for the conservation of

endangered or threatened species in foreign countries. Sections 8(b) and 8(c) of the Act authorize the Secretary to encourage conservation programs for foreign listed species, and to provide assistance for such programs, in the form of personnel and the training of personnel.

Section 9 of the Act and its implementing regulations at 50 CFR 17.31 set forth a series of general prohibitions that apply to all threatened wildlife, except where a 4(d) rule applies, in which case the 4(d) rule will contain all the applicable prohibitions and exceptions. If the 4(d) rule is adopted as proposed, these prohibitions would apply to the African lion. These prohibitions, in part, make it illegal for any person subject to the jurisdiction of the United States to ''take'' (includes harass, harm, pursue, hunt, shoot, wound, kill, trap, capture, or to attempt any of these) within the United States or upon the high seas; import or export; deliver, receive, carry, transport, or ship in interstate or foreign commerce, by any means whatsoever, in the course of commercial activity; or sell or offer for sale in interstate or foreign commerce any lion specimens. It also is illegal to possess, sell, deliver, carry, transport, or ship any such wildlife that has been taken in violation of the Act. Permits may be issued to carry out otherwise prohibited activities involving threatened wildlife species under certain circumstances. Certain exceptions apply to agents of the Service and State conservation agencies.

Required Determinations

National Environmental Policy Act (42 U.S.C. 4321 et seq.)

We have determined that we do not need to prepare an environmental assessment, as defined under the authority of the National Environmental Policy Act of 1969, in connection with regulations adopted under section 4(a) of the Act. We published a notice outlining our reasons for this determination in the **Federal Register** on October 25, 1983 (48 FR 49244).

References Cited

A list of all references cited in this document is available at *http://www.regulations.gov* at Docket No. FWS–R9–ES–2012–0025, or upon request from the U.S. Fish and Wildlife Service, Endangered Species Program, Branch of Foreign Species (see **FOR FURTHER INFORMATION CONTACT**).

Authors

The primary authors of this proposed rule are staff of the Branch of Foreign Species, Ecological Services, U.S. Fish and Wildlife Service.

Proposed Regulation Promulgation

For the reasons described in the preamble, we propose to amend part 17, subchapter B of chapter I, title 50 of the Code of Federal Regulations, as follows:

PART 17—[AMENDED]

■ 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), the List of Endangered and Threatened Wildlife, add an entry for ''Lion, African'' under Mammals 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						
MAMMALS							
*	*	*	*	*	*		*
Lion, African	*Panthera leo leo*	Africa	Entire	T		NA	17.40(n)
*	*	*	*	*	*		*

* * * * *

■ 3. Amend § 17.40 by adding paragraph (n) to read as follows:

§ 17.40 Special rules—mammals.

* * * * *

(n) African lion (*Panthera leo leo*).

(1) *General requirements.* All prohibitions and provisions of §§ 17.31 and 17.32 of this part apply to this subspecies.

(2) The import exemption found in § 17.8 of this part for threatened wildlife listed in Appendix II of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) does not apply to this subspecies. A threatened species import permit under § 17.32 of this part is required for the importation of all African lion specimens.

(3) All applicable provisions of 50 CFR parts 13, 14, 17, and 23 must be met.

* * * * *

Dated: October 20, 2014.

Stephen Guertin,

Director, Fish and Wildlife Service.

[FR Doc. 2014–25731 Filed 10–28–14; 8:45 am]

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