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To subscribe to the Federal Register Table of Contents electronic mailing list, go to https://public.govdelivery.com/accounts/USGPOOFR/subscriber/new, enter your e-mail address, then follow the instructions to join, leave, or manage your subscription.
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Presidential Determination No. 2017–11 of September 8, 2017

Continuation of the Exercise of Certain Authorities Under the Trading With the Enemy Act

Memorandum for the Secretary of State [and] the Secretary of the Treasury

Under section 101(b) of Public Law 95–223 (91 Stat. 1625; 50 U.S.C. 4305 note), and a previous determination on September 13, 2016 (81 FR 64047, September 16, 2016), the exercise of certain authorities under the Trading With the Enemy Act is scheduled to expire on September 14, 2017.

I hereby determine that the continuation of the exercise of those authorities with respect to Cuba for 1 year is in the national interest of the United States.

Therefore, consistent with the authority vested in me by section 101(b) of Public Law 95–223, I continue for 1 year, until September 14, 2018, the exercise of those authorities with respect to Cuba, as implemented by the Cuban Assets Control Regulations, 31 C.F.R. Part 515.

The Secretary of the Treasury is authorized and directed to publish this determination in the Federal Register.

THE WHITE HOUSE,
Washington, September 8, 2017
AD by October 30, 2017.


Since we issued AD 2017–13–12, we have received reports indicating that affected parties misinterpreted the applicability of the affected part numbers due to the formatting of figure 1 to paragraphs (g), (h), and (i) in the published version of AD 2017–13–12, which could result in a negative effect on compliance. Therefore, we have determined that clarification of the formatting of the published figure is necessary.


Related Service Information Under 1 CFR Part 51
We have reviewed the following service information:

The service information describes procedures for modifying the MLG side stay assembly. The Messier-Bugatti-Dowty documents are distinct since they apply to different airplane models. This service information is reasonably available because the interested parties have access to it through their normal course of business or by the means identified in the ADDRESSES section.

FAA’s Determination and Requirements of This AD
This product has been approved by the aviation authority of another country, and is approved for operation in the United States. Pursuant to our bilateral agreement with the State of Design Authority, we have been notified of the unsafe condition described in the MCAI and service information referenced above. We are issuing this AD because we evaluated all pertinent information and determined the unsafe condition exists and is likely to exist or develop on other products of the same design.

FAA’s Justification and Determination of the Effective Date
We are superseding AD 2017–13–12 to clarify the formatting of a figure in the regulatory text of the published AD. No other changes have been made to AD 2017–13–12. Therefore, we determined that notice and opportunity for prior public comment are unnecessary.

Comments Invited
This AD is a final rule that involves requirements affecting flight safety, and we did not precede it by notice and opportunity for public comment. We invite you to send any written relevant data, views, or arguments about this AD. Send your comments to an address listed under the ADDRESSES section. Include “Docket No. FAA–2017–0809: Product Identifier 2017–NM–094–AD” at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of this AD. We will consider all comments received by the closing date and may amend this AD because of those comments.

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

Costs of Compliance
We estimate that this AD affects 959 airplanes of U.S. registry. This AD adds no new economic burden to AD 2017–13–12. We estimate the following costs to comply with this AD:

<table>
<thead>
<tr>
<th>Action</th>
<th>Labor cost</th>
<th>Parts cost</th>
<th>Cost per product</th>
<th>Cost on U.S. operators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Replacement or modification (retained actions from AD 2017–13–12).</td>
<td>9 work-hours × $85 per hour = $765</td>
<td>$14,104</td>
<td>$14,869</td>
<td>$14,259,371</td>
</tr>
</tbody>
</table>

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

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

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

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

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

For the reasons discussed above, I certify that this AD:
1. Is not a “significant regulatory action” under Executive Order 12866;
2. Is not a “significant rule” under the DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979);
3. Will not affect intrastate aviation in Alaska; and
4. Will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 39
Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

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

PART 39—AIRWORTHINESS DIRECTIVES

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

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

§ 39.13 [Amended]
2. The FAA amends § 39.13 by removing airworthiness directive (AD)
2017–13–12, Amendment 39–19942 (82 FR 30949, July 5, 2017), and adding the following new AD:


(a) Effective Date
This AD is effective September 28, 2017.

(b) Affected ADs

(c) Applicability
This AD applies to the airplanes identified in paragraphs (c)(1), (c)(2), (c)(3), and (c)(4) of this AD, certificated in any category, all manufacturer serial numbers.


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

(e) Reason
This AD was prompted by an evaluation by the design approval holder that indicates that the main landing gear (MLG) does not comply with certification specifications, which could result in a locking failure of the MLG side stay. We are issuing this AD to prevent possible collapse of the MLG during takeoff and landing.

(f) Compliance
Comply with this AD within the compliance times specified, unless already done.

(g) Retained Modification or Replacement, With Revised Figure Formatting
This paragraph restates the requirements of paragraph (g) of AD 2017–13–12, with revised figure formatting. Within 120 months after August 9, 2017 (the effective date of AD 2017–13–12), accomplish the action specified in paragraph (g)(1) or (g)(2) of this AD.

(1) Modify each MLG side stay assembly having a part number listed in figure 1 to paragraphs (g), (h), and (i) of this AD, in accordance with the Accomplishment Instructions of Airbus Service Bulletin A320–32–1429, Revision 01, dated February 29, 2016, and the service information specified in paragraph (g)(1)(i) or (g)(1)(ii) of this AD, as applicable. The modification may be done “off wing,” provided the modified MLG is reinstalled on the airplane.


(2) Replace the MLG side stay assembly with a side stay assembly that has been modified in accordance with paragraph (g)(1) of this AD. Do the replacement using a method approved by the Manager, International Section, Transport Standards Branch, FAA; or the European Aviation Safety Agency (EASA); or Airbus’s EASA Design Organization Approval (DOA).

Note 1 to paragraph (g)(2) of this AD: Additional guidance for the replacement can be found in Chapter 32 of the Airbus A319/A320/A321 Aircraft Maintenance Manual.

Figure 1 to Paragraphs (g), (h), and (i) of this AD—Affected MLG Side Stay Assemblies

<table>
<thead>
<tr>
<th>Models</th>
<th>Affected part Nos. (P/N)</th>
</tr>
</thead>
</table>

1 The ‘xxx’ used in this figure can be any 3-digit combination.
2 Units having a P/N with no dash number after the first 9 digits are also affected. Units having a P/N with the first 9 digits and a dash number higher than those listed, are not affected by the requirements of this AD.

(h) Retained Provisions for Unaffected Airplanes, With No Changes
This paragraph restates the provisions of paragraph (h) of AD 2017–13–12, with no changes. An airplane on which Airbus Modification (Mod) 156646, Airbus Mod 161202, or Airbus Mod 161346 has been embodied in production is not affected by the requirements of paragraph (g) of this AD, provided it is determined that no part having a part number identified in figure 1 to paragraphs (g), (h), and (i) of this AD has been installed on that airplane since the date of issuance of the original certificate of airworthiness or the original export certificate of airworthiness. A review of the airplane maintenance records is acceptable to make this determination, provided that these records are accurate and can be relied upon to conclusively make that determination.

(i) Retained Parts Installation Prohibition, With No Changes
This paragraph restates the requirements of paragraph (i) of AD 2017–13–12, with no changes. As of August 9, 2017 (the effective date of AD 2017–13–12), do not install on any airplane, an MLG side stay assembly having a part number, with the strike number not cancelled, as identified in figure 1 to paragraphs (g), (h), and (i) of this AD, unless
it has been modified in accordance with the requirements of paragraph (g) of this AD.

(j) Retained Credit for Previous Actions, With No Changes

This paragraph restates the provisions of paragraph (j) of AD 2017–13–12, with no changes. This paragraph provides credit for actions required by paragraph (g) of this AD, if those actions were performed before August 9, 2017 (the effective date of AD 2017–13–12), using Airbus Service Bulletin A320–32–1429, dated September 10, 2015.

(k) Other FAA AD Provisions

The following provisions also apply to this AD:

(1) Alternative Methods of Compliance (AMOCs): The Manager, International Section, Transport Standards Branch, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the manager of the International Section, send it to the attention of the person identified in paragraph (l)(2) of this AD. Information may be emailed to: 9-AMN-116-AMOC-REQUESTS@faa.gov. Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/certificate holding district office.

(2) Contacting the Manufacturer: For any requirement in this AD to obtain corrective actions from a manufacturer, the action must be accomplished using a method approved by the Manager, International Section, Transport Standards Branch, FAA; or EASA; or Airbus’s EASA DOA. If approved by the DOA, the approval must include the DOA-authorized signature.

(3) Required for Compliance (RC): If any service information contains procedures or tests that are identified as RC, those procedures and tests must be done to comply with this AD; any procedures or tests that are not identified as RC are recommended. Those procedures and tests that are not identified as RC may be deviated from using accepted methods in accordance with the operator’s maintenance or inspection program without obtaining approval of an AMOC, provided the procedures and tests identified as RC can be done and the airplane can be put back in an airworthy condition. Any substitutions or changes to procedures or tests identified as RC require approval of an AMOC.

(l) Related Information


(3) Service information identified in this AD that is not incorporated by reference is available at the addresses specified in paragraphs (m)(3), (m)(4), and (m)(5) of this AD.

(m) Material Incorporated by Reference

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

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

(3) The following service information was approved for IBR on August 9, 2017 (82 FR 30949, July 5, 2017).


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


(6) You may view this service information at the FAA, Transport Standards Branch, 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 August 30, 2017.

Dionne Palermo,
Acting Director, System Oversight Division, Aircraft Certification Service.
[FR Doc. 2017–19301 Filed 9–12–17; 8:45 am]
BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 97

[Docket No. 31152; Amdt. No. 3763]

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

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

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

DATES: This rule is effective September 13, 2017. The compliance date for each SIAP, associated Takeoff Minimums, and ODP is specified in the amendatory provisions.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of September 13, 2017.

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

For Examination


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

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

Availability

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

FOR FURTHER INFORMATION CONTACT:
Thomas J. Nichols, Flight Procedure Standards Branch (AFS-420), Flight Technologies and Programs Divisions, Flight Standards Service, Federal Aviation Administration, Mike Monroney Aeronautical Center, 6500 South MacArthur Blvd., Oklahoma City, OK 73169 (Mail Address: P.O. Box 25082, Oklahoma City, OK 73123) Telephone: (405) 954-4164.

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

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

Availability and Summary of Material Incorporated by Reference

The material incorporated by reference is publicly available as listed in the ADDRESSES section. The material incorporated by reference describes SIAPs, Takeoff Minimums and/or ODPs as identified in the amendatory language for part 97 of this final rule.

The Rule

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

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

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

The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore—(1) is not a “significant regulatory action” under Executive Order 12866; (2) is not a “significant rule” under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. For the same reason, the FAA certifies that this amendment will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 97

Air traffic control, Airports, Incorporation by reference, Navigation (air),


John S. Duncan,
Director, Flight Standards Service.

Adoption of the Amendment

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

PART 97—STANDARD INSTRUMENT APPROACH PROCEDURES

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

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

2. Part 97 is amended to read as follows:

Effective 12 October 2017

Grayling, AK, Grayling, RNAV (GPS) RWY 17, Orig
Grayling, AK, Grayling, RNAV (GPS) RWY 35, Orig
Grayling, AK, Grayling, Takeoff Minimums and Obstacle DP, Orig
Del Norte, CO, Astronaut Kent Rominger, HOMME ONE, Graphic DP
Del Norte, CO, Astronaut Kent Rominger, RNAV (GPS) RWY 24, Orig
Del Norte, CO, Astronaut Kent Rominger, Takeoff Minimums and Obstacle DP, Orig
Danbury, CT, Danbury Muni, LOC RWY 8, Amdt 6
Washington, DC, Ronald Reagan Washington National, LDA Y RWY 19, Amdt 1
Orlando, FL, Orlando Intl, ILS OR LOC RWY 17L, ILS RWY 17L (SA CAT I), ILS RWY 17L (CAT II), Amdt 2A
Orlando, FL, Orlando Intl, ILS OR LOC RWY 17R, ILS RWY 17R (CAT II), Amdt 5D
Orlando, FL, Orlando Intl, ILS OR LOC RWY 18R, Amdt 10A
Orlando, FL, Orlando Intl, ILS OR LOC RWY 35L, ILS RWY 35L (SA CAT I), ILS RWY 35L (CAT II), ILS RWY 35L (CAT III), Amdt 8
Orlando, FL, Orlando Intl, ILS OR LOC RWY 35R, ILS RWY 35R (SA CAT I), ILS RWY 35R (CAT II), Amdt 3
Orlando, FL, Orlando Intl, ILS OR LOC RWY 36R, ILS RWY 36R (SA CAT I), ILS RWY 36R (CAT II), ILS RWY 36R (CAT III), Amdt 11
Orlando, FL, Orlando Intl, RNAV (GPS) RWY 36L, Amdt 2
Orlando, FL, Orlando Intl, RNAV (GPS) RWY 36R, Amdt 2
Ashburn, GA, Turner County, RNAV (GPS) RWY 17, Orig
Ashburn, GA, Turner County, RNAV (GPS) RWY 35, Orig
Ashburn, GA, Turner County, Takeoff Minimums and Obstacle DP, Orig
Atlanta, GA, Hartsfield—Jackson Atlanta Intl, RNAV (RNP) Z RWY 8L, Amtd 1
Atlanta, GA, Hartsfield—Jackson Atlanta Intl, RNAV (RNP) Z RWY 10, Amtd 1
Atlanta, GA, Hartsfield—Jackson Atlanta Intl, RNAV (RNP) Z RWY 26R, Amtd 1
Atlanta, GA, Hartsfield—Jackson Atlanta Intl, RNAV (RNP) Z RWY 28, Amtd 1
Muscatine, IA, Muscatine Muni, ILS OR LOC RWY 24, Amtd 2
Muscatine, IA, Muscatine Muni, VOR RWY 6, Orig, CANCELED
Mc Call, ID, Mc Call Muni, PEPUC TWO, Graphic DP
Gonzales, LA, Louisiana Rgnl, RNAV (GPS) RWY 35, Orig-A
Boston, MA, General Edward Lawrence Logan Intl, ILS OR LOC RWY 4R, ILS RWY 4R (SA CAT I), ILS RWY 4R (CAT III), Amtd 10C
Boston, MA, General Edward Lawrence Logan Intl, ILS OR LOC RWY 15R, Amtd 3F
Boston, MA, General Edward Lawrence Logan Intl, ILS OR LOC RWY 22L, Amtd 8C
Boston, MA, General Edward Lawrence Logan Intl, ILS OR LOC RWY 27, Amtd 2D
Boston, MA, General Edward Lawrence Logan Intl, ILS OR LOC RWY 33L, ILS RWY 33L (SA CAT I), ILS RWY 33L (CAT II), ILS RWY 33L (CAT III), Amtd 5D
Boston, MA, General Edward Lawrence Logan Intl, RNAV (GPS) RWY 4L, Orig-A
Boston, MA, General Edward Lawrence Logan Intl, RNAV (GPS) RWY 4R, Amtd 2A
Boston, MA, General Edward Lawrence Logan Intl, RNAV (GPS) 15R, Amtd 1D
Boston, MA, General Edward Lawrence Logan Intl, RNAV (GPS) RWY 22L, Amtd 1G
Boston, MA, General Edward Lawrence Logan Intl, RNAV (GPS) 27, Orig-E
Boston, MA, General Edward Lawrence Logan Intl, RNAV (GPS) RWY 32, Orig-G
Boston, MA, General Edward Lawrence Logan Intl, RNAV (GPS) RWY 33L, Amtd 2C
Mc Gregor, MN, Isedor Iverson, RNAV (GPS) RWY 14, Amtd 1
Laurel, MS, Hesler-Noble Field, NDB RWY 13, Amtd 8A, CANCELED
Cross Keys, NJ, Cross Keys, VOR OR GPS RWY 9, Amtd 6A
Wildwood, NJ, Cape May County, LOC RWY 19, Amtd 7
Wildwood, NJ, Cape May County, RNAV (GPS) RWY 10, Amtd 1
Wildwood, NJ, Cape May County, RNAV (GPS) RWY 19, Amtd 1
Wildwood, NJ, Cape May County, RNAV (GPS) RWY 28, Orig
Wildwood, NJ, Cape May County, VOR—A, Amtd 4
Bucyrus, OH, Port Bucyrus-Crawford County, RNAV (GPS) RWY 22, Orig-A
Willard, OH, Willard, VOR—A, Orig-A
Amarillo, TX, Rick Husband Amarillo Intl, RNAV (RNP) Z RWY 4, Amtd 1
Amarillo, TX, Rick Husband Amarillo Intl, RNAV (RNP) Z RWY 13, Amtd 1
Amarillo, TX, Rick Husband Amarillo Intl, RNAV (RNP) Z RWY 22, Amtd 1
Amarillo, TX, Rick Husband Amarillo Intl, RNAV (RNP) Z RWY 31, Amtd 1
Georgetown, TX, Georgetown Muni, RNAV (GPS) RWY 11, Amtd 1
Georgetown, TX, Georgetown Muni, RNAV (GPS) RWY 29, Amtd 1
Fillmore, UT, Fillmore Muni, RNAV (GPS) RWY 4, Amtd 1
Fillmore, UT, Fillmore Muni, RNAV (GPS) RWY 22, Amtd 1
Salt Lake City, UT, Salt Lake City Intl, ILS OR LOC RWY 16R, ILS RWY 16R (SA CAT I), ILS RWY 16R (CAT II), ILS RWY 16R (CAT III), Amtd 3C
Seattle, WA, Seattle-Tacoma Intl, ILS OR LOC RWY 16L, ILS RWY 16L (SA CAT I), ILS RWY 16L (CAT II), ILS RWY 16L (CAT III), Amtd 4A
Seattle, WA, Seattle-Tacoma Intl, ILS OR LOC RWY 16R, ILS RWY 16R (SA CAT I), ILS RWY 16R (CAT II), ILS RWY 16R (CAT III), Amtd 7A
Seattle, WA, Seattle-Tacoma Intl, ILS OR LOC RWY 34C, ILS RWY 34C (SA CAT I), ILS RWY 34C (CAT II), Amtd 3D
Seattle, WA, Seattle-Tacoma Intl, RNAV (GPS) Y RWY 16C, Amtd 3A
Seattle, WA, Seattle-Tacoma Intl, RNAV (GPS) Y RWY 16D, Amtd 5A
Seattle, WA, Seattle-Tacoma Intl, RNAV (GPS) Y RWY 16G, Amtd 5A
Seattle, WA, Seattle-Tacoma Intl, RNAV (GPS) Y RWY 34C, Amtd 1C
Seattle, WA, Seattle-Tacoma Intl, RNAV (GPS) Y RWY 34D, Amtd 2D
Seattle, WA, Seattle-Tacoma Intl, RNAV (RNP) Z RWY 16C, Amtd 1A
Seattle, WA, Seattle-Tacoma Intl, RNAV (RNP) Z RWY 16D, Amtd 2A
Seattle, WA, Seattle-Tacoma Intl, RNAV (RNP) Z RWY 16G, Amtd 1C
Seattle, WA, Seattle-Tacoma Intl, RNAV (RNP) Z RWY 34C, Amtd 2A
Seattle, WA, Seattle-Tacoma Intl, RNAV (RNP) Z RWY 34D, Amtd 2A
Seattle, WA, Seattle-Tacoma Intl, RNAV (RNP) Z RWY 34G, Amtd 1A
Casper, WY, Natrona County Intl, LLS OR LOC RWY 8, Amtd 7B, CANCELED
Casper, WY, Natrona County Intl, LOC RWY 8, Orig
Riverton, WY, Riverton Rgnl, RNAV (GPS) RWY 10, Amtd 2B
Riverton, WY, Riverton Rgnl, VOR RWY 10, Amtd 1B
Rescinded: On August 17, 2017 (82 FR 39011), the FAA published an Amendment in Docket No. 31148, Amtd No. 3759 to Part 97 of the Federal Aviation Regulations under section 97.23, 97.33 and 97.37. The following entries for Newberry, MI, and Seattle, WA, effective October 12, 2017, are hereby rescinded in their entirety:
Newberry, MI, Luce County, VOR RWY 11, Amtd 12, CANCELED
Newberry, MI, Luce County, VOR RWY 29, Amtd 12, CANCELED
Seattle, WA, Boeing Field/King County Intl, RNAV (RNP) Z RWY 14R, Amtd 1
Seattle, WA, Boeing Field/King County Intl, Takeoff Minimums and Obstacle DP, Amtd 8

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 97

[Docket No. 31153; Amtd. No. 3764]

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

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

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

DATES: This rule is effective September 13, 2017. The compliance date for each SIAP, associated Takeoff Minimums, and ODP is specified in the amendatory provisions.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of September 13, 2017.

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

For Examination

1. U.S. Department of Transportation, Docket Ops-M30, 1200 New Jersey Avenue SE., West Bldg., Ground Floor, Washington, DC 20590-0001;
2. The FAA Air Traffic Organization Service Area in which the affected airport is located;
3. The office of Aeronautical Navigation Products, 6500 South MacArthur Blvd., Oklahoma City, OK 73169 or,
4. The National Archives and Records Administration (NARA). For
information on the availability of this
material at NARA, call 202–741–6030, or go to: http://www.archives.gov/
federal_register/code_of_federal_regulations/ibr_locations.html.

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

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

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

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

Availability and Summary of Material
Incorporated by Reference
The material incorporated by
reference is publicly available as listed in
the ADDRESSES section.
The material incorporated by reference
describes SIAPs, Takeoff
Minimums and ODPs as identified in
the amendatory language for part 97 of
this final rule.

The Rule
This amendment to 14 CFR part 97 is
effective upon publication of each
separate SIAP and Takeoff Minimums
and ODP as amended in the transmittal.
For safety and timeliness of change
considerations, this amendment
incorporates only specific changes
contained for each SIAP and Takeoff
Minimums and ODP as modified by
FDC permanent NOTAMs.
The SIAPs and Takeoff Minimums
and ODPs, as modified by FDC
permanent NOTAM, and contained in
this amendment are based on the
criteria contained in the U.S. Standard
for Terminal Instrument Procedures
(TERPS). In developing these changes to
SIAPs and Takeoff Minimums and
ODPs, the TERPS criteria were applied
only to specific conditions existing at
the affected airports. All SIAP
amendments in this rule have been
previously issued by the FAA in a FDC
NOTAM as an emergency action of
immediate flight safety relating directly
to published aeronautical charts.

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

Because of the close and immediate
relationship between these SIAPs,
Takeoff Minimums and ODPs, and
safety in air commerce, I find that notice
and public procedure under 5 U.S.C.
553(b) are impracticable and contrary to
the public interest and, where
applicable, under 5 U.S.C. 553(d), good
cause exists for making these SIAPs
effective in less than 30 days.
The FAA has determined that this
regulation only involves an established
body of technical regulations for which
frequent and routine amendments are
necessary to keep them operationally
current. It, therefore—(1) is not a
“significant regulatory action” under
Executive Order 12866; (2) is not a
“significant rule” under DOT regulatory
Policies and Procedures (44 FR 11034:
February 26, 1979); and (3) does not
warrant preparation of a regulatory
evaluation as the anticipated impact is
so minimal. For the same reason, the
FAA certifies that this amendment
will not have a significant economic impact
on a substantial number of small entities
under the criteria of the Regulatory
Flexibility Act.

List of Subjects in 14 CFR Part 97
Air traffic control, Airports,
Incorporation by reference, Navigation
(air).


John S. Duncan,
Director, Flight Standards Service.

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

PART 97—STANDARD INSTRUMENT
APPROACH PROCEDURES

■ 1. The authority citation for part 97
continues to read as follows:
Authority: 49 U.S.C. 106(f), 106(g), 40103,
40106, 40113, 40114, 40120, 44502, 44514,
44701, 44719, 44721–44722.

■ 2. Part 97 is amended to read as follows:
By amending: § 97.23 VOR, VOR/
DME, VOR or TACAN, and VOR/DME
or TACAN; § 97.25 LOC, LOC/DME,
LDA, LDA/DME, SDF, SDF/DME;
§ 97.27 NDB, NDB/DME; § 97.29 ILS,
ILS/DME, MLS, MLS/DME, MLS/RNAV;
§ 97.31 RADAR SIAPs; § 97.33 RNAV
SIAPs; and § 97.35 COPTER SIAPs,
Identified as follows:
* * * Effective Upon Publication

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<td>W K Kellogg</td>
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DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 100
[Docket Number USCG–2017–0703]
RIN 1625–AA08

Special Local Regulation; Tennessee River, Huntsville, AL

AGENCY: Coast Guard, DHS.

ACTION: Temporary final rule.

SUMMARY: The Coast Guard is establishing a special local regulation for all navigable waters of the Tennessee River from mile marker (MM) 333.2 to MM 337.0. This action is necessary to provide for the safety of life on these navigable waters near Huntsville, AL during the Swim Hobbs Island event. Entry of persons or vessels into this regulated area is prohibited unless authorized by the Captain of the Port Sector Ohio Valley (COTP) or a designated representative.

DATES: This rule is effective from 7 a.m. through 2 p.m. on September 17, 2017.

ADDRESSES: To view documents mentioned in this preamble as being available in the docket, go to http://www.regulations.gov, type USCG–2017–0703 in the "SEARCH" box and click "SEARCH." Click on Open Docket Folder on the line associated with this rule.

FOR FURTHER INFORMATION CONTACT: If you have questions on this notice of enforcement, call Petty Officer Jonathan Braddy, Marine Safety Detachment Nashville, U.S. Coast Guard; telephone 615–736–5421, email MSDNashville@uscg.mil.

SUPPLEMENTARY INFORMATION:
I. Table of Abbreviations

| CFR | Code of Federal Regulations |
| COTP | Captain of the Port Sector Ohio Valley |
| DHS | Department of Homeland Security |
| FR | Federal Register |

II. Background Information and Regulatory History

The Coast Guard is issuing this temporary rule without prior notice and opportunity to comment pursuant to authority under section 4(a) of the Administrative Procedure Act (APA) (5 U.S.C. 553(b)). This provision authorizes an agency to issue a rule without prior notice and opportunity to comment when the agency for good cause finds that those procedures are “impracticable, unnecessary, or contrary to the public interest.” Under 5 U.S.C. 553(b)(B), the Coast Guard finds that good cause exists for not publishing a notice of proposed rulemaking (NPRM) with respect to this rule because it is impracticable. We must establish this special local regulation by September 17, 2017 and lack sufficient time to provide a reasonable comment period and then consider those comments before issuing the rule.

We are issuing this rule, and under 5 U.S.C. 553(d)(3), the Coast Guard finds that good cause exists for making it effective less than 30 days after publication in the Federal Register. This rule is necessary for the safety of life during the Swim Hobbs Island on these navigable waters. Delaying the effective date of this rule would be impracticable and contrary to the public interest because immediate action is needed to protect the persons and property from the dangers associated with the race.

III. Legal Authority and Need for Rule

The Coast Guard is issuing this rule under authority in 33 U.S.C. 1233. The Captain of the Port Sector Ohio Valley (COTP) has determined that potential hazards associated with the race from 7 a.m. through 2 p.m. on September 17, 2017 will present a safety concern for anyone on the navigable waters on the Tennessee River extending from mile mark...
IV. Discussion of the Rule

This rule establishes a special local regulation from 7 a.m. through 2 p.m. on September 17, 2017 for all navigable waters from MM 333.2 to MM 337.0 on the Tennessee River in the vicinity of Huntsville, AL. The duration of the regulated area is intended to ensure the safety of vessels and these navigable waters before, during, and after the scheduled event. No vessel or person will be permitted to enter the regulated area without obtaining permission from the COTP or a designated representative.

V. Regulatory Analyses

We developed this rule after considering numerous statutes and Executive Orders related to rulemaking. Below we summarize our analyses based on a number of these statutes and Executive Orders, and we discuss First Amendment rights of protesters.

A. Regulatory Planning and Review

Executive Orders 12866 and 13563 direct agencies to assess the costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits. Executive Order 13771 directs agencies to control regulatory costs through a budgeting process. This rule has not been designated a “significant regulatory action,” under Executive Order 12866. Accordingly, this rule has not been reviewed by the Office of Management and Budget (OMB), and pursuant to OMB guidance it is exempt from the requirements of Executive Order 13771.

This regulatory action determination is based on the size, location, duration, and time-of-day of the regulated area. Vessel traffic will be able to safely navigate through the affected area before and after the scheduled event. Moreover, the Coast Guard will issue Broadcast Notice to Mariners via VHF–FM marine channel 16 about the regulated area and the rule allows vessels to seek permission to enter the area.

B. Impact on Small Entities

The Regulatory Flexibility Act of 1980, 5 U.S.C. 601–612, as amended, requires Federal agencies to consider the potential impact of regulations on small entities during rulemaking. The term “small entities” comprises small businesses, not-for-profit organizations that are independently owned and operated and are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000. The Coast Guard certifies under 5 U.S.C. 605(b) that this rule will not have a significant economic impact on a substantial number of small entities.

While some owners or operators of vessels intending to transit the regulated area may be small entities, for the reasons stated in section V.A. above, this rule will not have a significant economic impact on any vessel owner or operator.

Under section 213(a) of the Small Business Regulatory Enforcement Fairness Act of 1996 (Pub. L. 104–121), we want to assist small entities in understanding this rule. If the rule would affect your small business, organization, or governmental jurisdiction and you have questions concerning its provisions or options for compliance, please contact the person listed in the FOR FURTHER INFORMATION CONTACT section.

Small businesses may send comments on the actions of Federal employees who enforce, or otherwise determine compliance with, Federal regulations to the Small Business and Agriculture Regulatory Enforcement Ombudsman and the Regional Small Business Regulatory Fairness Boards. The Ombudsman evaluates these actions annually and rates each agency’s responsiveness to small business. If you wish to comment on actions by employees of the Coast Guard, call 1–888–REC–FAR (1–888–732–3427). The Coast Guard will not retaliate against small entities that question or complain about this rule or any policy or action of the Coast Guard.

C. Collection of Information

This rule will not call for a new collection of information under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520).

D. Federalism and Indian Tribal Governments

A rule has implications for Federalism under Executive Order 13132, Federalism, if it has 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. We have analyzed this rule under that Order and have determined that it is consistent with the fundamental Federalism principles and preemption requirements described in Executive Order 13132.

Also, this rule does not have tribal implications under Executive Order 13175, Consultation and Coordination with Indian Tribal Governments, because it does not have a substantial direct effect 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. If you believe this rule has implications for Federalism or Indian tribes, please contact the person listed in the FOR FURTHER INFORMATION CONTACT section.

E. Unfunded Mandates Reform Act

The Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1531–1538) requires Federal agencies to assess the effects of their discretionary regulatory actions. In particular, the Act addresses actions that may result in the expenditure by a State, local, or tribal government, in the aggregate, or by the private sector of $100,000,000 (adjusted for inflation) or more in any one year. Though this rule will not result in such expenditure, we do discuss the effects of this rule elsewhere in this preamble.

F. Environment

We have analyzed this rule under Department of Homeland Security Management Directive 023–01 and Commandant Instruction M16475.1D, which guide the Coast Guard in complying with the National Environmental Policy Act of 1969 (42 U.S.C. 4321–4370f), and have determined that this action is one of a category of actions that do not individually or cumulatively have a significant effect on the human environment. This rule involves a temporary special local regulation lasting seven hours that will prohibit entry on all navigable waters of the Tennessee River, from MM 333.2 to MM 337.0. It is categorically excluded from further review under paragraph 35(a) of Figure 2–1 of the Commandant Instruction and a Record of Environmental Consideration was not necessary.

G. Protest Activities

The Coast Guard respects the First Amendment rights of protesters. Protesters are asked to contact the person listed in the FOR FURTHER INFORMATION CONTACT section to coordinate protest activities so that your message can be received without jeopardizing the safety or security of people, places or vessels.
List of Subjects in 33 CFR Part 100

Marine Safety, Navigation (water), Reporting and recordkeeping requirements, Waterways.

For the reasons discussed in the preamble, the Coast Guard amends 33 CFR part 100 as follows:

PART 100—SAFETY OF LIFE ON NAVIGABLE WATERS

1. The authority citation for part 100 continues to read as follows:

Authority: 33 U.S.C. 1233.

2. Add temporary § 100.35T08–0703 to read as follows:

§ 100.35T08–0703 Special Local Regulation; Tennessee River, Huntsville, AL.

(a) Location. All navigable waters of the Tennessee River between mile marker (MM) 333.2 and MM 337.0, Huntsville, AL.

(b) Periods of enforcement. This rule will be enforced from 7 a.m. through 2 p.m. on September 17, 2017.

(c) Regulations. (1) In accordance with the general regulations in § 100.801 of this part, entry into this area is prohibited unless authorized by the Captain of the Port Ohio Valley (COTP) or a designated representative.

(2) Persons or vessels desiring entry into or passage through the area must request permission from the COTP or a designated representative, U. S. Coast Guard Sector Ohio Valley may be contacted on VHF Channel 13 or 16 or by telephone at 1–800–253–7465.

(d) Informational broadcasts. The COTP or a designated representative will inform the public through broadcast notices to mariners of the enforcement period for the special local regulation, as well as any changes in the dates and times of enforcement.

Dated: September 8, 2017.

M.B. Zamperini,
Capt. U.S. Coast Guard, Captain of the Port, Sector Ohio Valley.

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 117

[USCG–2017–0852]

Drawbridge Operation Regulation; Gulf Intracoastal Waterway, Harvey, LA

AGENCY: Coast Guard, DHS.

ACTION: Notice of deviation from drawbridge regulation.

SUMMARY: The Coast Guard has issued a temporary deviation from the operating schedule that governs the Harvey Canal Fourth Street Bridge across the Gulf Intracoastal Waterway (GIWW) mile 0.24 West of Harvey Lock (WHL), at Harvey, Louisiana. The deviation is necessary to allow the contractor to rehabilitate the bridge to continue full operation. This deviation allows the bridge to remain closed-to-navigation for 77 consecutive days.

DATES: This deviation is effective without actual notice from September 13, 2017 through 7 p.m. on Tuesday, November 21, 2017.

ADDRESSES: The docket for this deviation, [USCG–2017–0852] is available at http://www.regulations.gov. Type the docket number in the “SEARCH” box and click “SEARCH.” Click on Open Docket Folder on the line associated with this deviation.

FOR FURTHER INFORMATION CONTACT: If you have questions on this temporary deviation, call or email Donna Gagliano, Bridge Administration Branch, Coast Guard; telephone 504–671–2128, email Donna.Gagliano@uscg.mil.

SUPPLEMENTARY INFORMATION: The C.E.C. Inc., acting on behalf of Louisiana Department of Transportation and Development, has requested a temporary deviation from the operating schedule of the Harvey Canal Fourth Street Bascule Bridge across GIWW, mile 0.24 WHL (Harvey Canal), at Harvey, Louisiana. This deviation was requested to replace electrical and hydraulic lines including trunnion shafts along with span and tail locks initial installation to the drawbridge. This bridge is governed by 33 CFR 117.5.

This deviation allows the bascule bridge to remain in the closed-to-navigation position for 77 consecutive days from 6:30 a.m. on September 6, 2017 through 7 p.m. on Tuesday, November 21, 2017.

This bridge has a vertical clearance of 7 feet above mean high water in the closed-to-navigation position.

Navigation at the site of the bridge consists mainly of tugs with barges and some recreational pleasure craft. For the duration of the rehabilitation the bridge will not be able to open for emergencies and GIWW Algiers Alternate Route can be used as an alternate route to avoid unnecessary delays. The Coast Guard will inform the users of the waterway through our Local and Broadcast Notices to Mariners of the change in operating schedule for the bridge so that vessel operators can arrange their transits to minimize any impact caused by the temporary deviation.

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

Dated: September 8, 2017.

Douglas Allen Blakemore, Sr.,
Bridge Administrator, Eighth Coast Guard District.

[FR Doc. 2017–19456 Filed 9–12–17; 8:45 am]

BILLING CODE 9110–04–P
SUPPLEMENTARY INFORMATION: The Suffolk County Department of Public Works, the owner of the bridge, requested a temporary deviation in order to complete rehabilitation of the bascule leaves and painting of the bridge. The Beach Lane Bridge across the Quantuck Canal at mile 1.1 at Westhampton Beach, New York is a double-leaf bascule bridge with a vertical clearance of 13.9 feet at mean high water and 16.2 feet at mean low water in the closed position. Horizontal clearance is 50.3 feet, but utilization of a work barge placed underneath one of the bascule leaves reduces horizontal clearance to 25 feet. The existing drawbridge operating regulations are listed at 33 CFR 117.790(d).

On May 15, 2017, the Coast Guard published a temporary deviation entitled “Drawbridge Operation Regulation; Quantuck Canal, Westhampton Beach, NY” in the Federal Register (82 FR 22281). Under that temporary deviation, between April 17, 2017 and September 30, 2017, the Beach Lane Bridge was authorized to open only one bascule span at a time in order to provide passage for vessels requiring an opening. Dual lift span operations would be permitted provided 48 hours of advance notice was furnished to the owner of the bridge.

Due to unanticipated project delays, the Suffolk County Department of Public Works has requested to continue one-leaf operations until October 13, 2017, allowing for completion of bascule leaf rehabilitation.

Vessels that can pass under the bridge without an opening may do so at all times. The bridge will be able to open for emergencies. There is no alternate route for vessels to pass.

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

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


Christopher J. Bisignano,
Supervisory Bridge Management Specialist,
First Coast Guard District.

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 165

[Docket Number USCG–2017–0838]

RIN 1625-AA00

Safety Zone; Tennessee River, Knoxville, TN

AGENCY: Coast Guard, DHS.

ACTION: Temporary final rule.

SUMMARY: The Coast Guard is establishing a temporary safety zone for all navigable waters of the Tennessee River extending from mile marker (MM) 646.8 to MM 647.0. This action is necessary to provide for the safety of life on the navigable waters near Knoxville, TN, during the University of Tennessee Football Season recurring fireworks displays. Entry of vessels or persons into this zone is prohibited unless specifically authorized by the Captain of the Port Sector Ohio Valley (COTP) or a designated representative.

DATES: This rule is effective without actual notice from September 13, 2017 through 11 p.m. on November 25, 2017. For the purposes of enforcement, actual notice will be from September 8, 2017 through September 13, 2017.

ADDRESSES: To view documents mentioned in this preamble as being available in the docket, go to http://www.regulations.gov, type USCG–2017–0838 in the “SEARCH” box and click “SEARCH.” Click on Open Docket Folder on the line associated with this rule.

FOR FURTHER INFORMATION CONTACT: If you have questions about this proposed rulemaking, call or email Petty Officer Vera Max, Marine Safety Detachment Nashville, U.S. Coast Guard; telephone 615–736–5421, email MSDNashville@uscg.mil.

SUPPLEMENTARY INFORMATION:

I. Table of Abbreviations

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<td>Notice of proposed rulemaking</td>
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II. Background Information and Regulatory History

The Coast Guard is issuing this temporary rule without prior notice and opportunity to comment pursuant to authority under section 4(a) of the Administrative Procedure Act (APA) (5 U.S.C. 553(b)). This provision authorizes an agency to issue a rule without prior notice and opportunity to comment when the agency for good cause finds that those procedures are “impracticable, unnecessary, or contrary to the public interest.” Under 5 U.S.C. 553(b)(B), the Coast Guard finds that good cause exists for not publishing a notice of proposed rulemaking (NPRM) with respect to this rule because it is impracticable. We must establish this safety zone by September 9, 2017 and lack sufficient time to provide a reasonable comment period and then consider those comments before issuing the rule.

Under 5 U.S.C. 553(d)(3), the Coast Guard finds that good cause exists for making it effective less than 30 days after publication in the Federal Register. Delaying this rule would be contrary to public interest in ensuring the safety of spectators and vessels during the event because immediate action is necessary to prevent possible loss of life and property. Broadcast Notices to Mariners (BNM) and information sharing with the waterway users will update mariners of the restrictions, requirements and enforcement times during this temporary situation.

III. Legal Authority and Need for Rule

The Coast Guard is issuing this rule under authority in 33 U.S.C. 1231. The Captain of the Port Sector Ohio Valley (COTP) has determined that potential hazards associated with the recurring fireworks displays from 3:30 p.m. on September 9, 2017 through 11 p.m. on November 25, 2017 will be a safety concern for all navigable waters of the Tennessee River extending from Mile Marker (MM) 646.8 to MM 647.0. The purpose of this rule is to ensure safety of life on the navigable waters in the temporary safety zone before, during, and after the University of Tennessee Football Season Fireworks Displays.

IV. Discussion of the Rule

This rule establishes a temporary safety zone during each University of Tennessee football home game during the 2017 season that will have a fireworks display. The temporary safety zone will cover all navigable waters of the Tennessee River extending from MM 646.8 to MM 647.0. Transit into and through this area is prohibited from 30 minutes before kickoff until the end of each game. The first game will be on September 9, 2017 at 4 p.m. The safety zone will be enforced from 2:30 p.m. through the end of the game at approximately 8 p.m. The second game
will be on September 23, 2017 at 4 p.m. The remaining home game dates are September 30, October 14, November 4, 18, and 25. Game times will be announced approximately two weeks prior and a Local Notice to Mariners will be issued to advise waterway users of the schedule as it is determined. The duration of the temporary safety zone is intended to ensure the safety of life, vessels, and these navigable waters before, during, and after the scheduled fireworks display. No vessel or person will be permitted to enter the temporary safety zone without obtaining permission from the COTP or a designated representative. Entry requests will be considered and reviewed on a case-by-case basis. The COTP may be contacted by telephone at 1–800–253–7475 or can be reached by VHF–FM channel 16. Public notifications will be made to the local maritime community prior to the event through the Local Notice to Mariners and Broadcast Notice to Mariners.

V. Regulatory Analyses

We developed this rule after considering numerous statutes and Executive Orders related to rulemaking. Below we summarize our analyses based on a number of these statutes and Executive Orders, and we discuss First Amendment rights of protestors.

A. Regulatory Planning and Review

Executive Orders 12866 and 13563 direct agencies to assess the costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits. Executive Order 13771 directs agencies to control regulatory costs through a budgeting process. This rule has not been designated a “significant regulatory action” under Executive Order 12866. Accordingly, this rule has not been reviewed by the Office of Management and Budget (OMB), and pursuant to OMB guidance it is exempt from the requirements of Executive Order 13771.

This regulatory action determination is based on the size, location, duration, and time-of-year of the temporary safety zone. The temporary safety zone will be in effect for approximately 4 and-a-half hours and only on Saturdays during the University of Tennessee football season. The temporary safety zone covers an area of the waterway stretching less than one mile. The Coast Guard expects minimum adverse impact to mariners from the temporary safety zone activation as the same times will have been advertised to the public. Also, mariners may request authorization from the COTP or a designated representative to transit the temporary safety zone.

B. Impact on Small Entities

The Regulatory Flexibility Act of 1980, 5 U.S.C. 601–612, as amended, requires Federal agencies to consider the potential impact of regulations on small entities during rulemaking. The term “small entities” comprises small businesses, not-for-profit organizations that are independently owned and operated and are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000. The Coast Guard certifies under 5 U.S.C. 605(b) that this rule will not have a significant economic impact on a substantial number of small entities.

While some owners or operators of vessels intending to transit the special local regulation may be small entities, for the reasons stated in section V.A above, this rule will not have a significant economic impact on any vessel owner or operator. Under section 213(a) of the Small Business Regulatory Enforcement Fairness Act of 1996 (Pub. L. 104–121), we want to assist small entities in understanding this rule. If the rule would affect your small business, organization, or governmental jurisdiction and you have questions concerning its provisions or options for compliance, please contact the person listed in the FOR FURTHER INFORMATION CONTACT section.

Small businesses may send comments on the actions of Federal employees who enforce, or otherwise determine compliance with, Federal regulations to the Small Business and Agriculture Regulatory Enforcement Ombudsman and the Regional Small Business Regulatory Fairness Boards. The Ombudsman evaluates these actions annually and rates each agency’s responsiveness to small business. If you wish to comment on actions by employees of the Coast Guard, call 1–888–REG–FAIR (1–888–734–3247). The Coast Guard will not retaliate against small entities that question or complain about this rule or any policy or action of the Coast Guard.

C. Collection of Information

This rule will not call for a new collection of information under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520).

D. Federalism and Indian Tribal Governments

A rule has implications for Federalism under Executive Order 13132, Federalism, if it has 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. We have analyzed this rule under that Order and have determined that it is consistent with the fundamental Federalism principles and preemption requirements described in Executive Order 13132.

Also, this rule does not have tribal implications under Executive Order 13175, Consultation and Coordination with Indian Tribal Governments, because it does not have a substantial direct effect 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. If you believe this rule has implications for Federalism or Indian tribes, please contact the person listed in the FOR FURTHER INFORMATION CONTACT section above.

E. Unfunded Mandates Reform Act

The Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1531–1538) requires Federal agencies to assess the effects of their discretionary regulatory actions. In particular, the Act addresses actions that may result in the expenditure by a State, local, or tribal government, in the aggregate, of $100,000,000 (adjusted for inflation) or more in any one year. Though this rule will not result in such expenditure, we do discuss the effects of this rule elsewhere in this preamble.

F. Environment

We have analyzed this rule under Department of Homeland Security Management Directive 023–01 and Commandant Instruction M16475.1D, which guide the Coast Guard in complying with the National Environmental Policy Act of 1969 (42 U.S.C. 4321–4370f), and have determined that this action is one of a category of actions that do not individually or cumulatively have a significant effect on the human environment. This rule involves special local regulated area that would prohibit entry to unauthorized vessels. It is categorically excluded from further review under paragraph 34(g) of Figure 2–1 of the Commandant Instruction. A Record of Environmental Consideration supporting this determination is available in the docket where indicated under ADDRESSES.
G. Protest Activities

The Coast Guard respects the First Amendment rights of protesters. Protesters are asked to contact the person listed in the FOR FURTHER INFORMATION CONTACT section to coordinate protest activities so that your message can be received without jeopardizing the safety or security of people, places or vessels.

List of Subjects in 33 CFR Part 165


For the reasons discussed in the preamble, the Coast Guard amends 33 CFR part 165 as follows:

PART 165—REGULATED NAVIGATION AREAS AND LIMITED ACCESS AREAS

§ 165.T08–0838 Safety zone; Tennessee River, Knoxville, TN.

2. Add § 165.T08–0838 to read as follows:

§ 165.T08–0838 Safety zone; Tennessee River, Knoxville, TN.

1. The authority citation for part 165 continues to read as follows:


2. Add § 165.T08–0838 to read as follows:

§ 165.T08–0838 Safety zone; Tennessee River, Knoxville, TN.

(a) Location. The following area is a temporary safety zone area: all navigable waters of the Tennessee River between Mile Marker (MM) 646.8 and MM 647.0, Knoxville, TN.

(b) Effective period. This section will be enforced from 3:30 p.m. on September 9, 2017 through 11 p.m. on November 25, 2017.

(c) Regulations. (1) In accordance with the general regulations in § 165.23 of this part, entry into this zone is prohibited unless specifically authorized by the Captain of the Port Sector Ohio Valley (COTP) or a designated representative. Persons or vessels desiring to enter into or pass through the zone must request permission from the COTP or a designated representative. They may be contacted on VHF–FM radio channel 16 or telephone at 1–800–253–7465.

(2) Persons and vessels permitted to enter this safety zone must transit at the slowest safe speed and comply with all lawful directions issued by the COTP or a designated representative.

(d) Informational broadcasts. The COTP or a designated representative will inform the public through broadcast notices to mariners of the enforcement period for the temporary safety zone as well as any changes in the planned schedule.

I. Table of Abbreviations

CFR Code of Federal Regulations
DHS Department of Homeland Security
FR Federal Register
NPRM Notice of Proposed Rulemaking
§ Section

II. Background Information and Regulatory History

The Coast Guard is issuing this temporary rule without prior notice and opportunity to comment when the agency for good cause finds that those procedures are “impracticable, unnecessary, or contrary to the public interest.” Under 5 U.S.C. 553(b)(B), the Coast Guard finds that good cause exists for not publishing a notice of proposed rulemaking (NPRM) with respect to this rule because doing so would be impracticable. The Coast Guard did not receive the final details of this project until there was insufficient time remaining before the event to publish an NPRM. Thus, delaying the effective date of this rule to wait for a comment period to run would be impracticable because it would inhibit the Coast Guard’s ability to protect participants, mariners and vessels from the hazards associated with this event. We are issuing this rule under 5 U.S.C. 553(d)(3), the Coast Guard finds that good cause exists for making it effective less than 30 days after publication in the Federal Register for the same reason noted above.

Department of Homeland Security

Coast Guard

33 CFR Part 165

[Docket No. USCG–2017–0304]

RIN 1625–AA00

Safety Zone; L4D Optic Ground Wire Crossing, St. Clair River, St. Clair, MI

AGENCY: Coast Guard, DHS.

ACTION: Temporary final rule.

SUMMARY: The Coast Guard is establishing a temporary safety zone for navigable waters within a 2000-foot portion of the St. Clair River in the vicinity of St. Clair, MI. This zone is necessary to protect vessels from potential hazards associated with the L4D Optic Ground Wire Crossing.

DATES: This temporary final rule is effective from 7 a.m. on September 12, 2017 through 7 p.m. September 13, 2017.

ADDRESSES: To view documents mentioned in this preamble as being available in the docket, go to http://www.regulations.gov, type USCG–2017–0304 in the “SEARCH” box and click “SEARCH.” Click on Open Docket Folder on the line associated with this rule.

FOR FURTHER INFORMATION CONTACT: If you have questions on this temporary rule, call or email Tracy Girard, Prevention Department, Sector Detroit, Coast Guard; telephone 313–568–9564, or email Tracy.M.Girard@uscg.mil.

SUPPLEMENTARY INFORMATION:

I. Table of Abbreviations

CFR Code of Federal Regulations
DHS Department of Homeland Security
FR Federal Register
NPRM Notice of Proposed Rulemaking
§ Section

II. Background Information and Regulatory History

The Coast Guard is issuing this rule under authority in 33 U.S.C. 1231. The Captain of the Port Detroit (COTP) has determined that potential hazard associated with this project will be a safety concern to anyone within a 2000-foot area of the LD4 Ground Wire. This rule is needed to protect personnel, vessels, and the marine environment in the navigable waters within the safety zone while the project is being conducted.

IV. Discussion of the Rule

This rule establishes a safety zone from 7 a.m. on September 12, 2017 through 7 p.m. on September 13, 2017. A safety zone is established to include all U.S. navigable waters of the St. Clair river, St. Clair, MI, between the following two lines from bank-to-the U.S./Canadian border: The first line is drawn directly across the channel from position 42°46.139’ N., 082°28.233’ W. (NAD 83); the second line, to the south, is drawn directly across the channel from position 42°45.799’ N., 082°28.251’ W. (NAD 83). This regulated area will be enforced during a one hour period of time between 7 a.m. through 7 p.m. on September 12, 2017. In the event of inclement weather the regulated area will be enforced during a one hour period of time between 7 a.m. through 7 p.m. on September 13, 2017. No vessel or person will be permitted to enter the safety zone without obtaining permission from the COTP or a designated representative.
V. Regulatory Analyses

We developed this rule after considering numerous statutes and executive orders related to rulemaking. Below we summarize our analyses based on these statutes and executive orders.

A. Regulatory Planning and Review

Executive Orders 12866 and 13563 direct agencies to assess the costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits. Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. This rule has not been designated a “significant regulatory action,” under Executive Order 12866. Accordingly, it has not been reviewed by the Office of Management and Budget.

This regulatory action determination is based on the size, location, duration, and time-of-year of the safety zone. Recreational vessel traffic will be able to safely transit around this safety zone with the exception of a one hour time frame between 7 a.m. to 7 p.m. during which the optic ground wire will cross the river on September 12 or 13, 2017. Commercial traffic shall not be impeded. Moreover, the Coast Guard will issue Broadcast Notice to Mariners via VHF–FM marine channel 16 about the zone and the rule allows vessels to seek permission to enter the zone.

B. Impact on Small Entities

The Regulatory Flexibility Act of 1980, 5 U.S.C. 601–612, as amended, requires Federal agencies to consider the potential impact of regulations on small entities during rulemaking. The term “small entities” comprises small businesses, not-for-profit organizations that are independently owned and operated and are not dominant in their fields, and governmental jurisdictions with populations of less than 50,000. The Coast Guard certifies under 5 U.S.C. 605(b) that this rule will not have a significant economic impact on a substantial number of small entities.

While some owners or operators of vessels intending to transit the safety zone may be small entities, for the reasons stated in section V.A above, this rule will not have a significant economic impact on any vessel owner or operator.

Under section 213(a) of the Small Business Regulatory Enforcement Fairness Act of 1996 (Pub. L. 104–121), we want to assist small entities in understanding this rule. If the rule would affect your small business, organization, or governmental jurisdiction and you have questions concerning its provisions or options for compliance, please contact the person listed in the FOR FURTHER INFORMATION CONTACT section.

Small businesses may send comments on the actions of Federal employees who enforce, or otherwise determine compliance with, Federal regulations to the Small Business and Agriculture Regulatory Enforcement Ombudsman and the Regional Small Business Regulatory Fairness Boards. The Ombudsman evaluates these actions annually and rates each agency’s responsiveness to small business. If you wish to comment on actions by employees of the Coast Guard, call 1–888–REG–FAIR (1–888–734–3247). The Coast Guard will not retaliate against small entities that question or complain about this rule or any policy or action of the Coast Guard.

C. Collection of Information

This rule will not call for a new collection of information under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520).

D. Federalism and Indian Tribal Governments

A rule has implications for federalism under Executive Order 13132, Federalism, if it has 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. We have analyzed this rule under that Order and have determined that it is consistent with the fundamental federalism principles and preemption requirements described in Executive Order 13132.

Also, this rule does not have tribal implications under Executive Order 13175, Consultation and Coordination with Indian Tribal Governments, because it does not have a substantial direct effect 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. If you believe this rule has implications for federalism or Indian tribes, please contact the person listed in the FOR FURTHER INFORMATION CONTACT section above.

E. Unfunded Mandates Reform Act

The Unfunded Mandates Reform Act of 1995 (2 U.S.C. 1531–1538) requires Federal agencies to assess the effects of their discretionary regulatory actions. In particular, the Act addresses actions that may result in the expenditure by a State, local, or tribal government, in the aggregate, or by the private sector of $100,000,000 (adjusted for inflation) or more in any one year. Though this rule will not result in such expenditure, we do discuss the effects of this rule elsewhere in this preamble.

F. Environment

We have analyzed this rule under Department of Homeland Security Management Directive 023–01 and Commandant Instruction M16475.1D, which guide the Coast Guard in complying with the National Environmental Policy Act of 1969(42 U.S.C. 4321–4370), and have determined that this action is one of a category of actions that do not individually or cumulatively have a significant effect on the human environment. This rule involves a safety zone lasting 36 hours that will prohibit entry within 2000-feet of the project site. It is categorically excluded under section 2.B.2, figure 2–1, paragraph 34(g) of the Instruction. A Record of Environmental Consideration (REC) supporting this determination is available in the docket where indicated in the ADDRESSES section of this preamble.

G. Protest Activities

The Coast Guard respects the First Amendment rights of protesters. Protesters are asked to contact the person listed in the FOR FURTHER INFORMATION CONTACT section to coordinate protest activities so that your message can be received without jeopardizing the safety or security of people, places or vessels.

List of Subjects in 33 CFR Part 165

Harbors, Marine safety, Navigation (water), Reporting and record keeping requirements, Security measures, Waterways.

For the reasons discussed in the preamble, the Coast Guard amends 33 CFR part 165 as follows:

PART 165—REGULATED NAVIGATION AREAS AND LIMITED ACCESS AREAS

1. The authority citation for part 165 continues to read as follows:


2. Add § 165.T09–0304 to read as follows:
DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 165

[Safety Zone; Allegheny River miles 0.0–0.25, Ohio River mile 0.0–0.1, Monongahela River mile 0.0–0.1; Pittsburgh, PA]

AGENCY: Coast Guard, DHS.

ACTION: Notice of enforcement of regulation.

SUMMARY: The Coast Guard will enforce the subject safety zone for the Pittsburgh Steelers Fireworks on all navigable waters of the Allegheny River miles 0.0 to 0.25, Ohio River mile 0.0 to 0.1, Monongahela River mile 0.0 to 0.1, extending the entire width of the rivers. The zone is needed to protect vessels transiting the area and event spectators from the hazards associated with the barge-based fireworks display. During the enforcement period, entry into, transiting, or anchoring in the safety zone is prohibited to all vessels not registered with the sponsor as participants or official patrol vessels, unless specifically authorized by the Captain of the Port Marine Safety Unit Pittsburgh (COTP) or a designated representative.

DATES: The regulations in 33 CFR 165.801 Table 1, Sector Ohio Valley, No. 57 will be enforced on November 16, 2017, November 26, 2017, and December 10, 2017.

FOR FURTHER INFORMATION CONTACT: If you have questions about this notice of enforcement, call or email MST1 Jennifer Haggins, Marine Safety Unit Pittsburgh, U.S. Coast Guard; telephone 412–221–0807, email Jennifer.L.Haggins@uscg.mil.

SUPPLEMENTARY INFORMATION: The Coast Guard will enforce the Safety Zone for the Pittsburgh Steelers fireworks on the Allegheny River, Monongahela River and Ohio River, listed in 33 CFR 165.801 Table 1, Sector Ohio Valley, No. 57 on November 16, 2017, November 26, 2017, and December 10, 2017. Entry into the safety zone is prohibited unless authorized by the COTP or a designated representative. Persons or vessels desiring to enter into or passage through the safety zone must request permission from the COTP or a designated representative. If permission is granted, all persons and vessels shall comply with the instructions of the COTP or designated representative.

This notice of enforcement is issued under authority of 33 CFR 165.801 and 5 U.S.C. 552 (a). In addition to this notice in the Federal Register, the Coast Guard will provide the maritime community with advance notification of this enforcement period via Local Notice to Mariners and updates via Marine Information Broadcasts.


L. McClain, Jr., Commander, U.S. Coast Guard, Captain of the Port Marine Safety Unit Pittsburgh.

[FR Doc. 2017–19436 Filed 9–12–17; 8:45 am]

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[Approval of Missouri Air Quality Implementation Plans; Final Rule; Determination of Attainment for the 2010 1-Hour Primary Sulfur Dioxide National Ambient Air Quality Standard; Jefferson County Nonattainment Area]

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: The Environmental Protection Agency (EPA) is taking final action to determine that the Jefferson County nonattainment area, in Missouri, has attained the 2010 1-hour primary Sulfur Dioxide (SO₂) National Ambient Air Quality Standard (NAAQS) per the EPA’s Clean Data Policy. This determination of attainment is based upon complete, quality assured, and certified ambient air monitoring data from the 2014–2016 monitoring period, associated dispersion modeling, and supplemental emissions inventory information, which demonstrate that the Jefferson County area attained the 2010 1-hour primary SO₂ NAAQS.

DATES: This final rule is effective on October 13, 2017.


CBI or other information whose disclosure is restricted by statute. Certain other material, such as copyrighted material, is not placed on the Internet and will be publicly available only in hard copy form. Publicly available docket materials are
available through https://www.regulations.gov or please contact the person identified in the FOR FURTHER INFORMATION CONTACT section for additional information.

FOR FURTHER INFORMATION CONTACT: Tracey Casburn, Environmental Protection Agency, Air Planning and Development Branch, 11201 Renner Boulevard, Lenexa, Kansas 66219 at (913) 551–7016, or by email at casburn.tracey@epa.gov.

SUPPLEMENTARY INFORMATION: Throughout this document “we,” “us,” and “our” refer to EPA. This section provides additional information by addressing the following:

I. Background Information
II. EPA’s Response to Comments
III. What action is EPA taking?
IV. Statutory and Executive Order Reviews

I. Background Information

On June 2, 2010 (75 FR 35520), the EPA established a health-based 1-hour primary SO₂ NAAQS at 75 ppb. Upon promulgation of a new or revised NAAQS, section 107(d) of the Clean Air Act (CAA) requires the EPA to designate any area that does not meet (or that contributes to ambient air quality in a nearby area that does not meet) the NAAQS as nonattainment. On August 5, 2013, the EPA designated a portion of Jefferson County, Missouri, as nonattainment for the 2010 1-hour primary SO₂ NAAQS, effective October 4, 2013. The designation was based on 2008–2010 monitoring data in Herculaneum, Missouri, which monitored violations of the standard (see section III of this document for additional monitoring information). The effective date of the nonattainment designation was October 4, 2013. This action established an attainment date five years after the effective date for the areas designated as nonattainment for the 2010 SO₂ NAAQS (i.e., by October 4, 2018).

On February 2, 2016, the state submitted a request asking the EPA to determine that the nonattainment area attained the 2010 1-hour primary SO₂ NAAQS per the EPA’s Clean Data Policy. On June 23, 2017, the EPA published a notice of proposed rulemaking (NPR) which proposed to approve the State’s requests. See 82 FR 28605. Specifically, the EPA proposed to take the following actions: (1) Determine that the Jefferson County SO₂ nonattainment area is attaining the 2010 1-hour SO₂ NAAQS; (2) determine that the Jefferson County SO₂ nonattainment area has clean monitoring data; (3) suspend the requirements for the state to submit an attainment demonstration, a reasonable further progress plan, contingency measures, and other planning SIPs revisions related to attainment of the 2010 1-hour primary SO₂ NAAQS until such time, if any, that the EPA subsequently determines, after notice-and-comment rulemaking in the Federal Register, that the area has violated the 2010 1-hour primary SO₂ NAAQS.

The details of Missouri’s submittal and the rationale for EPA’s proposed action are explained in the NPR and will not be restated here.

II. EPA’s Response to Comments

The public comment period on EPA’s proposed rule opened June 23, 2017, the date of its publication in the Federal Register, and closed on July 24, 2017. During this period, the EPA received one set of public comments on the NPR, which supported the proposed redesignation and provided additional technical information. The EPA acknowledges these supportive comments, and the additional technical information, however, as the comments were essentially in favor of the agency’s proposed action, the EPA is not responding to the individual comments.

III. What action is EPA taking?

The EPA is finalizing its determination that the Jefferson County 2010 1-hour primary SO₂ nonattainment area (thereby referred to as “the nonattainment area”), in Missouri, has attained the 2010 1-hour primary SO₂ NAAQS. This action is based on complete, quality assured, and certified ambient air monitoring data from the 2013–2015 monitoring period, with additional certified monitoring data from 2016, associated dispersion modeling for the 2013–2015 emission years, as well as supplemental 2016 emissions inventory information—which show that the nonattainment area has attained the 2010 1-hour primary SO₂ NAAQS.

The EPA has made the monitoring data, the modeling data, the supplemental emissions inventory information and additional information submitted by the state to support this action available in the docket to this rulemaking through www.regulations.gov and/or at the EPA Region 7 Office (please contact the person identified in the FOR FURTHER INFORMATION CONTACT section of this preamble for more information).

IV. Statutory and Executive Order Reviews

A. General Requirements

Under the CAA, a determination that a nonattainment area is attaining a NAAQS is an action that affects the status of a geographical area and does not impose any additional regulatory requirements on sources beyond those imposed by state law. A determination of attainment does not in and of itself create any new requirements, but rather results in the applicability of requirements contained in the CAA for areas that have been stated above.

Moreover, the Administrator is required to approve a SIP submission that complies with the provisions of the CAA and applicable Federal regulations. See 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, EPA’s role is to approve state choices, provided that they meet the criteria of the CAA. Accordingly, these actions merely approve state law as meeting federal requirements and do not impose any additional requirements beyond those imposed by state law. This action results in the suspension of certain Federal requirements and would not impose any additional requirements.

For these reasons, this action:

- Is not a significant regulatory action subject to review by the Office of Management and Budget under Executive Orders 12866 (58 FR 51735, October 4, 1993) and 13563 (76 FR 3821, January 21, 2011);
- Is not significant under the Unfunded Mandates Reform Act of 1995, 2 U.S.C. 1531 et seq., because it imposes no mandatory or mandatory requirements on the states or local governments.
- Is not significant under the Office of Management and Budget’s Bulletin on the Application of Statutory Consolidation, 2 U.S.C. 113;

- Is not significant under Executive Order 12612, Federalism, 58 FR 51650, because this action involves no significant change in policy and no economically significant costs or benefits involved;
- Is not significant under Executive Order 13132,Federalism, 64 FR 4323, because this action involves no significant change in policy and no economically significant costs or benefits involved;
- Is not significant under the National Environmental Policy Act of 1969, 42 U.S.C. 4331 et seq., because it involves no action subject to NEPA; and
- Is not significant under Executive Order 13211,Actions Concerning Regulations That Significantly Affect Small Entities, 66 FR 28351, because this action involves no action subject to NEPA.

The actions in this rulemaking were subject to review by the Office of Management and Budget and Region 7, and no comments were received on the economic or legal impact of the actions.

III. What action is EPA taking?

The EPA is finalizing its determination that the Jefferson County 2010 1-hour primary SO₂ nonattainment area (hereby referred to as “the nonattainment area”), in Missouri, has attained the 2010 1-hour primary SO₂ NAAQS. This action is based on complete, quality assured, and certified ambient air monitoring data from the 2013–2015 monitoring period, with additional certified monitoring data from 2016, associated dispersion modeling for the 2013–2015 emission years, as well as supplemental 2016 emissions inventory information— which show that the nonattainment area has attained the 2010 1-hour primary SO₂ NAAQS.

The EPA has made the monitoring data, the modeling data, the supplemental emissions inventory information and additional information submitted by the state to support this action available in the docket to this rulemaking through www.regulations.gov and/or at the EPA Region 7 Office (please contact the person identified in the FOR FURTHER INFORMATION CONTACT section of this preamble for more information).

IV. Statutory and Executive Order Reviews

A. General Requirements

Under the CAA, a determination that a nonattainment area is attaining a NAAQS is an action that affects the status of a geographical area and does not impose any additional regulatory requirements on sources beyond those imposed by state law. A determination of attainment does not in and of itself create any new requirements, but rather results in the applicability of requirements contained in the CAA for areas that have been stated above.

Moreover, the Administrator is required to approve a SIP submission that complies with the provisions of the CAA and applicable Federal regulations. See 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, EPA’s role is to approve state choices, provided that they meet the criteria of the CAA. Accordingly, these actions merely approve state law as meeting federal requirements and do not impose any additional requirements beyond those imposed by state law. This action results in the suspension of certain Federal requirements and would not impose any additional requirements.

For these reasons, this action:

- Is not a significant regulatory action subject to review by the Office of Management and Budget under Executive Orders 12866 (58 FR 51735, October 4, 1993) and 13563 (76 FR 3821, January 21, 2011);
- Is not significant under the Unfunded Mandates Reform Act of 1995, 2 U.S.C. 1531 et seq., because it imposes no mandatory or mandatory requirements on the states or local governments.
- Is not significant under Executive Order 12612, Federalism, 64 FR 4323, because this action involves no significant change in policy and no economically significant costs or benefits involved;
- Is not significant under Executive Order 13132, Federalism, 64 FR 4323, because this action involves no significant change in policy and no economically significant costs or benefits involved;
- Is not significant under the National Environmental Policy Act of 1969, 42 U.S.C. 4331 et seq., because it involves no action subject to NEPA; and
- Is not significant under Executive Order 13211, Actions Concerning Regulations That Significantly Affect Small Entities, 64 FR 28351, because this action involves no action subject to NEPA.

III. What action is EPA taking?

The EPA is finalizing its determination that the Jefferson County 2010 1-hour primary SO₂ nonattainment area (hereby referred to as “the nonattainment area”), in Missouri, has attained the 2010 1-hour primary SO₂ NAAQS. This action is based on complete, quality assured, and certified ambient air monitoring data from the 2013–2015 monitoring period, with additional certified monitoring data from 2016, associated dispersion modeling for the 2013–2015 emission years, as well as supplemental 2016 emissions inventory information—which show that the nonattainment area has attained the 2010 1-hour primary SO₂ NAAQS.

The EPA has made the monitoring data, the modeling data, the supplemental emissions inventory information and additional information submitted by the state to support this action available in the docket to this rulemaking through www.regulations.gov and/or at the EPA Region 7 Office (please contact the person identified in the FOR FURTHER INFORMATION CONTACT section of this preamble for more information).
• 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 a significant regulatory action 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 CAA; and
• Does not provide the EPA with the discretionary authority to address, as appropriate, disproportionate human health or environmental effects, using practicable and legally permissible methods, under Executive Order 12298 (59 FR 7629, February 16, 1994).

In addition, this action does not apply on any Indian reservation land or in any other area where the EPA or an Indian tribe has demonstrated that a tribe has jurisdiction. In those areas of Indian country, the rule does not have tribal implications and will not impose substantial direct costs on tribal governments or preempt tribal law as specified by Executive Order 13175 (65 FR 67249, November 9, 2000).

B. Congressional Review Act

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

This action is not a “major rule” as defined by 5 U.S.C. 804(2).

C. Petitions for Judicial Review

Under section 307(b)(1) of the CAA, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by July 11, 2018. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this action for the purposes of judicial review nor does it extend the time within which a petition for judicial review may be filed, and shall not postpone the effectiveness of such rule or action. This action may not be challenged later in proceedings to enforce its requirements. See section 307(b)(2).

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Attainment determination, Incorporation by reference, Sulfur dioxide.

Edward H. Chu,
Acting Regional Administrator, Region 7.

For the reasons stated in the preamble, EPA amends 40 CFR part 52 as set forth below:

PART 52—APPROVAL AND PROMULGATION OF IMPLEMENTATION PLANS

1. The authority citation for part 52 continues to read as follows:

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

Subpart AA—Missouri

2. Add § 52.1343 to read as follows:

§ 52.1343 Control strategy: Sulfur Dioxide.

(a) Determination of attainment. EPA has determined, as of September 13, 2017, that the Jefferson County 2010 SO2 nonattainment has attained the 2010 SO2 1-hr NAAQS. This determination suspends the requirements for this area to submit an attainment demonstration, associated reasonably available control measures, reasonable further progress, contingency measures, and other plan elements related to attainment of the standards for as long as the area continues to meet the 2010 SO2 1-hr NAAQS.

(b) [Reserved]

[FR Doc. 2017–19339 Filed 9–12–17; 8:45 am]
BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 180


EPTC; Pesticide Tolerances

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: This regulation establishes tolerances for residues of EPTC, S-ethyl dipropylthiocarbamate in or on grass, forage at 0.60 ppm and grass, hay at 0.50 ppm. Gowan Company requested these tolerances under the Federal Food, Drug, and Cosmetic Act (FFDCA).

DATES: This regulation is effective September 13, 2017. Objections and requests for hearings must be received on or before November 13, 2017, 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–2015–0308, is available at https://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:
Michael L. Goodis, 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?


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–2015–0308 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 November 13, 2017. 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–2015–0308, by one of the following methods:

- Federal eRulemaking Portal: https://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.
- Hand Delivery: To make special arrangements for hand delivery or delivery of boxed information, please follow the instructions at https://www.epa.gov/dockets/where-send-comments-epa-dockets. Additional instructions on commenting or visiting the docket, along with more information about docket generally, is available at https://www.epa.gov/dockets/dockets.

II. Summary of Petitioned-for Tolerances

In the Federal Register of Friday, July 17, 2015 (80 FR 42462) (FRL–9929–13), 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 3F8355) by Gowan Company, P.O. Box 5569, Yuma, AZ 85366. The petition requested that 40 CFR part 180 be amended by establishing tolerances for residues of the herbicide EPTC, S-ethyl dipropylthiocarbamate, in or on grass grown for seed, forage at 0.6 parts per million (ppm) and grass grown for seed, hay at 0.5 ppm. That document referenced a summary of the petition prepared by Gowan Company, the registrant, which is available in the docket, https://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 EPTC, including exposure resulting from the tolerances established by this action. EPA’s assessment of exposures and risks associated with EPTC 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.

On an acute exposure basis, EPTC is highly toxic via inhalation and is moderately toxic via the oral and dermal routes of exposure. It is slightly irritating to eyes and minimally irritating to skin. It is a weak skin sensitizer.

EPTC is an S-alkylthiocarbamate, which consistently produced cardiomyopathy and neuronal cell necrosis in studies of varying length and in different species. Cardiotoxicity was observed in subchronic and long-term studies, and in general, the severity and incidence of the lesion increased with increasing doses of EPTC. In 90-day feeding and inhalation studies and in two chronic feeding/oncogenicity studies, histopathological evaluation revealed myocardial degeneration. Myocardial degeneration in adult rats was also observed in two separate two-generation reproduction studies. In two chronic dog studies, degenerative changes in the cardiac muscle were observed when EPTC was administered in a capsule, but not when administered (at comparable doses) in the diet. In both dog studies, electrocardiograms were taken, but only one high-dose male in the capsule study had changes which were described as “potentially” treatment-related.

EPTC, as well as other thiocarbamates (mollinate, cycloate, propabate, vernolate and butylate), have toxic effects on the central and peripheral nervous systems. With EPTC, there was an increased incidence and severity of neuronal necrosis/degeneration in both the central and peripheral nervous systems of rats and dogs. In the rat neurotoxicity studies, dose-related increases in the incidence of neuronal necrosis were observed in the acute and subchronic exposure to EPTC. In the rat developmental neurotoxicity study, a
marginal decrease in absolute (not relative) pup brain weight (4–6%) was observed in only one sex (male pups) and at only one time point (PND63). Furthermore, this marginal effect had no dose-response, was not seen after perfusion, and had no corresponding necrosis. Therefore, this effect was considered marginal at best and not robust. In both of the combined chronic toxicity/carcinogenicity studies in the rat and in the chronic (capsule) study in the dog, treatment-related neuromuscular lesions were observed. In all of these studies, hindquarter weakness with corresponding histopathology findings of atrophy and degeneration of the skeletal muscle were observed. In the dog study, the lesions were described as Wallerian-type degeneration in the spinal cords and various peripheral nerves.

EPTC is a reversible acetylcholinesterase (AChE) inhibitor. Toxicology studies with EPTC did not show any consistent pattern of AChE-inhibition between different species, length of treatment, or the type of AChE enzyme measured. In some studies, brain AChE activity was inhibited without any effect on either plasma or erythrocyte AChE activities. In other studies, erythrocyte AChE was inhibited with no inhibition of either plasma or brain AChE. AChE-inhibition was observed at comparable or higher doses than where cardiac/neuronal effects were observed.

There is no evidence of increased susceptibility following in utero exposure to EPTC in either the rat or rabbit developmental toxicity study or following in utero and/or postnatal exposure in the 2-generation reproduction study in rats. EPTC is classified as “Not Likely to be Carcinogenic to Humans.” This is based on the lack of carcinogenic potential noted in the available studies. There are no concerns for mutagenicity or clastogenicity. There is also no concern for immunotoxicity.

Specific information on the studies received and the nature of the adverse effects caused by EPTC 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 https://www.regulations.gov in document EPTC: Human Health Risk Assessment for the Proposed Section 3 Registration for Use on Grasses Grown for Seed Production in docket ID number EPA–HQ–OPP–2015–0308.

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 https://www.epa.gov/pesticide-science-and-assessing-pesticide-risks/assessing-human-health-risk-pesticides.

A summary of the toxicological endpoints for EPTC used for human risk assessment is shown in Table 1 of this unit.

<table>
<thead>
<tr>
<th>Exposure/scenario</th>
<th>Point of departure and uncertainty/ safety factors</th>
<th>RfD, PAD, LOC for risk assessment</th>
<th>Study and toxicological effects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acute dietary (all populations including infants and children).</td>
<td>LOAEL = 200 mg/kg/day.</td>
<td>aRfD/aPAD = 0.2 mg/kg/day.</td>
<td>Acute neurotoxicity rat study. NOAEL not established in males. LOAEL = 200 mg/kg/day based on neuronal cell necrosis in the brain in males.</td>
</tr>
<tr>
<td></td>
<td>UF\textsubscript{A} = 10x.</td>
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<td></td>
<td>UF\textsubscript{F\textsubscript{I}} = 10x.</td>
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<tr>
<td></td>
<td>FQPA SF/UF\textsubscript{L} = 10x.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chronic dietary (all populations including infants and children).</td>
<td>POD = 5 mg/kg/day.</td>
<td>cRfD/cPAD = 0.05 mg/kg/day.</td>
<td>Co-critical, chronic/carcinogenicity and 2-generation reproduction in rats.</td>
</tr>
<tr>
<td></td>
<td>UF\textsubscript{A} = 10x.</td>
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<tr>
<td></td>
<td>UF\textsubscript{F\textsubscript{I}} = 10x.</td>
<td></td>
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<tr>
<td></td>
<td>FQPA SF = 1x.</td>
<td></td>
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<tr>
<td>Incidental oral (short- and intermediate-term).</td>
<td>POD = 5 mg/kg/day.</td>
<td>LOC for MOE = 100</td>
<td>Chronic toxicity/carcinogenicity rat study. NOAEL = 5 mg/kg/day. LOAEL = 25 mg/kg/day based on decreased body weight and increased incidences of myocardial and neuromuscular lesions.</td>
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<tr>
<td></td>
<td>UF\textsubscript{A} = 10x.</td>
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<tr>
<td></td>
<td>UF\textsubscript{F\textsubscript{I}} = 10x.</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>FQPA SF = 1x.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dermal (short- and intermediate-term).</td>
<td>POD = 5 mg/kg/day Dermal absorption factor= 5%.</td>
<td>LOC for MOE = 100</td>
<td>2-generation reproduction toxicity rat study. Parental NOAEL = 2.5 mg/kg/day. Parental LOAEL = 10 mg/kg/day based on decreased body weight and cardiomyopathy. Developmental NOAEL = 10 mg/kg/day. Developmental LOAEL = 40 mg/kg/day based on decreased mean pup weight during lactation days 4 to 21. Reproductive NOAEL = 40 mg/kg/day. Reproductive LOAEL &gt;40 mg/kg/day.</td>
</tr>
<tr>
<td></td>
<td>UF\textsubscript{A} = 10x.</td>
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<td>UF\textsubscript{F\textsubscript{I}} = 10x.</td>
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</tr>
<tr>
<td></td>
<td>FQPA SF = 1x.</td>
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</tr>
</tbody>
</table>
C. Exposure Assessment

1. Dietary exposure from food and feed uses. In evaluating dietary exposure to EPTC, EPA considered exposure under the petitioned-for tolerances as well as all existing EPTC tolerances in 40 CFR 180.117. EPA assessed dietary exposures from EPTC 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 EPTC. In estimating acute dietary exposure, EPA used food consumption information from the United States Department of Agriculture (USDA) 2003–2008 National Health and Nutrition Examination Survey, What We Eat in America (NHANES/WWEIA). As to residue levels in food, EPA incorporated tolerance-level residues (adjusted for metabolites at 15X, to estimate the concentration of residues of toxicological concern), 100 percent crop treated (PCT) for all commodities, and default processing factors for all processed commodities except for potato granules (1.4X) and for sugar beets (4X).

ii. Chronic exposure. In conducting the chronic dietary exposure assessment EPA used the same food consumption data and food residue level information as described above for acute dietary exposure.

iii. Cancer. Based on the data summarized in Unit III.A, EPA has concluded that EPTC 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. EPA did not use anticipated residue and/or PCT information in the dietary assessment for EPTC. Tolerance-level residues and 100 PCT were assumed for all food commodities.

2. Dietary exposure from drinking water.

The Agency used screening-level water exposure models in the dietary exposure analysis and risk assessment for EPTC in drinking water. These simulation models take into account data on the physical, chemical, and fate/transport characteristics of EPTC. Further information regarding EPA drinking water models used in pesticide exposure assessment can be found at https://www.epa.gov/pesticide-science-and-assessing-pesticide-risks/about-water-exposure-models-used-pesticide.

Based on the Tier II Surface Water Concentration Calculator (SWCC) and Pesticide Root Zone Model Ground Water (PRZM–GW) model, the highest estimated drinking water concentration (EDWC) of EPTC for acute exposure is estimated to be 378 parts per billion (ppb) from ground water. For chronic exposure, the highest EDWC is estimated to be 335 ppb from ground water. These EDWCs were directly entered into the dietary exposure models for both acute and chronic dietary risk assessments to assess the contribution from drinking water.

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, termiteicides, and flea and tick control on pets). EPTC 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.” Although thiocarbamates share some chemical and toxicological characteristics, the toxicological database does not support a testable hypothesis for a common mechanism of action. Therefore, for the purposes of this tolerance action EPA has assumed that EPTC 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 https://www.epa.gov/pesticide-science-and-assessing-pesticide-risks/cumulative-assessment-risk-pesticides.

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 FQPA Safety Factor (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.
As discussed in Unit III.A., there was no qualitative or quantitative evidence of increased susceptibility to developing fetuses following in utero exposure to EPTC in the rabbit and rat developmental toxicity studies, or to offspring in the rat two-generation reproduction toxicity study. Although there was evidence of increased qualitative or quantitative susceptibility of offspring observed in the rat developmental neurotoxicity study. The effect on a marginal decreased absolute brain weight was observed only in male pups at one time-point on postnatal day 63. This effect was considered marginal and not robust since it had no dose-response, was not seen after perfusion, and had no corresponding necrosis. Therefore, there is low concern for susceptibility.

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 for assessing chronic dietary exposure but retained at 10X for assessing acute dietary exposure to account for extrapolating a NOAEL from a LOAEL. That decision is based on the following findings:

i. The toxicity database for EPTC is complete and adequate to assess potential risk to infants and children.
ii. There is indication that EPTC has toxic effects on the central and peripheral nervous systems. Neuronal necrosis and degeneration were observed in both the central and peripheral nervous systems of rats and dogs after acute and subchronic exposure. Treatment-related neuromuscular lesions were also observed in chronic rat and dog studies. In all of these studies hindquarter weakness was noted, and at necropsy evaluation atrophy and degeneration of the skeletal muscle was observed. In the dog study, the lesions were described as Wallerian-type degeneration in the spinal cords and various peripheral nerves. AChE inhibition was also seen in a number of toxicology studies; however, no consistent pattern was witnessed across studies with respect to AChE inhibition between different species, length of treatment, or the type of AChE enzyme measured. All studies provide clear NOAELs and LOAELs, except the acute neurotoxicity study, and because the Agency is relying on that study for selection of the acute dietary exposure endpoint, EPA is retaining the 10X FQPA safety factor to account from the extrapolation from the LOAEL to the NOAEL.
iii. There is no evidence that EPTC results in increased susceptibility in in utero rats or rabbits in the prenatal developmental studies or in young rats in the two-generation reproduction study. Evidence of increased susceptibility to offspring was observed in the developmental neurotoxicity study; however, this effect was considered marginal and not robust. Therefore, there is low concern for the susceptibility.
iv. There are no residual uncertainties identified in the exposure databases. The dietary food exposure assessments were performed based on 100 PCT and tolerance-level residues. EPA made conservative (protective) assumptions in the ground and surface water modeling used to assess exposure to EPTC in drinking water. These assessments will not underestimate the exposure and risks posed by EPTC.

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 EPTC will occupy 46% of the aPAD for Children between 1–2 years old, the population subgroup 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 EPTC from food and water will utilize 65% of the cPAD for children between 1–2 years old, the population subgroup receiving the greatest exposure. There are no residential uses for EPTC.

3. Short- and intermediate-term risks. Short-term between 1–2 days and intermediate-term (1 to 6 months) residual exposure plus chronic exposure from food and water (considered to be a background exposure level). Short- and intermediate-term adverse effects were identified; however, EPTC is not registered for any use patterns that would result in residential exposure. Because there is no residential exposure and chronic dietary exposure has already been assessed under the appropriately protective PADs (which is at least as protective as the PODs used to assess short- and intermediate-term risks), no further assessment of short- and intermediate-term risks are necessary, and EPA relies on the chronic dietary risk assessment for evaluating short- and intermediate-term risks for EPTC.

4. Aggregate cancer risk for U.S. population. Based on the lack of evidence of carcinogenicity in two adequate rodent carcinogenicity studies, EPTC 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 EPTC residues.

IV. Other Considerations
A. Analytical Enforcement Methodology
An adequate gas chromatography with micro coulometric (GLC/MC) detection method (RR–50) listed under Method A in the Pesticide Analytical Manual (PAM Volume II, Section 180.117; is available for enforcing tolerances of EPTC per se in plant commodities. For the determination of hydroxylated metabolites (free or conjugated) of EPTC in or on plant commodities, an adequate gas chromatography with nitrogen-phosphorus detection (GC/NPD) enforcement method (Method RR–96–08BB) is also available.

These methods 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: residuethemethods@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 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 not established any MRLs for EPTC.

C. Revisions to Petitioned-For Tolerances

The Agency is establishing tolerances for the forage and hay forms of “grass” rather than “grass grown for seed” as requested to conform with its food and feed commodity vocabulary. Also, the Agency is establishing the tolerance levels to conform with its policy of significant figures.

V. Conclusion

Therefore, tolerances are established for residues of EPTC, S-ethyl dipropylthiocarbamate, including its metabolites and degradates, in or on grass, forage at 0.60 ppm and grass, hay at 0.50.

VI. Statutory and Executive Order Reviews

This action 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 action has been exempted from review under Executive Order 12866, this action 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 action 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 tolerances 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 FFDCA section 408(h)(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 action. In addition, this action does not impose any enforceable duty or contain any unfunded mandate as described under Title II of the Unfunded Mandates Reform Act (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 (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.


Michael L. Goodis,
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:


2. In §180.117, add alphabetically the commodities to the table in paragraph (a) to read as follows:

§180.117 S-ethyl dipropylthiocarbamate; tolerances for residues.

(a) * * *

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Parts per million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grass, forage</td>
<td>0.60</td>
</tr>
<tr>
<td>Grass, hay</td>
<td>0.50</td>
</tr>
</tbody>
</table>

* * * * *

[FR Doc. 2017–19452 Filed 9–12–17; 8:45 am]
BILLING CODE 6560–50–P
This section of the Federal Register contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39


RIN 2120–AA64

Airworthiness Directives; Bombardier, Inc., Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: We propose to adopt a new airworthiness directive (AD) for certain Bombardier, Inc., Model CL–600–2C10 (Regional Jet Series 700, 701, & 702), Model CL–600–2D15 (Regional Jet Series 705), Model CL–600–2D24 (Regional Jet Series 900), and Model CL–600–2E25 (Regional Jet Series 1000) airplanes. This proposed AD was prompted by a report of a smoke-in-cabin event due to a non-sustaining electrical fire. This proposed AD would require installation of protective sleeves on the bonding jumper wires of affected galleys and lavatories. We are proposing this AD to address the unsafe condition on these products.

DATES: We must receive comments on this proposed AD by October 30, 2017.

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

• Federal eRulemaking Portal: Go to http://www.regulations.gov. Follow the instructions for submitting comments.
  • Fax: 202–493–2251.
  • Hand Delivery: Deliver to Mail address above between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

For service information identified in this NPRM, contact Bombardier, Inc., 400 Côte Vertu Road West, Dorval, Québec H4S 1Y9, Canada; Widebody Customer Response Center North America toll-free telephone: 1–866–538–1247 or direct-dial telephone: 1–514–855–2999; fax: 514–855–7401; email: ac.yul@aero.bombardier.com; Internet: http://www.bombardier.com.

You may view this service information at the FAA, Transport Standards Branch, 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–2017–0810; or in person at the Docket Management Facility between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this NPRM, the regulatory evaluation, any comments received, and other information. The street address for the Docket Operations office (telephone: 800–647–5527) is in the Federal Register. 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–2017–0810; Product Identifier 2017–NM–045–AD” at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of this NPRM. We will consider all comments received by the closing date and may amend this NPRM based on those comments.

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

Discussion

Transport Canada Civil Aviation (TCCA), which is the aviation authority for Canada, has issued Canadian AD CF–2016–20R1, dated February 3, 2017 (referred to after this as the Mandatory Continuing Airworthiness Information, or “the MCAI”), to correct an unsafe condition for certain Bombardier, Inc., Model CL–600–2C10 (Regional Jet Series 700, 701, & 702), Model CL–600–2D15 (Regional Jet Series 705), Model CL–600–2D24 (Regional Jet Series 900), and Model CL–600–2E25 (Regional Jet Series 1000) airplanes. The MCAI states:

A CJ990 aeroplane reported a smoke in cabin event due to a non-sustaining electrical fire. The source of smoke was traced to a burnt heated water supply line behind the #2 Galley. The surrounding insulation was also found burnt.

The root cause of this electrical fire was an electrical short between an un-insulated bonding jumper and a terminal block carrying 115 volts AC. The circuit resistance was high enough and the circuit breakers that protect the wiring did not trip open.

Electrical short of a bonding jumper may result in in-flight smoke or fire events as well as failure of avionics equipment due to possible water spray or leakage from a damaged water supply line. The likelihood of this happening is increased by the removal and installation of the galley or lavatory during maintenance, allowing the bonding jumper to become wedged under the terminal block.

SIMPLE 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–2017–0810; Product Identifier 2017–NM–045–AD” at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of this NPRM. We will consider all comments received by the closing date and may amend this NPRM based on those comments.

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

Related Service Information Under 1 CFR Part 51

Bombardier, Inc., has issued Bombardier Service Bulletin (SB) 670BA–25–101 Revision B dated 12 January 2017. * * *


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Wednesday, September 13, 2017

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have access to it through their normal course of business or by the means identified in the ADDRESSES section.

FAA’s Determination and Requirements of This Proposed AD

This product has been approved by the aviation authority of another country, and is approved for operation in the United States. Pursuant to our bilateral agreement with the State of Design Authority, we have been notified of the unsafe condition described in the MCAI and service information referenced above. We are proposing this AD because we evaluated all pertinent information and determined an unsafe condition exists and is likely to exist or develop on other products of these same type designs.

Costs of Compliance

We estimate that this proposed AD affects 544 airplanes of U.S. registry.

We estimate the following costs to comply with this proposed AD:

<table>
<thead>
<tr>
<th>Action</th>
<th>Labor cost</th>
<th>Parts cost</th>
<th>Cost per product</th>
<th>Cost on U.S. operators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Install protective sleeves</td>
<td>10 work-hours x $85 per hour = $850.</td>
<td>Negligible</td>
<td>$850</td>
<td>$462,400</td>
</tr>
</tbody>
</table>

Authority for This Rulemaking

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

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

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

Regulatory Findings

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

For the reasons discussed above, I certify this proposed regulation: 1. Is not a “significant regulatory action” under Executive Order 12866; 2. Is not a “significant rule” under the DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); 3. Will not affect intrastate aviation in Alaska; and 4. Will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 39

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

The Proposed Amendment

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

PART 39—Airworthiness Directives

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

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

§39.13 [Amended]

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


(a) Comments Due Date

We must receive comments by October 30, 2017.

(b) Affected ADs

None.

(c) Applicability

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


2. Bombardier, Inc., Model CL–600–2D15 (Regional Jet Series 705) and Model CL–600–2D24 (Regional Jet Series 900) airplanes, serial numbers 15001 through 15362 inclusive.


(d) Subject

Air Transport Association (ATA) of America Code 25, Equipment/furnishings.

(e) Reason

This AD was prompted by a report of a smoke-in-cabin event due to a non-sustaining electrical fire. We are issuing this AD to prevent an electrical short of a bonding jumper wire that may result in in-flight smoke or fire events as well as failure of avionics equipment due to possible water spray or leakage from a damaged water supply line.

(f) Compliance

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

(g) Protective Sleeve Installation

(1) For airplanes on which the actions specified in Bombardier Service Bulletin 670BA–25–101, dated December 17, 2015; or Bombardier Service Bulletin 670BA–25–101, Revision A, dated October 31, 2016, have not been done, as of the effective date of this AD: Within 6,600 flight hours or 36 months after the effective date of this AD, whichever occurs first, install protective sleeves on the bonding jumper wires of affected galleys and lavatories, in accordance with Part A through Part E, as applicable, of the Accomplishment Instructions of Bombardier Service Bulletin 670BA–25–101, Revision B, dated January 12, 2017.

(2) For airplanes on which the actions specified in Bombardier Service Bulletin 670BA–25–101, dated December 17, 2015; or Bombardier Service Bulletin 670BA–25–101, Revision A, dated October 31, 2016, have been done, as of the effective date of this AD: Within 6,600 flight hours or 36 months after
the effective date of this AD, whichever occurs first, inspect, and if required, install protective sleeves on the bonding jumper wires of affected galleys and lavatories, in accordance with Part F of the Accomplishment Instructions of Bombardier Service Bulletin 670BA–25–101, Revision B, dated January 12, 2017.

(b) Other FAA AD Provisions

The following provisions also apply to this AD:

(1) Alternative Methods of Compliance (AMOCs): The Manager, New York ACO Branch, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the manager of the ACO, send it to ATTN: Program Manager, Continuing Operational Safety, FAA, New York ACO Branch, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone: 516–228–7329; fax: 516–794–5531. Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/ certificate holding district office.

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

(i) Related Information

(1) Refer to Mandatory Continuing Airworthiness Information (MCAI) Canadian AD CF–2016–20R1, dated February 3, 2017, for related information. This MCAI may be found in the AD docket on the Internet at http://www.regulations.gov by searching for and locating Docket No. FAA–2017–0810.

(2) For more information about this AD, contact Assata Dessaline, Aerospace Engineer, Avionics and Administrative Services Section, FAA, New York ACO Branch, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone: 516–228–7301; fax: 516–794–5531.

(3) For service information identified in this AD, contact Bombardier, Inc., 400 Côte Vertu Road West, Dorval, Quebec H9S 1Y9, Canada; Widebody Customer Response Center North America toll-free telephone: 1–866–885–2999; direct-dial telephone: 1–514–855–2999; fax: 514–855–7401; email: ac.yul@aero.bombardier.com; Internet: http://www.bombardier.com. You may view this service information at the FAA, Transport Standards Branch, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425–227–1221.

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[AFF RIN 2120-AA64

Airworthiness Directives; Bombardier, Inc., Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: We propose to adopt a new airworthiness directive (AD) for certain Bombardier, Inc., Model CL–600–2C10 (Regional Jet Series 700, 701, & 702) airplanes; Model CL–600–2C11 (Regional Jet Series 705) airplanes; Model CL–600–2C24 (Regional Jet Series 900) airplanes; and Model CL–600–2E25 (Regional Jet Series 1000) airplanes. This proposed AD was prompted by a report of rudder yoke components that had not been properly inspected at the supplier. This proposed AD would require replacement of the left and right rudder yoke assemblies. We are proposing this AD to address the unsafe condition on these products.

DATES: We must receive comments on this proposed AD by October 30, 2017.

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

• Federal eRulemaking Portal: Go to http://www.regulations.gov. Follow the instructions for submitting comments.

• Fax: 202–493–2251.


• Hand Delivery: Deliver to Mail address above between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

For service information identified in this NPRM, contact Bombardier, Inc., 400 Côte Vertu Road West, Dorval, Quebec H9S 1Y9, Canada; Widebody Customer Response Center North America toll-free telephone: 1–866–538–1247 or direct-dial telephone: 1–514–855–2999; fax: 514–855–7401; email: ac.yul@aero.bombardier.com; Internet: http://www.bombardier.com. You may view this service information at the FAA, Transport Standards Branch, 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–2017–0811; or in person at the Docket Management Facility between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this NPRM, the regulatory evaluation, any comments received, and other information. The street address for the Docket Operations office (telephone: 800–647–5227) is in the ADDRESSES section. Comments will be available in the AD docket shortly after receipt.


SUPPLEMENTARY INFORMATION:

Comments Invited

We invite you to send any written relevant data, views, or arguments about this proposal. Send your comments to an address listed under the ADDRESSES section. Include “Do NOT MAIL” (e.g., FAA–2017–0811; Product Identifier 2017–NM–068–AD”) at the beginning of your comments. We specifically invite comments on the overall regulatory, economic, environmental, and energy aspects of this NPRM. We will consider all comments received by the closing date and may amend this NPRM based on those comments.

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

Discussion

Transport Canada Civil Aviation (TCCA), which is the aviation authority for Canada, has issued Canadian AD CF–2017–10, dated February 27, 2017 (referred to after this as the Mandatory Continuing Airworthiness Information, or “the MCAI”), to correct an unsafe condition for certain Bombardier, Inc., Model CL–600–2C10 (Regional Jet Series 700, 701, & 702) airplanes; Model
CL–600–2D15 (Regional Jet Series 705) airplanes; Model CL–600–2D24 (Regional Jet Series 900) airplanes; and Model CL–600–2E25 (Regional Jet Series 1000) airplanes. The MCAI states:

Bombardier Aerospace has informed Transport Canada that a number of rudder yoke components were received which had not been properly inspected at the supplier. The rudder yoke supplier discovered that the crack detection inspection was omitted following the manufacturing of some components. A cracked rudder yoke may affect rudder function on the affected side and could result in difficulties in maneuvering the aeroplane.

This [Canadian] AD was issued to mandate the replacement of the left and right rudder yoke assemblies.

You may examine the MCAI in the AD docket on the Internet at http://www.regulations.gov by searching for and locating Docket No. FAA–2017–0811.

Related Service Information Under 1 CFR Part 51

Bombardier, Inc., has issued Bombardier Service Bulletin 670BA–27–073, dated November 23, 2016. This service information describes procedures for replacement of the left and right rudder yoke assemblies. This service information is reasonably available because the interested parties have access to it through their normal course of business by or through the means identified in the ADDRESSES section.

FAA’s Determination and Requirements of This Proposed AD

This product has been approved by the aviation authority of another country, and is approved for operation in the United States. Pursuant to our bilateral agreement with the State of Design Authority, we have been notified of the unsafe condition described in the MCAI and service information referenced above. We are proposing this AD because we evaluated all pertinent information and determined an unsafe condition exists and is likely to exist or develop on other products of these same type designs.

Costs of Compliance

We estimate that this proposed AD affects 48 airplanes of U.S. registry.

We estimate the following costs to comply with this proposed AD:

<table>
<thead>
<tr>
<th>Action</th>
<th>Labor cost</th>
<th>Parts cost</th>
<th>Cost per product</th>
<th>Cost on U.S. operators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Replacement of rudder yoke assemblies.</td>
<td>51 work-hours × $85 per hour = $4,335</td>
<td>Negligible</td>
<td>$4,335</td>
<td>$208,080</td>
</tr>
</tbody>
</table>

According to the manufacturer, some of the costs of this proposed AD may be covered under warranty, thereby reducing the cost impact on affected individuals. We do not control warranty coverage for affected individuals. As a result, we have included all available costs in our cost estimate.

Authority for This Rulemaking

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

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

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

Regulatory Findings

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

For the reasons discussed above, I certify this proposed regulation:

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

List of Subjects in 14 CFR Part 39

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

The Proposed Amendment

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

PART 39—AIRWORTHINESS DIRECTIVES

§ 39.13 [Amended]

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


(a) Comments Due Date

We must receive comments by October 30, 2017.

(b) Affected ADs

None.

(c) Applicability

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

(1) Bombardier, Inc., Model CL–600–2C10 (Regional Jet Series 700, 701, & 702) airplanes, serial number 10343.
(2) Bombardier, Inc., Model CL–600–2D15 (Regional Jet Series 705) airplanes and Model CL–600–2D24 (Regional Jet Series 900) airplanes, serial numbers 15326 through 15370 inclusive.

(3) Bombardier, Inc., Model CL–600–2E25 (Regional Jet Series 1000) airplanes, serial numbers 19041 and 19042.

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

(e) Reason
This AD was prompted by a report of rudder yoke components that had not been properly inspected at the supplier. We are issuing this AD to prevent a cracked rudder yoke, which may affect rudder function on the affected side and could result in difficulties in maneuvering the airplane.

(f) Compliance
Comply with this AD within the compliance times specified, unless already done.

(g) Replacement of Left and Right Rudder Yoke Assemblies
Within 6,600 flight hours after the effective date of this AD, replace the left and right rudder yoke assemblies, in accordance with the Accomplishment Instructions of Bombardier Service Bulletin 6708A–27–073, dated November 23, 2016.

(h) Other FAA AD Provisions
The following provisions also apply to this AD:

(1) Alternative Methods of Compliance (AMOCs): The Manager, New York ACO Branch, FAA, has the authority to approve AMOCs for this AD, if requested using the procedures found in 14 CFR 39.19. In accordance with 14 CFR 39.19, send your request to your principal inspector or local Flight Standards District Office, as appropriate. If sending information directly to the manager of the ACO, send it to ATTN: Program Manager, Continuing Operational Safety, FAA, New York ACO Branch, 1600 Stewart Avenue, Suite 410, Westbury, NY 11590; telephone: 516–228–7129; fax: 516–794–5531. Before using any approved AMOC, notify your appropriate principal inspector, or lacking a principal inspector, the manager of the local flight standards district office/ certificate holding district office.

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

(i) Related Information
(1) Refer to Mandatory Continuing Airworthiness Information (MCAI) Canadian AD CF–2017–10, dated February 27, 2017, for related information. This MCAI may be found in the AD docket on the Internet at http://www.regulations.gov by searching for and locating Docket No. FAA–2017–0811.


(3) For service information identified in this AD, contact Bombardier, Inc., 400 Côte Vertu Road West, Dorval, Québec H4S 1Y9, Canada; Widebody Customer Response Center North America toll-free telephone: 1–866–538–1247 or direct-dial telephone: 1–514–855–2999; fax: 514–855–7401; email: ac.yul@aero.bombardier.com; Internet: http://www.bombardier.com. You may view this service information at the FAA, Transport Standards Branch, 1601 Lind Avenue SW., Renton, WA. For information on the availability of this material at the FAA, call 425–227–1221.

Issued in Renton, Washington, on August 31, 2017.

Dionne Palermo,
Acting Director, System Oversight Division, Aircraft Certification Service.

[FR Doc. 2017–19306 Filed 9–12–17; 8:45 am]
BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION
Federal Aviation Administration

14 CFR Part 39

RIN 2120–AA64

Airworthiness Directives; Honeywell International Inc. Turboprop and Turboshaft Engines

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: We propose to adopt a new airworthiness directive (AD) for certain Honeywell International Inc. TPE331 turboprop and TSE331 turboshaft engines. This proposed AD was prompted by recent reports of failures of the direct drive fuel control gears and bearings in the hydraulic torque sensor gear assembly, part number (P/N) 3101726–3. This proposed AD would require initial and repetitive engine oil filter sampling and analysis of the affected engines. This proposed AD would also require inspection of hydraulic torque sensor gear assemblies that do not meet oil filter inspection requirements. This proposed AD would further require improved component overhaul procedures that would remove from service, by attrition, certain P/N hydraulic torque sensor gear assemblies. We are proposing this AD to correct the unsafe condition on these products.

DATES: We must receive comments on this proposed AD by October 30, 2017.

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

• Federal eRulemaking Portal: Go to http://www.regulations.gov. Follow the instructions for submitting comments.

• Fax: 202–493–2251.


• Hand Delivery: Deliver to Mail address above between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

For service information identified in this NPRM, contact Honeywell International Inc., 111 S 34th Street, Phoenix, AZ 85034–2802; phone: 800–601–3099; Internet: https://myaerospace.honeywell.com/wps/portal. You may view this service information at the FAA, Engine and Propeller Standards Branch, Policy and Innovation Division, 1200 District Avenue, Burlington, MA. For information on the availability of this material at the FAA, call 781–238–7125.

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–2016–9450; 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 (phone: 800–647–5527) is in the ADDRESSES section. Comments will be available in the AD docket shortly after receipt.


SUPPLEMENTARY INFORMATION:

Comments Invited
We invite you to send any written relevant data, views, or arguments about this NPRM. Send your comments to an address listed under the ADDRESSES section. Include “Docket No. FAA–2016–9450; Directorate Identifier 2016–NE–25–AD” at the beginning of your comments. We specifically invite
We received reports of failures of the direct drive fuel control gears and bearings in the hydraulic torque sensor gear assembly, P/N 3101726–3. These failures are similar to previous failures in hydraulic torque sensor gear assemblies, P/Ns 3101726–1 and 3101726–2, that resulted in in-flight shutdowns and accidents in single and twin-engine airplanes.

After recent failures of the hydraulic torque sensor gear assembly, P/N 3101726–3, installed in six engines, we re-performed oil filter analyses on samples taken prior to these failures. We found the wear metals, including, but not limited to, M50 steel platelets, in the engine oil filter samples. The FAA has found that the oil filter analysis for wear metals provides an effective means of identifying premature wear of the components in the hydraulic torque sensor gear assembly. This proposed AD would require initial and repetitive oil filter analysis for wear metals from the hydraulic torque sensor gear assembly. This AD also requires the use of later revisions of the hydraulic torque sensor gear assembly component overhaul manuals that provide improved maintenance instructions and removes from service, by attrition, hydraulic torque sensor gear assemblies, P/N 3101726–1 and certain P/N 3101726–2 of a pre-Series 9 configuration. This condition, if not corrected, could result in failure of the hydraulic torque sensor gear assembly, in-flight shutdown, and reduced control of the airplane.

**Related Service Information Under 1 CFR Part 51**

Honeywell has issued Honeywell Service Information Letter (SIL) P331–97, Revision 11, dated July 23, 2008. The SIL describes procedures for conducting the spectrometric oil and filter analysis program to sample and analyze metal particles in the engine lubricating system. This service information is reasonably available because the interested parties have access to it through their normal course of business or by the means identified in the ADDRESSES section.

**Other Related Service Information**

We reviewed the improved procedures and limitations in the Honeywell Torque Sensor Gear Assembly Overhaul Manual with Illustrated Parts List, 72–00–17, Revision 10, dated October 31, 2013, for the TPE331 and TSE331 torque sensor gear assemblies. We also reviewed Honeywell’s TPE331 Line Maintenance Training Manual which provides guidance for obtaining oil filter samples. In addition, we reviewed Honeywell Service Bulletins (SBs) TPE331–72–0402, Revision 6, dated November 26, 1997; TPE331–72–0403, Revision 5, dated January 20, 1989; TPE331–72–0404, Revision 8, dated September 13, 2016; TPE331–72–0823, Revision 3, dated September 13, 1996; TSE331–72–5003, Revision 3, dated January 20, 1989; and TPE331–72–0180, Revision 36, dated April 7, 2016. The SBs address the inspection intervals for the oil and filter analysis for the affected TPE331 and TSE331 engines.

**FAA’s Determination**

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

**Proposed AD Requirements**

This proposed AD requires initial and repetitive engine oil filter analysis of the affected TPE331 and TSE331 engines. This proposed AD also requires inspection of affected hydraulic torque sensor gear assemblies, and replacement or overhaul of those torque sensor gear assemblies that do not meet inspection requirements. This proposed AD restricts the use of earlier versions of the hydraulic sensor gear component overhaul manual.

**Differences Between This Proposed AD and the Service Information**

Honeywell service information does not recommend oil filter sampling and analysis and hydraulic torque sensor gear assembly inspection within specified times for applicable engines. Because of recent failures, this proposed AD defines specific time requirements for performing engine oil filter sampling and analysis for all applicable TPE331 and TSE331 engines and, if necessary, hydraulic torque sensor gear assembly inspections. This proposed AD would require the oil filter sample analysis, which is only part of Honeywell’s recommended spectrometric oil and oil filter analysis program.

**Costs of Compliance**

We estimate that this proposed AD affects 3,831 engines installed on airplanes of U.S. registry. We estimate the following costs to comply with this proposed AD:

- We estimate that 3,831 engines will require a records review to determine if they have an affected hydraulic torque sensor gear assembly installed.

**ESTIMATED COSTS**

<table>
<thead>
<tr>
<th>Action</th>
<th>Labor cost</th>
<th>Parts cost</th>
<th>Cost per product</th>
<th>Cost on U.S. operators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Records review</td>
<td>1 work-hour × $85 per hour = $85 ..........</td>
<td>$0</td>
<td>$85</td>
<td>$325,635</td>
</tr>
</tbody>
</table>

We estimate that 2,542 engines operating under Parts 121 or 135 and 544 engines operating under Part 91 will be required to perform oil filter sampling and analysis.
## ESTIMATED COSTS

<table>
<thead>
<tr>
<th>Action</th>
<th>Labor cost</th>
<th>Parts cost</th>
<th>Cost per product</th>
<th>Cost on U.S. operators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oil filter sampling and analysis: Part 91 operators.</td>
<td>4 work-hours × $85 per hour = $340</td>
<td>$844</td>
<td>$1184</td>
<td>$644,096 per year.</td>
</tr>
<tr>
<td>Oil filter sampling and analysis: Part 121 and 135 operators.</td>
<td>1 work-hour × $85 per hour = $85</td>
<td>211</td>
<td>296</td>
<td>752,432 per year.</td>
</tr>
</tbody>
</table>

We estimate that 242 engines will require that the hydraulic torque sensor gear assembly be overhauled during the first year of inspection.

## ESTIMATED OVERHAUL COSTS

<table>
<thead>
<tr>
<th>Action</th>
<th>Labor cost</th>
<th>Parts cost</th>
<th>Cost per product</th>
</tr>
</thead>
<tbody>
<tr>
<td>Replace or overhaul hydraulic torque sensor gear assembly.</td>
<td>10 work-hours × $85 per hour = $850</td>
<td>$10,000</td>
<td>$10,850</td>
</tr>
</tbody>
</table>

We estimate that 217 engines will require hydraulic torque sensor gear assembly inspection after an unacceptable oil filter analysis during the first year of inspection.

## ON-CONDITION COSTS

<table>
<thead>
<tr>
<th>Action</th>
<th>Labor cost</th>
<th>Parts cost</th>
<th>Cost per product</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inspect and reassemble hydraulic torque sensor gear assembly.</td>
<td>5 work-hours × $85 per hour = $425</td>
<td>$3,000</td>
<td>$3,425</td>
</tr>
</tbody>
</table>

### Authority for This Rulemaking

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

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

This AD is issued in accordance with authority delegated by the Executive Director, Aircraft Certification Service, as authorized by FAA Order 8000.51C. In accordance with that order, issuance of ADs is normally a function of the Compliance and Airworthiness Division, but during this transition period, the Executive Director has delegated the authority to issue ADs applicable to engines, propellers, and appliances to the Manager, Engine and Propeller Standards Branch, Policy and Innovation Division.

### Regulatory Findings

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

For the reasons discussed above, I certify this proposed regulation:

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

### List of Subjects in 14 CFR Part 39

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

### The Proposed Amendment

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

### PART 39—AIRWORTHINESS DIRECTIVES

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

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

### § 39.13 [Amended]

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


(a) Comments Due Date

We must receive comments by October 30, 2017.
(b) Affected ADs

None.

(c) Applicability


(d) Subject


(e) Unsafe Condition

This AD was prompted by recent reports of failures of the direct drive fuel control gears and bearings in the hydraulic torque sensor gear assembly, P/N 3101726–3. We are issuing this AD to prevent failure of the hydraulic torque sensor gear assembly, in-flight shutdown, and reduced control of the airplane.

(f) Compliance

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

(g) Oil Filter Sampling and Analysis

(1) Obtain an initial engine oil filter sample of the affected engines within 150 hours time in service after the effective date of this AD. Guidance for obtaining oil filter samples can be found in Honeywell’s engine training manuals; for example, see the TPE331 Line Maintenance Training Manual.


(3) Perform an oil filter analysis for wear metals and evaluate filter contents using paragraphs (g)(1) through (5) of this AD every additional 150 hours time in service after last oil filter sampling.

(h) Hydraulic Torque Sensor Gear Assembly Overhaul

After the effective date of this AD, do not use the affected hydraulic torque sensor gear assembly and, before further flight, replace with a part eligible for installation. Guidance for performing the inspection can be found in Section 70–00–00, Standard Practices of the applicable TPE331 engine maintenance manual. For example, see paragraph 35. ‘‘Bearing Inspection,’’ on pages 11–12 of Honeywell Maintenance Guide 70–00–00, TPE331–10 (Report No. 72–00–27), dated February 29, 2000.

(i) Alternative Methods of Compliance (AMOCs)

(1) The Manager, FAA, Los Angeles ACO Branch, Compliance and Airworthiness Division, 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 Los Angeles ACO Branch, send it to the attention of the person identified in paragraph (j)(1) of this AD.

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

(j) Related Information

(1) For more information about this AD, contact Joseph Costa, Aerospace Engineer, FAA, Los Angeles ACO Branch, Compliance and Airworthiness Division, 3960 Paramount Blvd., Lakewood, CA 90712-4137; phone: 562-627-5246; fax: 562-627-5210; email: joseph.costa@faa.gov.

(2) For service information identified in this proposed AD, contact Honeywell International Inc., 111 S 34th Street, Phoenix, AZ 85034-2802; phone: 800–601–3099; Internet: https://myaerospace.honeywell.com/wps/portal.

(3) You may view this service information at the FAA, Engine and Propeller Standards Branch, Policy and Innovation Division, 1200 District Avenue, Burlington, MA. For information on the availability of this material at the FAA, call 781–238–7125.

Issued in Burlington, Massachusetts, on September 7, 2017.

Robert J. Ganley,
Manager, Engine and Propeller Standards Branch, Aircraft Certification Service.

[FR Doc. 2017–19314 Filed 9–12–17; 8:45 am]

CONSUMER PRODUCT SAFETY COMMISSION

16 CFR Parts 1420

[CPSC Docket No. 2017–0032]

Amendment to Standard for All-Terrain Vehicles; Notice of Proposed Rulemaking

AGENCY: Consumer Product Safety Commission.

ACTION: Notice of proposed rulemaking.


DATES: Submit comments by November 27, 2017.

ADDRESSES: Comments related to the proposed rule, identified by Docket No. CPSC–2017–0032, may be submitted electronically or in writing:


Follow the instructions for submitting comments. The Commission does not accept comments submitted by email, except through www.regulations.gov. The Commission encourages you to submit electronic comments by using the
Federal eRulemaking Portal, as described above.

Written Submissions: Submit written submissions by mail/hand delivery/ courier to: Office of the Secretary, Consumer Product Safety Commission, Room 820, 4330 East West Highway, Bethesda, MD 20814; telephone (301) 504-7923.

Instructions: All submissions received must include the agency name and docket number for this proposed rulemaking. All comments received may be posted without change, including any personal identifiers, contact information, or other personal information provided, to: http://www.regulations.gov. Do not submit confidential business information, trade secret information, or other sensitive or protected information that you do not want to be available to the public. If furnished at all, such information should be submitted in writing.

Docket: For access to the docket to read background documents or comments received, go to: http://www.regulations.gov, and insert the docket number, CPSC–2017–0032, into the “Search” box, and follow the prompts.

FOR FURTHER INFORMATION CONTACT:
Caroleene Paul, Project Manager, Directorate for Engineering Sciences, U.S. Consumer Product Safety Commission, 5 Research Place, Rockville, MD 20850; telephone: (301) 987–2225; email: cpaul@cpsc.gov.

SUPPLEMENTARY INFORMATION:

I. Background and Statutory Authority

The CPSIA directed the Commission to “publish in the Federal Register as a mandatory consumer product safety standard the American National Standard for Four Wheel All-Terrain Vehicles Equipment Configuration, and Performance Requirements developed by the Specialty Vehicle Institute of America (American National Standard ANSI/SVIA 1–2007).” 15 U.S.C. 2089(a)(1), as added by section 232 of the CPSIA. Accordingly, on November 14, 2008, CPSC published a final rule mandating ANSI/SVIA 1–2007 as a consumer product safety standard. 73 FR 67385. The final rule was codified at 16 CFR part 1420. The Commission has revised the mandatory standard once in accordance with the revision procedures set out in the CPSIA. On February 29, 2012, the Commission published a final rule that amended the Commission’s ATV standard to reference the 2010 edition of the ANSI/SVIA standard. 77 FR 12197. On June 14, 2017, ANSI notified the Commission that the 2010 edition of the ANSI/SVIA standard had been revised, and that the new standard, ANSI/SVIA 1–2017, was approved on June 8, 2017.

Section 42(b) of the CPSIA provides that, if ANSI/SVIA 1–2007 is revised after the Commission has published a Federal Register notice mandating the standard as a consumer product safety standard, ANSI must notify the Commission of the revision, and the Commission has 120 days after it receives that notification to issue a notice of proposed rulemaking to amend the Commission’s mandatory ATV standard “to include any such revision that the Commission determines is reasonably related to the safe performance of [ATVs] and notify the Institute of any provision it has determined not to be so related.” 15 U.S.C. 2089(b)(1) and (2). Thereafter, the Commission has 180 days after publication of the proposed amendment to publish a final amendment to revise the ATV standard. Id.

II. Evaluation of ANSI/SVIA 1–2017

ANSI/SVIA 1–2017 contains requirements and test methods relating to ATVs, including vehicle equipment and configuration, vehicle speed capability, brake performance, pitch stability, electromagnetic compatibility, and sound level limits. The Commission reviewed the 2017 edition of the ANSI/SVIA standard and compared it with the 2010 edition, which is currently the mandated consumer product safety standard for ATVs. The Commission considers the following revisions to be material changes:

- Requirements for stop lamps or combination tail-stop lamps on all categories of ATVs;
- Requirements for reflectors for all categories of ATVs.

The standard provides that it will take effect “beginning with 2019 model year vehicles.” As explained below, the Commission believes that these revisions are reasonably related to the safe performance of ATVs.

A. Stop Lamps and Reflectors

ANSI/SVIA 1–2017 Section 4.17, Lighting & Reflective Equipment, states that all ATVs shall be equipped with lighting and reflective devices.

1. Stop Lamps

ANSI/SVIA 1–2017 requires stop lamps or combination tail-stop lamps on all adult and transition category ATVs. In May 2015, CPSC requested that SVIA consider adding requirements relating to stop lamps to increase the detectability of ATVs. CPSC staff reviewed 1 year (2007) of ATV-related fatality data involving two ATVs colliding, and identified 13 rear-end collisions. Of the 13 incidents, eight involved a leading ATV slowing or stopping and a following ATV colliding with the leading vehicle. Although this is only a preliminary analysis, the data illustrate a hazard pattern of rear-end collisions related to braking. CPSC staff subsequently worked with SVIA to develop the stop lamp requirements contained in ANSI/SVIA 1–2017. The Commission believes that adding stop lamp requirements in ANSI/SVIA 1–2017 improves the optimal provision in the 2010 edition of the voluntary standard, and that this addition may reduce rear-end collisions related to non-detection of a vehicle braking.

2. Reflectors

ANSI/SVIA 1–2017 requires one amber reflector on each side of the ATV (mounted as far forward as practicable), one red reflector on each side of the ATV (mounted as far rearward as practicable), one red reflector on the rear of the vehicle, and one white reflector on the front of the ATV, if not equipped with a headlamp or conspicuity light. These requirements are for all categories of ATV. In May 2015, CPSC requested that SVIA consider adding requirements relating to reflectors, and worked with SVIA in developing the reflector requirements contained in ANSI/SVIA 1–2017.

Reflector use may increase the detectability of ATVs. CPSC staff’s preliminary review of 331 fatal ATV-related vehicular collision incidents found that more than 30 percent of these incidents occurred at night and an additional 5 percent occurred in low light (i.e., dusk). Although many factors contribute to incidents, increasing the visibility of ATVs at night will raise the likelihood that the driver of an oncoming vehicle will detect the ATV. Early detection of an ATV may allow the driver of an oncoming vehicle sufficient time to react and avoid a collision.

Because fatalities occur when ATVs cross public roads between fields or trails, CPSC believes that the requirement for side reflectors is crucial to any new efforts to increase vehicle visibility. The Commission believes that the ANSI/SVIA 1–2017 reflector requirements improve the 2010 edition of the voluntary standard (which lacked a reflector requirement), and that requirements for reflectors to increase the visibility of an ATV at night may reduce vehicular collisions related to non-detection of other vehicles.
III. Effective Date

The CPSIA provides a timetable for the Commission to issue a notice of proposed rulemaking (within 120 days of receiving notification of a revised ANSI/SVIA standard) and to issue a final rule (within 180 days of publication of the proposed rule), but it does not set an effective date. Since issuing the ATV standard in 2009, the Commission has revised it once, in accordance with the revision procedures set out in the CPSIA. Based on comments to the NPR from several ATV companies, the final rule amending the Commission’s ATV standard to reference the 2010 edition of the ANSI/SVIA standard provided for an effective date of 60 days from publication of the final rule.

Data from CPSC’s ATV Special Study show that 97 percent of consumers who reported that their vehicle had a tail lamp, also claimed that the vehicle had a stop lamp. This suggests that adding stop lamps to ATVs to meet the new ANSI/SVIA 1–2017 requirements will require minimal changes to current production. Additionally, reflectors are a low-technology product that can be obtained in bulk as sheets or rolls of tape. Attaching reflectors in the correct positions on ATVs does not require test and evaluation effort. This suggests that adding reflectors to ATVs to meet the new ANSI/SVIA 1–2017 requirements will require minimal design and labor changes. CPSC believes that the revisions to the 2010 edition of the voluntary standard will not require significant vehicle design and testing, and that a 60-day effective date for this proposed rule will allow companies sufficient time to update their certification labels. Thus, the Commission proposes that the rule would take effect 60 days after publication of a final rule in the Federal Register, and it would apply to ATVs manufactured or imported on or after that date.

IV. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA) requires that agencies review a proposed rule for the rule’s potential economic impact on small entities, including small businesses. Section 603 of the RFA generally requires that agencies prepare an initial regulatory flexibility analysis (IRFA) and make the analysis available to the public for comment when the agency publishes an NPR. 5 U.S.C. 603. Section 605 of the RFA provides that an IRFA is not required if the agency certifies that the rule, if promulgated, will not have a significant economic impact on a substantial number of small entities. As explained in this section, the Commission certifies that ANSI/SVIA standard, if promulgated as a final rule, will not have a significant economic impact on a substantial number of small entities. 5 U.S.C. 605(b).

The proposed rule would revise the mandatory ATV standard to incorporate the revisions in the 2017 edition of the ANSI/SVIA standard. The most significant changes involve requirements for brake-actuated stop lamps and reflectors. CSPC believes that the vast majority of ATVs already comply with these requirements. Consequently, the Commission anticipates that the cost of the changes required to bring ATVs that do not comply into compliance with the rule will be very low on a per-unit basis. Furthermore, other changes to the standard either increase the options for manufacturers in designing and equipping their vehicles, or are minor changes that clarify—but do not change—the standard’s requirement. For these reasons, the Commission certifies that the proposed rule will not have a significant impact on a substantial number of small entities.

V. The Proposed Rule

The proposed rule would revise § 1420.3, “Requirements for four-wheel ATVs.” The current rule refers to the ANSI/SVIA 1–2010 standard; the proposed rule would replace this reference with the ANSI/SVIA 1–2017 edition of the standard.

VI. Paperwork Reduction Act

This proposed amendment would not impose any information collection requirements. Accordingly, this rule is not subject to the Paperwork Reduction Act, 44 U.S.C. 3501–3520.

VII. Environmental Considerations

The Commission’s regulations provide a categorical exemption for the Commission’s rules from any requirement to prepare an environmental assessment or an environmental impact statement as they “have little or no potential for affecting the human environment.” 16 CFR 1021.5(c)(2). This proposed amendment falls within the categorical exemption.

VIII. Incorporation by Reference

The Commission proposes to incorporate by reference ANSI/SVIA 1–2017. The Office of the Federal Register (OFR) has regulations concerning incorporation by reference. 1 CFR part 51. For a proposed rule, agencies must discuss in the preamble to the NPR ways that the materials the agency proposes to incorporate by reference are reasonably available to interested persons or how the agency worked to make the materials reasonably available. In addition, the preamble to the proposed rule must summarize the material. 1 CFR 51.5(a).

In accordance with the OFR’s requirements, section II of this preamble summarizes the provisions of ANSI/SVIA 1–2017 that the Commission proposes to incorporate by reference. ANSI/SVIA 1–2017 is copyrighted. Interested persons may purchase a copy of ANSI/SVIA 1–2017 from Specialty Vehicle Institute of America, 2 Jenner, Suite 150, Irvine, CA 92618–3806; telephone: 949–727–3727 ext. 3023; www.svia.org. One may also inspect a copy at CPSC’s Office of the Secretary, U.S. Consumer Product Safety Commission, Room 820, 4330 East West Highway, Bethesda, MD 20814, telephone: 301–504–7923.

IX. Preemption

Section 26(a) of the CPSA, 15 U.S.C. 2075(a), provides that when a consumer product safety standard is in effect and applies to a product, no state or political subdivision of a state may either establish or continue in effect a standard or regulation that prescribes requirements for the performance, composition, contents, design, finish, construction, packaging, or labeling of such product dealing with the same risk of injury unless the state requirement is identical to the federal standard. Section 26(c) of the CPSA also provides that states or political subdivisions of states may apply to the Commission for an exemption from this preemption under certain circumstances. Section 232(a)(1) of the CPSIA refers to the rules to be issued under that section as “consumer product safety standards.” Therefore, the preemption provision of section 26(a) of the CPSA would apply to a rule issued under section 232 of the CPSIA.

X. Notice of Requirements

The CPSA establishes certain requirements for product certification and testing. Certification of children’s products subject to a children’s product safety standard must be based on testing conducted by a CPSC-accepted third-party conformity assessment body. 15 U.S.C. 2063(a)(2). The Commission is required to publish a notice of requirements (NOR) for the accreditation of third-party conformity assessment bodies to assess conformity with a children’s product safety rule to which a children’s product is subject. Id. 2063(a)(1). On August 27, 2010, the Commission published an NOR for accreditation of third-party conformity
§ 1420.3 Requirements for four-wheel ATVs.


Alberta E. Mills, Acting Secretary, Consumer Product Safety Commission.

[FR Doc. 2017–19341 Filed 9–12–17; 8:45 am]
BILLING CODE 6355–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Part 112

[Docket No. FDA–2011–N–0921]

RIN 0910–ZA50

Standards for the Growing, Harvesting, Packing, and Holding of Produce for Human Consumption; Extension of Compliance Dates for Subpart E

AGENCY: Food and Drug Administration, HHS.

ACTION: Proposed rule.

SUMMARY: The Food and Drug Administration (FDA, the Agency, or we) is proposing to extend, for covered produce other than sprouts, the dates for compliance with the agricultural water provisions in the Standards for the Growing, Harvesting, Packing, and Holding of Produce for Human Consumption rule. We are proposing to extend the compliance dates to address questions about the practical implementation of compliance with certain provisions and to consider how we might further reduce the regulatory burden or increase flexibility while continuing to achieve our regulatory objectives, in keeping with the Administration’s policies.

DATES: Submit either electronic or written comments on this proposed rule by November 13, 2017.

ADDRESSES: You may submit comments on the extension of the compliance period as follows. Please note that late, untimely filed comments will not be considered. Electronic comments must be submitted on or before November 13, 2017. The https://www.regulations.gov electronic filing system will accept comments until midnight Eastern Time at the end of November 13, 2017. Comments received by mail/hand delivery/courier (for written/paper submissions) will be considered timely if they are postmarked or the delivery service acceptance receipt is on or before that date.

Electronic Submissions

Submit electronic comments in the following way:

• Federal eRulemaking Portal: https://www.regulations.gov. Follow the instructions for submitting comments. Comments submitted electronically, including attachments, to https://www.regulations.gov will be posted to the docket unchanged. Because your comment will be made public, you are solely responsible for ensuring that your comment does not include any confidential information that you or a third party may not wish to be posted, such as medical information, your or anyone else’s Social Security number, or confidential business information, such as a manufacturing process. Please note that if you include your name, contact information, or other information that identifies you in the body of your comments, that information will be posted on https://www.regulations.gov.

• If you want to submit a comment with confidential information that you do not wish to be made available to the public, submit the comment as a written/paper submission and in the manner detailed (see “Written/Paper Submissions” and “Instructions”).

Written/Paper Submissions

Submit written/paper submissions as follows:

• Mail/Hand delivery/Courier (for written/paper submissions): Dockets Management Staff (HFA–305), Food and Drug Administration, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852.

For written/paper comments submitted to the Dockets Management Staff, FDA will post your comment, as well as any attachments, except for information submitted, marked and
identified, as confidential, if submitted as detailed in “Instructions.”

Instructions: All submissions received must include the Docket No. FDA–2011–N–0921 for “Standards for the Growing, Harvesting, Packing, and Holding of Produce for Human Consumption; Extension of Compliance Dates for Subpart E.” Received comments, those filed in a timely manner (see ADDRESSES), will be placed in the docket and, except for those submitted as “Confidential Submissions,” publicly viewable at https://www.regulations.gov or at the Dockets Management Staff between 9 a.m. and 4 p.m., Monday through Friday.

• Confidential Submissions—To submit a comment with confidential information that you do not wish to be made publicly available, submit your comments only as a written/paper submission. You should submit two copies total. One copy will include the information you claim to be confidential with a heading or cover note that states “THIS DOCUMENT CONTAINS CONFIDENTIAL INFORMATION.” The Agency will review this copy, including the claimed confidential information, in its consideration of comments. The second copy, which will have the claimed confidential information redacted/blacked out, will be available for public viewing and posted on https://www.regulations.gov. Submit both copies to the Dockets Management Staff. If you do not wish your name and contact information to be made publicly available, you can provide this information on the cover sheet and not in the body of your comments and you must identify this information as “confidential.” Any information marked as “confidential” will not be disclosed except in accordance with 21 CFR 10.20 and other applicable disclosure law. For more information about FDA’s posting of comments to public docket, see 80 FR 56469, September 18, 2015, or access the information at: https://www.gpo.gov/fdsys/pkg/FR-2015-09-18/pdf/2015-23389.pdf.

Docket: For access to the docket to read background documents or the electronic and written/paper comments received, go to https://www.regulations.gov and insert the docket number, found in brackets in the heading of this document, into the “Search” box and follow the prompts and/or go to the Dockets Management Staff, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852.

FOR FURTHER INFORMATION CONTACT: Samir Assar, Center for Food Safety and Applied Nutrition (HFS–317), Food and Drug Administration, 5001 Campus Dr., College Park, MD 20740, 240–402–1636.

SUPPLEMENTARY INFORMATION:

I. Background

This proposed extension of compliance dates concerns one of the seven foundational rules that we have established in Title 21 of the Code of Federal Regulations (21 CFR) as part of our implementation of the FDA Food Safety Modernization Act (FSMA; Pub. L. 111–353): “Standards for the Growing, Harvesting, Packing, and Holding of Produce for Human Consumption.” (the produce safety regulation, published in the Federal Register of November 27, 2015, 80 FR 74354) (https://www.fda.gov/fsma).

In the preamble of the final rule establishing the produce safety regulation, we stated that the produce safety regulation would be effective on January 26, 2016, and provided for compliance dates of 1 to 6 years from the effective date depending on farm size, commodity, and provision(s) (see table entitled “compliance dates” in the preamble of the final rule establishing the produce safety regulation, 80 FR 74354 at 74357, as corrected in a technical amendment at 81 FR 26466, May 3, 2016). (Some of the compliance dates identified in the technical amendment fall on weekends (i.e., January 26, 2019, is a Saturday and January 26, 2020, is a Sunday) and should therefore be read as referring to the next business day (i.e., January 28, 2019, and January 27, 2020, respectively). We use the latter dates throughout this document.)

For the majority of agricultural water provisions at subpart E (and for most of the other provisions in the rule), with respect to covered produce other than sprouts, we provided compliance periods of 4 years from the effective date of the rule for very small businesses, 3 years for small businesses, and 2 years for all other businesses. We provided an additional 2 years beyond those compliance periods for certain water quality requirements in § 112.44 and related provisions in §§ 112.45 and 112.46. See table 1.

In a final rule, “The Food and Drug Administration Food Safety Modernization Act: Extension and Clarification of Compliance Dates for Certain Provisions of Four Implementing Rules” (81 FR 57784, August 24, 2016) we also extended the compliance date for certain “customer provisions” in the produce safety regulation (§ 112.2(b)(3)) and clarified the compliance dates for certain agricultural water testing provisions as originally established in the produce safety regulation.

### TABLE 1—AS STATED IN PRODUCE SAFETY REGULATION, COMPLIANCE DATES FOR REQUIREMENTS IN Subpart E (AGRICULTURAL WATER) FOR COVERED ACTIVITIES INVOLVING COVERED PRODUCE (EXCEPT SPROUTS SUBJECT TO Sub-Part M)

<table>
<thead>
<tr>
<th>Compliance dates of 2−4 years applicable to the farm based on its size</th>
<th>Extended compliance date of additional 2 years beyond the compliance date based on size of farm</th>
</tr>
</thead>
<tbody>
<tr>
<td>§ 112.41</td>
<td>§ 112.44.</td>
</tr>
<tr>
<td>§ 112.42</td>
<td>§ 112.45(a) with respect to § 112.44(a) criterion.</td>
</tr>
<tr>
<td>§ 112.43</td>
<td>§ 112.45(b).</td>
</tr>
<tr>
<td>§ 112.45(a) with respect to safe and adequate standard</td>
<td>§ 112.46(b)(1) with respect to untreated ground water.</td>
</tr>
<tr>
<td>§ 112.46(a)</td>
<td>§ 112.46(b)(2) and (b)(3).</td>
</tr>
<tr>
<td>§ 112.46(b)(1) with respect to untreated surface water</td>
<td>112.46(c).</td>
</tr>
<tr>
<td>§ 112.47.</td>
<td></td>
</tr>
<tr>
<td>§ 112.48.</td>
<td></td>
</tr>
<tr>
<td>§ 112.49.</td>
<td></td>
</tr>
<tr>
<td>§ 112.50.</td>
<td></td>
</tr>
</tbody>
</table>
II. Proposed Extension of Subpart E Compliance Dates for Produce Other Than Sprouts

FDA has received feedback from numerous stakeholders raising issues regarding the practicality of some of the agricultural water requirements in the produce safety regulation as applied to covered produce other than sprouts. Many of these concerns relate to the testing requirements for pre-harvest agricultural water, which are different for sprouts than they are for other types of covered produce. We are proposing this extension in light of the feedback we have received and under Executive Orders 13777, 13771, and 13563. Additional time would allow us to consider approaches to address these issues, as well as opportunities there may be to reduce the cost and enhance the flexibility of these requirements beyond those reflected in the final rule.

As part of this proposed extension, we also propose to simplify the subpart E compliance period structure such that all the compliance dates for subpart E provisions as applied to non-sprout produce would occur at the same time, retaining date staggering based on farm size. Accordingly, covered farms would have 2 years beyond the previously published compliance dates for the water quality requirements in §112.44 and related provisions in §§112.45 and 112.46, to comply with all of subpart E. Put another way, we propose to extend the compliance dates for provisions in the first column of table 1 by 4 years, and propose to extend the compliance dates for provisions in the second column of table 1 by 2 years, so that the compliance dates for non-sprout covered produce for all provisions of subpart E would be those in table 2.

### Table 2—Proposed Compliance Dates for Requirements in Subpart E for Covered Activities Involving Covered Produce (Except Sprouts Subject to Subpart M)

<table>
<thead>
<tr>
<th>Size of covered farm</th>
<th>Proposed time periods starting from the effective date of the November 27, 2015, produce safety final rule (January 26, 2016)</th>
<th>Compliance date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Small Business</td>
<td>8 years</td>
<td>January 26, 2024.</td>
</tr>
<tr>
<td>Small Business</td>
<td>7 years</td>
<td>January 26, 2023.</td>
</tr>
<tr>
<td>All Other Businesses</td>
<td>6 years</td>
<td>January 26, 2022.</td>
</tr>
</tbody>
</table>

We believe the simpler compliance date structure would alleviate confusion, and because we are proposing it as part of a proposal to provide additional time for compliance with all of the provisions, we expect it to alleviate burden. We do not anticipate that the change would result in any practical or logistical compliance challenges. We request comment on whether this change to the compliance date structure would be helpful.

This proposed rule is limited in scope to extending the compliance dates for covered produce other than sprouts. The proposed rule does not address the underlying requirements in subpart E, but only the compliance dates for those requirements (for covered produce other than sprouts). We will continue to work with stakeholders on the issues raised regarding the agricultural water requirements.

Our goal is to complete this rulemaking as quickly as possible. However, we are aware that many farms have been working well in advance of their compliance dates to come into compliance. As we continue to work with stakeholders on issues raised regarding the agricultural water requirements, we intend to exercise enforcement discretion for covered produce other than sprouts relative to the agricultural water provisions in subpart E of the produce safety regulation. This means that while we are considering these issues, we do not intend to enforce the requirements in subpart E of the regulation for covered produce other than sprouts. Thus, by announcing we intend to exercise enforcement discretion for covered produce other than sprouts relative to the agricultural water provisions in subpart E, farms may choose to continue with their current water testing programs or allocate their resources differently to avoid incurring additional costs based on our proposal to extend the agricultural water compliance dates. And, as explained above, when we finalize compliance dates, we intend to continue to work with stakeholders to address agricultural water questions and with farms to prepare for compliance. This proposed rule also would not change the compliance dates for sprouts. In the final produce safety regulation, we provided staggered compliance periods based on farm size for covered activities involving sprouts. The compliance date for activities involving sprouts for very small businesses is January 28, 2019. The compliance date for activities involving sprouts for small businesses is January 26, 2018. The compliance date for activities involving sprouts for all other businesses is January 26, 2017. Because sprouts present a unique safety risk, the final produce safety regulation established sprout-specific requirements on multiple topics, including agricultural water. The agricultural water requirements for sprouts are different from the agricultural water requirements for other produce commodities (compare §§112.44(a)(1) and 112.44(b)). Moreover, based on the information available to us, many sprout farms use municipal water for growing activities; and under the produce safety regulation, covered farms are not required to test water from a public supply when certain conditions are met (see 21 CFR 112.46(a)(1) and (2)). We also established earlier compliance dates for sprouts than for other covered produce, and the first compliance date for covered sprout farms (January 26, 2017) has already passed. We have not received any significant feedback from sprout farms that subpart E has posed particular challenges. Accordingly, we are proposing to take no action with regard to compliance dates for activities involving sprouts and thus the compliance dates for covered farms with respect to sprouts are the original compliance dates, including for the agricultural water provisions in Subpart E.

Table 3 summarizes the compliance dates for the produce safety regulation as they would be if this proposed rule is finalized. Time periods start from effective date of the produce safety rule (January 26, 2016) except as otherwise specified.
Table 3.--Compliance Dates for the Produce Safety Regulation, if this Extension is Finalized (21 CFR Part 112)

<table>
<thead>
<tr>
<th>Size of farm</th>
<th>Compliance dates relating to covered activities on covered farms</th>
<th>Compliance dates relating to certain exemptions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Covered activities involving sprouts covered under subpart M (i.e., subject to all requirements of Part 112)</td>
<td>Farms eligible for a qualified exemption (if applicable)</td>
</tr>
<tr>
<td></td>
<td>Covered activities involving sprouts covered under subpart E</td>
<td>Rejection of records supporting eligibility in §112(b)</td>
</tr>
<tr>
<td>All other businesses</td>
<td>1 year (Jan. 26, 2017)</td>
<td>6 years (Jan. 26, 2022)</td>
</tr>
</tbody>
</table>

III. Economic Analysis of Impacts

We have examined the impacts of this proposed rule under Executive Order 12866, Executive Order 13563, the Regulatory Flexibility Act (5 U.S.C. 601–612), the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4), and Executive Order 13771 on Reducing Regulation and Controlling Regulatory Costs (January 30, 2017). Executive Orders 12866 and 13563 direct us to assess all costs and benefits of available regulatory alternatives and, when regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages; distributive impacts; and equity). Executive Order 13563 states the importance of quantifying costs and benefits, reducing costs and burdens, and harmonizing rules. We conclude that this proposed rule would not increase compliance costs and would instead reduce compliance costs by delaying certain compliance dates. Moreover, it would serve an important purpose of providing us an opportunity to consider how to reduce burdens on the public. We conclude that this proposed rule is an economically
We have determined that this proposed
Deflator for the Gross Domestic Product.
most current (2016) Implicit Price
for inflation is $148 million, using the
$100,000,000 or more (adjusted
the aggregate, or by the private sector, of
State, local, and tribal governments, in
that may result in the expenditure by
rule that includes any Federal mandate
costs and benefits, before issuing 'any
entities.
would not have a significant economic
impact on a substantial number of small
would not enjoy
the potential health benefits (i.e.,
reduced risk of illness) provided by the
provisions of subpart E until 2 to 4 years
(depending on the specific provision)
later than originally established in the
produce safety regulation. Thus, the
annualized total benefits to consumers,
discounted at 3 percent over 10 years,
would decrease by $108 million from
$1.033 billion to $925 million.
Estimated changes in benefits and costs
as a result of this proposed extension
are summarized in the following table.

| Table 4—Summary of the Changes in Benefits and Costs as a Result of This Proposed Rule, Annualized Over 10 Years, in Millions of 2016 Dollars |
|-------------------------------------------------|-------------------------------------------------|-------------------------------------------------|-------------------------------------------------|
| Costs to industry under 2015 final rule | Costs to industry with the proposed compliance extension | Benefits of reduced risk of illness under 2015 final rule | Benefits of reduced risk of illness with the proposed compliance extension |
| Annualized 3% | $404 | $392 | $1,033 | $925 |
| Annualized 7% | $382 | $370 | $983 | $874 |
| Net Present Value 3% | $3,443 | $3,340 | $8,111 | $7,886 |
| Net Present Value 7% | $2,681 | $2,598 | $6,901 | $6,143 |

We have determined under 21 CFR 25.30(j) that this action is of a type that
does not individually or cumulatively have a significant effect on the human
environment. Therefore, neither an environmental assessment nor an
environmental impact statement is
required.

V. Paperwork Reduction Act of 1995

This proposed rule contains no
collection of information. Therefore,
clearance by the Office of Management
and Budget under the Paperwork
Reduction Act of 1995 is not required.

VI. Federalism

We have analyzed this proposed rule
in accordance with the principles set
forth in Executive Order 13132. FDA
does not contain policies that have
substantial direct effects on the States,
on the relationship between the
National Government and the States, or
on the distribution of power and
responsibilities among the various
levels of government. Accordingly, we
conclude that the proposed rule does
not contain policies that have
federalism implications as defined in
the Executive order and, consequently, a federalism summary impact statement is not required.

VII. Executive Order 13175

We have analyzed this proposed rule in accordance with the principles set forth in Executive Order 13175. We have determined that the proposed rule does not contain policies that 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. Accordingly, we conclude that the proposed rule does not contain policies that have tribal implications as defined in the Executive order and, consequently, a tribal summary impact statement is not required.

VIII. References

The following references are on display in the Dockets Management Staff (see ADDRESSES) and is available for viewing by interested persons between 9 a.m. and 4 p.m., Monday through Friday; they are also available electronically at https://www.regulations.gov. FDA has verified the Web site address, as of the date this document publishes in the Federal Register, but Web sites are subject to change over time.


Dated: September 8, 2017.

Leslie Kux,
Associate Commissioner for Policy.

[FR Doc. 2017–19434 Filed 9–12–17; 8:45 am]
DEPARTMENT OF AGRICULTURE

Submission for OMB Review; Comment Request

September 8, 2017.

The Department of Agriculture has submitted the following information collection requirement(s) to OMB for review and clearance under the Paperwork Reduction Act of 1995, Public Law 104–13. Comments are required regarding (1) whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (2) the accuracy of the agency’s estimate of burden including the validity of the methodology and assumptions used; (3) ways to enhance the quality, utility and clarity of the information to be collected; and (4) ways to minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.

Comments regarding this information collection received by October 13, 2017 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.

Farm Service Agency

Title: Transfer of Farm Records between Counties.

OMB Control Number: 0560–0253.

Summary of Collection: Most Farm Service Agency (FSA) programs are administered on the basis of “farm”. For program purposes, a farm is a collection of tracts of land that have the same owner and the same operator. Land with different owners may be considered to be a farm if all the land is operated by one person and additional criteria are met. A farm is typically administered in the FSA county office where the farm is physically located. A farm can be transferred from the physical location county office if the principal dwelling of the farm operator has changed, a change has occurred in the operation of the land, or there has been a change that would cause the receiving administrative county office to be more accessible. FSA–179, “Transfer of Farm Record between Counties,” is used as the request for a farm transfer from one county to another initiated by the producer.

Need and Use of the Information: The information collected on the FSA–179 is collected only if a farm transfer is being requested and is collected in a face-to-face setting with county office personnel. The information is used by county office employees to document which farm is being transferred, what county it is being transferred to, and why it is being transferred. The FSA–179 assists county committees in determining why the farm transfer is being requested and that it is not being requested for the purpose of increased program benefits, avoiding payment reductions, establishing eligibility to transfer base acres, or for circumventing any other programs provisions. Without the information county offices will be unable to determine whether the producer desires to transfer a farm.

Description of Respondents: Farms.

Number of Respondents: 21,240.

Frequency of Responses: Reporting: On occasion.

Total Burden Hours: 24,780.

Ruth Brown,
Departmental Information Collection Clearance Officer.

[FR Doc. 2017–19392 Filed 9–12–17; 8:45 am]
BILLING CODE 4410–05–P
DEPARTMENT OF AGRICULTURE

Foreign Agricultural Service

Adjustment of Appendices Under the Dairy Tariff-Rate Quota Import Licensing Regulation for the 2017 Tariff-Rate Quota Year

AGENCY: Foreign Agricultural Service, USDA.

ACTION: Notice.

SUMMARY: This notice announces the revised appendices under the Dairy Tariff-Rate Import Quota Licensing Regulation for the 2017 quota year reflecting the cumulative annual transfers from Appendix 1 to Appendix 2 for certain dairy product import licenses permanently surrendered by licensees or revoked by the Licensing Authority.

DATES: September 13, 2017.


SUPPLEMENTARY INFORMATION: The Foreign Agricultural Service, under a delegation of authority from the Secretary of Agriculture, administers the Dairy Tariff-Rate Quota Import Licensing Regulation codified at 7 CFR 6.20–6.36 that provides for the issuance of licenses to import certain dairy articles under tariff-rate quotas (TRQs) as set forth in the Harmonized Tariff Schedule of the United States. These dairy articles may only be entered into the United States at the low-tier tariff by or for the account of a person or firm to whom such licenses have been issued and only in accordance with the terms and conditions of the regulation.

Licenses are issued on a calendar year basis, and each license authorizes the license holder to import a specified quantity and type of dairy article from a specified country of origin. The Import Policies and Export Reporting Division, Foreign Agricultural Service, U.S. Department of Agriculture, issues these licenses and, in conjunction with U.S. Customs and Border Protection, U.S. Department of Homeland Security, monitors their use.

The regulation at 7 CFR 6.34(a) states: “Whenever a historical license (Appendix 1) is not issued to an applicant pursuant to the provisions of § 6.23, is permanently surrendered or is revoked by the Licensing Authority, the amount of such license will be transferred to Appendix 2.” Section 6.34(b) provides that the cumulative annual transfers will be published by notice in the Federal Register each year. Accordingly, this document sets forth the revised Appendices for the 2017 tariff-rate quota year below.


Ronald Lord,

Licensing Authority.

ARTICLES SUBJECT TO: APPENDIX 1, HISTORICAL LICENSES; APPENDIX 2 NON-HISTORICAL LICENSES; AND APPENDIX 3, DESIGNATED IMPORTERS LICENSES FOR QUOTA YEAR 2017

[Quantities in Kilograms]

<table>
<thead>
<tr>
<th>Non-cheese articles</th>
<th>Appendix 1</th>
<th>Appendix 2</th>
<th>Sum of Appendix 1 &amp; 2</th>
<th>Appendix 3 Tokyo R.</th>
<th>Appendix 4 Uruguay R.</th>
<th>Grand total</th>
</tr>
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<tbody>
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<td>BUTTER SUBSTITUTES CONTAINING OVER 45 PERCENT OF BUTTERFAT AND/OR BUTTER OIL (NOTE 14)</td>
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<td>17,428,089</td>
<td>21,864,781</td>
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</tr>
<tr>
<td>Non-cheese articles</td>
<td>Appendix 1</td>
<td>Appendix 2</td>
<td>Sum of Appendix 1&amp;2</td>
<td>Appendix 3 Tokyo R.</td>
<td>Appendix 4 Uruguay R.</td>
<td>Grand total</td>
</tr>
<tr>
<td>---------------------</td>
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<td><strong>CHEESE ARTICLES</strong></td>
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<td>48,626,859</td>
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<td><strong>CHEESE AND SUBSTITUTES FOR SWISS OR EMMENTHALER CHEESE (NOTE 16)</strong></td>
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<td>5,542</td>
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<td><strong>BLUE-MOLD CHEESE (NOTE 17)</strong></td>
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<tr>
<td><strong>EDAM AND GOUDA CHEESE (NOTE 20)</strong></td>
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<td><strong>SWISS OR EMMENThALER CHEESE (NOTE 22)</strong></td>
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<td><strong>CHEESE AND SUBSTITUTES FOR CHEESE (NOTE 23)</strong></td>
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<td>3,241,091</td>
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<td><strong>SWISS OR EMMENThALER CHEESE WITH EYE FORMATION (NOTE 25)</strong></td>
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<tr>
<td><strong>Uruguay</strong></td>
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<td>300,000</td>
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<td>6,883,000</td>
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<td>37,023</td>
<td>85,276</td>
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</tbody>
</table>
Rural Housing Service

Notice of Request for Extension of a Currently Approved Information Collection

AGENCY: Rural Housing Service, USDA.

ACTION: Proposed collection; Comments requested.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, this notice announces the Rural Housing Service’s (RHS) intention to request an extension for a currently approved information collection in support of the program for the Guaranteed Rural Rental Housing Program.

DATES: Comments on this Notice must be received by November 13, 2017 to be assured of consideration.


SUPPLEMENTARY INFORMATION: Title: Guaranteed Rural Rental Housing Program. OMB Number: 0575–0174. Expiration Date of Approval: January 31, 2018. Type of Request: Extension of a Currently Approved Information Collection. Abstract: On March 28, 1996, President Clinton signed the “Housing Opportunity Program Extension Act of 1996.” One of the provisions of the Act was the authorization of the Section 538 Guaranteed Rural Rental Housing Loan Program, adding the program to the Housing Act of 1949. The program has been designed to increase the supply of affordable Multi-Family Housing (MFH) through partnerships between RHS and major lending sources, as well as State and local housing finance agencies and bond issuers. Qualified lenders will be authorized to originate, underwrite, and close loans for MFH projects. To be considered, these projects must be either new construction or acquisition with rehabilitation with at least $6,500 per unit.

The housing must be available for occupancy only to low- or moderate-income families or persons, whose incomes at the time of initial occupancy do not exceed 115 percent of the median income of the area. After initial occupancy, the tenant’s income may exceed these limits; however, rents, including utilities, are restricted to no more than 30 percent of the 115 percent of area median income for the term of the loan.

The Secretary is authorized under Section 510 (k) of the Housing Act of 1949 to prescribe regulations to ensure that these Federally-funded loans are made to eligible applicants for authorized purposes. The lender must evaluate the eligibility, cost, benefits, feasibility, and financial performance of the proposed project. The Agency collects this information from the lender to determine if funds are being used to meet the goals and mission of Rural Development. The information submitted by the lender to the Agency is used by the Agency to manage, plan, evaluate, and account for Government resources.

Estimate of Burden: Public reporting burden for this collection of information is estimated to average .58 man hours per response.

Respondents: Non-profit and for-profit lending corporations and public bodies.

Estimated Number of Respondents: 150.

Estimated Number of Responses per Respondent: 16.7.

Estimated Number of Responses: 2,498.

Estimated Total Annual Burden on Respondents: 1,461 hours.

Copies of this information collection can be obtained from Jeanne Jacobs, Regulations and Paperwork Management Branch, at (202) 692–0040.

Comments: Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the Agency, including whether the information will have practical utility; (b) the accuracy of the Agency’s estimate of the burden of the proposed collection of information including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on 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 may be sent to Jeanne Jacobs, Regulations and Paperwork Management Branch, U.S. Department of Agriculture, Rural Development, STOP 0742, 1400 Independence Avenue SW., Washington, DC 20250. All responses to this notice will be summarized and included in the request for OMB approval. All comments will also become a matter of public record.


Richard A. Davis,
Acting Administrator, Rural Housing Service.

BILLING CODE 3410–10–P

COMMISSION ON CIVIL RIGHTS

Notice of Public Meeting of the Texas Advisory Committee

AGENCY: U.S. Commission on Civil Rights.

ACTION: Announcement of meeting.

SUMMARY: Notice is hereby given, pursuant to the provisions of the rules and regulations of the U.S. Commission on Civil Rights (Commission) and the Federal Advisory Committee Act (FACA) that a meeting of the Texas Advisory Committee (Committee) to the Commission will be held at 2:00 p.m. (Central Time) September 27, 2017. The purpose of the meeting is for the
Committee to discuss and likely vote on project topic of study.

**DATES:** The meeting will be held on Wednesday, September 27, 2017, at 2:00 p.m. CDT

**PUBLIC CALL INFORMATION:**
Conference ID: 9903479.

**FOR FURTHER INFORMATION CONTACT:** Ana Victoria Fortes (DFO) atafortes@uscrr.gov or (213) 894–3437.

**SUPPLEMENTARY INFORMATION:** This meeting is available to the public through the following toll-free call-in number: 866–719–0110, conference ID number: 9903479. Any interested member of the public may call this number and listen to the meeting. Callers can expect to incur charges for calls they initiate over wireless lines, and the Commission will not refund any incurred charges. Callers will incur no charge for calls they initiate over landline connections to the toll-free telephone number. Persons with hearing impairments may also follow the proceedings by first calling the Federal Relay Service at 1–800–977–8339 and providing the Service with the conference call number and conference ID number.

Members of the public are entitled to make comments during the open period at the end of the meeting. Members of the public may also submit written comments; the comments must be received in the Regional Programs Unit within 30 days following the meeting. Written comments may be mailed to the Western Regional Office, U.S. Commission on Civil Rights, 300 North Los Angeles Street, Suite 2010, Los Angeles, CA 90012. They may be faxed to the Commission at (213) 894–0508, or emailed Ana Victoria Fortes atafortes@uscrr.gov or Catherine Cartsos, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW., Washington, DC 20230; telephone (202) 482–1757.

**SUPPLEMENTARY INFORMATION:**

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**DEPARTMENT OF COMMERCE**

**International Trade Administration**

**[A–583–848]**

**Certain Stilbenic Optical Brightening Agents From Taiwan: Final Results of Antidumping Duty Administrative Review; 2015–2016**

**AGENCY:** Enforcement and Compliance, International Trade Administration, Department of Commerce.

**SUMMARY:** On June 6, 2017, the Department of Commerce (the Department) published the preliminary results of the administrative review of the antidumping duty order on certain stilbenic optical brightening agents (stilbenic OBAs) from Taiwan. The period of review (POR) is May 1, 2015, through April 30, 2016. For the final results of this review, we continue to find that subject merchandise has not been sold in the United States by Teh Fong Ming International Co., Ltd. (TFM) at prices below normal value during the POR.

**DATES:** Effective September 13, 2017.

**FOR FURTHER INFORMATION CONTACT:** Catherine Cartsos, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW., Washington, DC 20230; telephone (202) 482–1757.

**SUPPLEMENTARY INFORMATION:**

**Background**

On June 6, 2017, the Department published the Preliminary Results of the administrative review of the antidumping duty order on stilbenic OBAs from Taiwan. The administrative review covers one producer/exporter of the subject merchandise, TFM. The Department gave interested parties an opportunity to comment on the Preliminary Results. We received no comments. Hence, these final results are unchanged from the Preliminary Results.

The Department conducted this review in accordance with section 751(a)(2) of the Tariff Act of 1930, as amended (the Act).

**Scope of the Order**

The stilbenic OBAs covered by this order are all forms (whether free acid or salt) of compounds known as triazinylaminostilbenes (i.e., all derivatives of 4,4′-bis[1,3,5- triazin-2-yl]′′ amino-2,2′-stilbenedisulfonic acid), except for compounds listed in the following paragraph. The stilbenic OBAs covered by this order include final stilbenic OBA products, as well as intermediate products that are themselves triazinylaminostilbenes produced during the synthesis of stilbenic OBA products.

Excluded from this order are all forms of 4,4′-bis[4-anilino-6-morpholino-1,3,5- triazin-2-yl]′ amino-2,2′-stilbenedisulfonic acid, C40H4O12N2S2 (“Fluorescent Brightener 71”). This order covers the above-described compounds in any state (including but not limited to powdered, slurry, or solution), of any concentrations of active stilbenic OBA ingredient, as well as any compositions regardless of additives (i.e., mixtures or blends, whether of stilbenic OBAs with each other, or of stilbenic OBAs with additives that are not stilbenic OBAs), and in any type of packaging.

These stilbenic OBAs are classifiable under subheading 3204.20.8000 of the Harmonized Tariff Schedule of the United States (HTSUS), but they may also enter under subheadings 2933.69.6050, 2921.59.8090. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise is dispositive.

**Final Results of the Administrative Review**

We determine that a weighted-average dumping margin of 0.00 percent exists for TFM for the period of August 1, 2015, through July 31, 2016.

**Assessment**

In accordance with section 751(a)(2)(C) of the Act, 19 CFR 351.212(b)(1) and the Final

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2 The brackets in this sentence are part of the chemical formula.

3 Id.
Modification, the Department will instruct U.S. Customs and Border Protection (CBP) to liquidate all appropriate entries for TFM without regard to antidumping duties.

For entries of subject merchandise during the POR produced by TFM for which it did not know its merchandise was destined for the United States, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company involved in the transaction. We intend to issue instructions to CBP 15 days after publication of the final results of this review.

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the notice of final results of administrative review for all shipments of stilbenic OBAs from Taiwan entered, or withdrawn from warehouse, for consumption on or after the date of publication as provided by section 751(a)(2)(C) of the Act: (1) The cash deposit rate for TFM will be 0.00 percent, the weighted-average dumping margin established in the final results of this administrative review; (2) for merchandise exported by producers or exporters not covered in this administrative review but covered in a prior segment of the proceeding, the cash deposit rate will continue to be the company-specific rate published for the most recently completed segment of this proceeding; (3) if the exporter is not a firm covered in this review, a prior review, or the original investigation, but the producer is, the cash deposit rate will be the rate established for the most recently completed segment of this proceeding for the producer of the subject merchandise; and (4) the cash deposit rate for all other producers or exporters will continue to be 6.19 percent, the all-others rate established in the investigation.5

These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary’s presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Notification Regarding Administrative Protective Orders

This notice also serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of the return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation subject to sanction.

We are issuing and publishing these results of an administrative review in accordance with sections 751(a)(1) and 777(i) of the Act and 19 CFR 351.221(b)(5).

Gary Taverman,
Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, performing the non-exclusive functions and duties of the Assistant Secretary for Enforcement and Compliance.

[FR Doc. 2017-19418 Filed 9-12-17; 8:45 am]
BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

Initiation of Antidumping and Countervailing Duty Administrative Reviews

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (the Department) has received requests to conduct administrative reviews of various antidumping and countervailing duty orders and findings with July anniversary dates. In accordance with the Department’s regulations, we are initiating those administrative reviews.

DATES: Applicable September 13, 2017.

FOR FURTHER INFORMATION CONTACT:

SUPPLEMENTARY INFORMATION:

Background

The Department has received timely requests, in accordance with 19 CFR 351.213(b), for administrative reviews of various antidumping and countervailing duty orders and findings with July anniversary dates.

All deadlines for the submission of various types of information, certifications, or comments or actions by the Department discussed below refer to the number of calendar days from the applicable starting time.

Notice of No Sales

If a producer or exporter named in this notice of initiation had no exports, sales, or entries during the period of review (POR), it must notify the Department within 30 days of publication of this notice in the Federal Register. All submissions must be filed electronically at http://access.trade.gov in accordance with 19 CFR 351.303. Such submissions are subject to verification in accordance with section 782(i) of the Tariff Act of 1930, as amended (the Act). Further, in accordance with 19 CFR 351.303(f)(1)(i), a copy must be served on every party on the Department’s service list.

Respondent Selection

In the event the Department limits the number of respondents for individual examination for administrative reviews initiated pursuant to requests made for the orders identified below, the Department intends to select respondents based on U.S. Customs and Border Protection (CBP) data for U.S. imports during the period of review. We intend to place the CBP data on the record within five days of publication of the initiation notice and to make our decision regarding respondent selection within 30 days of publication of the initiation Federal Register notice. Comments regarding the CBP data and respondent selection should be submitted seven days after the placement of the CBP data on the record of this review. Parties wishing to submit rebuttal comments should submit those comments five days after the deadline for the initial comments.

In the event the Department decides it is necessary to limit individual examination of respondents and conduct respondent selection under section 777A(c)(2) of the Act:

In general, the Department has found that determinations concerning whether particular companies should be
“collapsed” (i.e., treated as a single entity for purposes of calculating antidumping duty rates) require a substantial amount of detailed information and analysis, which often require follow-up questions and analysis. Accordingly, the Department will not conduct collapsing analyses at the respondent selection phase of this review and will not collapse companies at the respondent selection phase unless there has been a determination to collapse certain companies in a previous segment of this antidumping proceeding (i.e., investigation, administrative review, new shipper review or changed circumstances review). For any company subject to this review, if the Department determined, or continued to treat, that company as collapsed with others, the Department will assume that such companies continue to operate in the same manner and will collapse them for respondent selection purposes. Otherwise, the Department will not collapse companies for purposes of respondent selection.

Parties are requested to (a) identify which companies subject to review previously were collapsed, and (b) provide a citation to the proceeding in which they were collapsed. Further, if companies are requested to complete the Quantity and Value (Q&V) Questionnaire for purposes of respondent selection, in general each company must report volume and value data separately for itself. Parties should not include data for any other party, even if they believe they should be treated as a single entity with that other party. If a company was collapsed with another company or companies in the most recently completed segment of this proceeding where the Department considered collapsing that entity, complete Q&V data for that collapsed entity must be submitted.

Deadline for Withdrawal of Request for Administrative Review

Pursuant to 19 CFR 351.213(d)(1), a party that has requested a review may withdraw that request within 90 days of the date of publication of the notice of initiation of the requested review. The regulation provides that the Department may extend this time if it is reasonable to do so. In order to provide parties additional certainty with respect to when the Department will exercise its discretion to extend this 90-day deadline, interested parties are advised that the Department does not intend to extend the 90-day deadline unless the requestor demonstrates that an extraordinary circumstance has prevented it from submitting a timely withdrawal request. Determinations by the Department to extend the 90-day deadline will be made on a case-by-case basis.

Separate Rates

In proceedings involving non-market economy (NME) countries, the Department begins with a rebuttable presumption that all companies within the country are subject to government control and, thus, should be assigned a single antidumping duty deposit rate. It is the Department’s policy to assign all exporters of merchandise subject to an administrative review in an NME country this single rate unless an exporter can demonstrate that it is sufficiently independent so as to be entitled to a separate rate.

To establish whether a firm is sufficiently independent from government control of its export activities to be entitled to a separate rate, the Department analyzes each entity exporting the subject merchandise. In accordance with the separate rates criteria, the Department assigns separate rates to companies in NME cases only if respondents can demonstrate the absence of both de jure and de facto government control over export activities.

All firms listed below that wish to qualify for separate rate status in the administrative reviews involving NME countries must complete, as appropriate, either a separate rate application or certification, as described below. For these administrative reviews, in order to demonstrate separate rate eligibility, the Department requires entities for whom a review was requested, that were assigned a separate rate in the most recent segment of this proceeding in which they participated, to certify that they continue to meet the criteria for obtaining a separate rate. The Separate Rate Certification form will be available on the Department’s Web site at http://enforcement.trade.gov/nme/nme-sep-rate.html on the date of publication of this Federal Register notice. In responding to the Separate Rating Application, refer to the instructions contained in the application. Separate Rate Status Applications are due to the Department no later than 30 calendar days of publication of this Federal Register notice. The deadline and requirement for submitting a Separate Rate Status Application applies equally to NME-owned firms, wholly foreign-owned firms, and foreign sellers that purchase and export subject merchandise to the United States.

For exporters and producers who submit a separate-rate status application or certification and subsequently are selected as mandatory respondents, these exporters and producers will no longer be eligible for separate rate status unless they respond to all parts of the questionnaire as mandatory respondents.

2 Such entities include entities that have not participated in the proceeding, entities that were preliminarily granted a separate rate in any currently incomplete segment of the proceeding (e.g., an ongoing administrative review, new shipper review, etc.) and entities that lost their separate rate in the most recently completed segment of the proceeding in which they participated.
Initiation of Reviews

In accordance with 19 CFR 351.221(c)(1)(i), we are initiating administrative reviews of the following antidumping and countervailing duty orders and findings. We intend to issue the final results of these reviews not later than July 31, 2018.

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<td>JSW Coated Products Limited</td>
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<td>Garware Polyester Ltd.</td>
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<td>Singapore: Crimping Machines A–562–818</td>
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Seamaster Global Forwarding
Seamaster Logistics Sdn Bhd
Sejung (China) Sea & Air Co., Ltd.
Shandong Dinglong Imp. & Exp. Co. Ltd.
Shandong Liaocheng Minghua Metal PR
Shandong Oriental Cherry Hardware Group Co. Ltd.
Shanghai Haoray International Trade Co. Ltd.
Shanghai Jade Shuttle Hardware Tools Co., Ltd.
Shanghai Line Feng Int’l Transporation Co. Ltd.
Shanghai Pinnacle International Trading Co., Ltd.
Shanghai Pudong International Transporation
Shanxi Pioneer Hardware Industry Co., Ltd.
Shanxi Tianli Industries Co., Ltd.
Shijiazhuang Shuangjian Tools Co. Ltd.
Shipping Imperial Co., Ltd.
Sino Connections Logistics Inc.
S-Mart (Tianjin) Technology Development Co., Ltd.
Sparx Logistics China Limited
Speedmark International Ltd.
Suntec Industries Co., Ltd.
Swift Freight (India) Pvt Ltd.
T.H.I. Group Ltd.
The Stanley Works (Langfang) Fastening System Co., Ltd.
Tianjin Bluekin Industries Limited
Tianjin Coways Metal Products Co.
Tianjin Free Trade Service Co. Ltd.
Tianjin Fulida Supply Co. Ltd.
Tianjin Huixinshangmao Co. Ltd.
Tianjin Hweschun Fasteners Manufacturing Co. Ltd.
Tianjin Jinchi Metal Products Co., Ltd.
Tianjin Long Sheng Tai
Tianjin M&C Electronics Co., Ltd.
Tianjin Wonderful International Trading
Tianjin Zehui Hardware Co. Ltd.
Tianjin Zhonglian Metals Ware Co. Ltd.
Tianjin Zhonglian Times Technology
Toll Global Forwarding Ltd.
Top Logistics Korea Ltd.
Top Ocean Consolidated Service Ltd.
Toyo Boeki Co. Ltd.
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Translink Shipping, Inc.
Transwell Logistics Co. Ltd.
Transworld Transportation Co. Ltd.
Trim International Inc.
TTI Freight Forwarder Co. Ltd.
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Vanguard Logistics Services
W&K Corporation Limited
Weida Freight System Co. Ltd.
Woowon Sea & Air Co. Ltd.
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You-One Fastening Systems
Yumark Enterprises Corp.
Zhaoqing Harvest Nails Co. Ltd.

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Dongkuk Steel Mill Co., Ltd.
Hyundai Steel Company
POSCO
Union Steel Manufacturing Co., Ltd.

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Apex Holding Group Limited
B.A.T. Logistics
BAC AU Logistics Service and Trading
C.H. Robinson
CS Song Thuy
FGS Logistics Co. Ltd.
Hechye Shipping Ltd.
Honour Lane Shipping Ltd.
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Pacific Star Express Corp.
Panda Logistics Co., Ltd.
 Panther T&H Industry Co. 
Patek Tool Co., Ltd.
Point Edge Corp.
President Industrial Inc.
Pro-Team Coil Nail Enterprise, Inc.
PT Enterprise Inc.
Romp Coil Nail Industries Inc.
Scanwell
Schenker
Seamaster Logistics Sdn Bhd
Star World Product and Trading Co., Ltd.
Sun VN Transport Co.
T.H.I. Logistics Co. Ltd.
Taiwan Wakisangyo Co. Ltd.
The Ultimate Freight Management
Toppo Wang International Ltd.
Trans Wagon International Co. Ltd.
Trans-Top Enterprise Co., Ltd.
Transwell Logistics Co., Ltd.
Transworld Transportation Co., Ltd.
Trim International Inc.
Tsi-Translink (Taiwan) Co. Ltd.
UC Freight Forwarding Co. Ltd.
U-Can-Do Hardware Corp.
Unicatch Industrial Co. Ltd.
Universal Power Shipping Ltd.
UPS Supply Chain Solutions
VIM International Enterprise Co., Ltd.
Wictory Co. Ltd.
Yeh Fong Hsin
Yehdyi Enterprise Co., Ltd.
Yu Tai World Co., Ltd.
Yusen Logistics (Taiwan) Ltd.

Taiwan: Corrosion-Resistant Steel Products A–583–856 ................................................................. 6/2/16–6/30/17
Chung Hung Steel Corporation
Great Grandeul Steel Co., Ltd.
Meng Sin Material Co., Ltd.
Prosperity Tieh Enterprise Co., Ltd.
Sheng Yu Steel Co., Ltd.
Synn Industrial Co., Ltd.
Xxentria Technology Materials Co., Ltd.
Yieh Phui Enterprise Co., Ltd.

Taiwan: Polyethylene Terephthalate (Pet) Film A–583–837 ................................................................. 7/1/16–6/30/17
Nan Ya Plastics Corporation
Shinkong Materials Technology Corporation

Baoshan Iron & Steel Co., Ltd.
Beijing Jia Mei Ao Trade Co., Ltd.
Beijing Jinghua Global Trading Co.
Benxi Northern Steel Pipes, Co. Ltd.
CNOOC Kingland Pipeline Co., Ltd.
ETCO (China) International Trading Co., Ltd.
Guangzhou Juyi Steel Pipe Co., Ltd.
Huludao City Steel Pipe Industrial
Jiangsu Changbao Steel Tube Co., Ltd.
Jiangsu Yulong Steel Pipe Co., Ltd.
Liaoning Northern Steel Pipe Co., Ltd.
Pangang Chengdu Group Iron & Steel Co., Ltd.
Shanghai Zhongyou TIPO Steel Pipe Co., Ltd.
Tianjin Baolai International Trade Co., Ltd.
Tianjin Haoyou Industry Trade Co.
Tianjin Longshenghua Import & Export
Tianjin Shuangjie Steel Pipe Co., Ltd.
Welfang East Steel Pipe Co., Ltd.
WISCO & CRM Wuhan Materials & Trade
Zhejiang Kingland Pipeline Industry Co., Ltd.

Honour Lane Shipping Ltd.

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A.H.A. International Co., Ltd.
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<td>Hyundai Steel Company</td>
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<td>Jeli Sanup Co., Ltd.</td>
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<td>Mitsubishi International Corp.</td>
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<td>POSCO</td>
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<td>POSCO C&amp;C</td>
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<td>POSCO Daewoo Corp.</td>
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<td>Sejong Shipping Co., Ltd.</td>
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<td>SeAH Steel</td>
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<td>Soon Hong Trading Co., Ltd.</td>
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<td>Taisan Construction Co., Ltd.</td>
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<td>TCC Steel Co., Ltd.</td>
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<td>Union Steel Co., Ltd.</td>
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<td>Young Sun Steel Co.</td>
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<td><strong>Republic of Vietnam:</strong></td>
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<td>Certain Steel Nails C–552–819</td>
<td>1/1/16–12/31/16</td>
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<td>BAC AU Logistics Service and Trading</td>
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<td>Bollore Logistics</td>
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<td>FGS Logistics Co. Ltd.</td>
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<td>Honour Lane Shipping Ltd</td>
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<td>M&amp;T Export Trading Production</td>
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<td>Master International Logistics</td>
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<td>Rich State Inc.</td>
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<td>Sanco Freight</td>
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<td>SDV Vietnam Co. Ltd.</td>
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Suspension Agreements
None.

Duty Absorption Reviews
During any administrative review covering all or part of a period falling between the first and second or third and fourth anniversary of the publication of an antidumping duty order under 19 CFR 351.211 or a determination under 19 CFR 351.218(h)(4) to continue an order or suspended investigation (after sunset review), the Secretary, if requested by a domestic interested party within 30 days of the date of publication of the notice of initiation of the review, will determine whether antidumping duties have been absorbed by an exporter or producer subject to the review if the subject merchandise is sold in the United States through an importer that is affiliated with such exporter or producer.

Gap Period Liquidation
For the first administrative review of any order, there will be no assessment of antidumping or countervailing duties on entries of subject merchandise entered, or withdrawn from warehouse, for consumption during the relevant provisional-measures “gap” period, of the order, if such a gap period is applicable to the POR.

Administrative Protective Orders and Letters of Appearance
Interested parties must submit applications for disclosure under administrative protective orders in accordance with the procedures outlined in the Department’s regulations at 19 CFR 351.305. Those procedures apply to administrative reviews included in this notice of initiation. Parties wishing to participate in any of these administrative reviews should ensure that they meet the requirements of these procedures (e.g., the filing of separate letters of appearance as discussed at 19 CFR 351.103(d)).

Factual Information Requirements
The Department’s regulations identify five categories of factual information in 19 CFR 351.102(b)(21), which are summarized as follows: (i) Evidence submitted in response to questionnaires; (ii) evidence submitted in support of allegations; (iii) publicly available information to value factors under 19 CFR 351.408(c) or to measure the adequacy of remuneration under 19 CFR 351.511(a)(2); (iv) evidence placed on the record by the Department; and (v) evidence other than factual information described in (i)–(iv). These regulations require any party, when submitting factual information, to specify under which subsection of 19 CFR 351.102(b)(21) the information is being submitted and, if the information is submitted to rebut, clarify, or correct factual information already on the record, to provide an explanation identifying the information already on the record that the factual information seeks to rebut, clarify, or correct. The regulations, at 19 CFR 351.301, also provide specific time limits for such factual submissions based on the type of factual information being submitted. Please review the final rule, available at http://enforcement.trade.gov/frn/2013/1304frn/2013-08227.txt, prior to submitting factual information in this segment.

Any party submitting factual information in an antidumping duty or countervailing duty proceeding must certify to the accuracy and completeness of that information. Parties are hereby reminded that revised certification requirements are in effect for company/government officials as well as their representatives. All segments of any antidumping duty or countervailing duty proceedings initiated on or after August 16, 2013, should use the formats for the revised certifications provided at the end of the Final Rule. The Department intends to reject factual submissions in any proceeding entered, or withdrawn from warehouse for consumption during the relevant provisional-measures “gap” period of the order, if such a gap period is applicable to the POR.

See Certification of Factual Information To Import Administration During Antidumping and Countervailing Duty Proceedings, 78 FR 42678 (July 17, 2013) (Final Rule); see also the frequently asked questions regarding the Final Rule, available at http://enforcement.trade.gov/faq/final_rule_FAQ_07172013.pdf.

* The company listed above was inadvertently omitted from the initiation notice that published on August 1, 2013 (82 FR 35751). This notice serves as a correction to the Initiation Notice.

* In the initiation that published on April 10, 2017 (82 FR 17188), the period of review for the above referenced cases was incorrect. The period of review listed above is correct period of review for this case.

Period to be reviewed

<table>
<thead>
<tr>
<th>Company</th>
<th>Period</th>
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<tr>
<td>Thao Cuong Co., Ltd.</td>
<td>1/1/16–12/31/16</td>
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<td>Toan Nhat Viet Trading and Service</td>
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<td>Transworld Transportation Co., Ltd.</td>
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<td>Truong Vinh Ltd.</td>
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<td>United Nail Products Co. Ltd.</td>
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<td>The People’s Republic of China: Circular Welded Carbon Quality Steel Pipe C–570–911</td>
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<td>Baoshan Iron &amp; Steel Co., Ltd.</td>
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<td>Beijing Jia Mei Ao Trade Co., Ltd.</td>
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<td>Beijing Jinghua Global Trading Co.</td>
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<td>Benxi Northern Steel Pipes, Co. Ltd.</td>
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<td>CNOCO Kingland Pipeline Co., Ltd.</td>
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<td>ETCO (China) International Trading Co., Ltd.</td>
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<td>Guangzhou Juyi Steel Pipe Co., Ltd.</td>
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<td>Huludao City Steel Pipe Industrial</td>
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<td>Jiangsu Changbao Steel Tube Co., Ltd.</td>
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<td>Jiangsu Yulong Steel Pipe Co., Ltd.</td>
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<td>Liaoning Northern Steel Pipe Co., Ltd.</td>
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<td>Pangang Chengdu Group Iron &amp; Steel Co., Ltd.</td>
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<td>Shanghai Zhongyou TIPO Steel Pipe Co., Ltd.</td>
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<td>Tianjin Baolai International Trade Co., Ltd.</td>
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<td>Tianjin Haoyou Industry Trade Co.</td>
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<td>Tianjin Longshenghua Import &amp; Export</td>
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<td>Tianjin Shuangjie Steel Pipe Co., Ltd.</td>
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<td>Wefang East Steel Pipe Co., Ltd.</td>
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<td>WSICO &amp; CRM Wuhan Materials &amp; Trade</td>
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<tr>
<td>Zhejiang Kingland Pipeline Industry Co., Ltd.</td>
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</table>

* The company listed above was inadvertently omitted from the initiation notice that published on August 1, 2013 (82 FR 35751). This notice serves as a correction to the Initiation Notice.

* In the initiation that published on April 10, 2017 (82 FR 17188), the period of review for the above referenced cases was incorrect. The period of review listed above is correct period of review for this case.
segments if the submitting party does not comply with applicable revised certification requirements.

Extension of Time Limits Regulation

Parties may request an extension of time limits before a time limit established under Part 351 expires, or as otherwise specified by the Secretary. See 19 CFR 351.302. In general, an extension request will be considered untimely if it is filed after the time limit established under Part 351 expires. For submissions which are due from multiple parties simultaneously, an extension request will be considered untimely if it is filed after 10:00 a.m. on the due date. Examples include, but are not limited to: (1) Case and rebuttal briefs, filed pursuant to 19 CFR 351.309; (2) factual information to value factors under 19 CFR 351.408(c), or to measure the adequacy of remuneration under 19 CFR 351.511(a)(2), filed pursuant to 19 CFR 351.301(c)(3) and rebuttal, clarification and correction filed pursuant to 19 CFR 351.301(c)(3)(iv); (3) comments concerning the selection of a surrogate country and surrogate values and rebuttal; (4) comments concerning U.S. Customs and Border Protection data; and (5) quantity and value questionnaires. Under certain circumstances, the Department may elect to specify a different time limit by which extension requests will be considered untimely for submissions which are due from multiple parties simultaneously. In such a case, the Department will inform parties in the letter or memorandum setting forth the deadline (including a specified time) by which extension requests must be filed to be considered timely. This modification also requires that an extension request must be made in a separate, stand-alone submission, and clarifies the circumstances under which the Department will grant untimely-filed requests for the extension of time limits. These modifications are effective for all segments initiated on or after October 21, 2013. Please review the final rule, available at http://www.gpo.gov/fdsys/pkg/FR-2013-09-20/html/2013-22853.htm, prior to submitting factual information in these segments.

These initiatives and this notice are in accordance with section 751(a) of the Act (19 U.S.C. 1675(a)) and 19 CFR 351.221(c)(1)(i).

James Maeder,
Senior Director performing the duties of
Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations.

DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
RIN 0648–XF674
Fishing of the South Atlantic; South Atlantic Fishery Management Council; Public Meetings

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

ACTION: Notice of meeting of the South Atlantic Fishery Management Council’s Citizen Science Advisory Panel Finance Action Team.

SUMMARY: The South Atlantic Fishery Management Council (Council) will hold a meeting of its Citizen Science Advisory Panel Finance Action Team via webinar.

DATES: The meeting will be held Thursday, October 5, 2017 at 12:30 p.m. The meeting is scheduled to last approximately 90 minutes. Additional Action Team webinar and plenary webinar dates and times will publish in a subsequent issue in the Federal Register.

ADDRESS:
Meeting address: The meetings will be held via webinar and are open to members of the public. Webinar registration is required and registration links will be posted to the Citizen Science program page of the Council’s Web site at www.safmc.net.

Council address: South Atlantic Fishery Management Council, 4055 Faber Place Drive, Suite 201, N. Charleston, SC 29405.

FOR FURTHER INFORMATION CONTACT: Amber Von Harten, Citizen Science Program Manager, SAFMC; phone: (843) 302–8433 or toll free (866) SAFMC–10; fax: (843) 769–4520; email: amber.vonharten@safmc.net.

SUPPLEMENTARY INFORMATION: The South Atlantic Fishery Management Council created a Citizen Science Advisory Panel Pool in June 2017. The Council appointed members of the Citizen Science Advisory Panel Pool to five Action Teams in the areas of Volunteers, Data Management, Projects/Topics Management, Finance, and Communication/Outreach/Education to develop program policies and operations for the Council’s Citizen Science Program.

The Finance Action Team will meet to continue work on developing recommendations on program policies and operations to be reviewed by the Council’s Citizen Science Committee. Public comment will be accepted at the beginning of the meeting.

Items to be addressed during these meetings:
1. Discuss work on tasks in the Terms of Reference
2. Other Business

Although other non-emergency issues not on the agenda may come before this group for discussion, those issues may not be the subject of formal action during this meeting. Actions will be restricted to those issues specifically listed in this notice and any issues arising after publication of this notice that require emergency action under Section 305(c) of the Magnuson-Stevens Fishery Conservation and Management Act, provided the public has been notified of the Council’s intent to take final action to address the emergency.

Special Accommodations

The meeting is physically accessible to people with disabilities. Requests for auxiliary aids should be directed to the Council office (see ADDRESSES) 3 days prior to the meeting.

Note: The times and sequence specified in this agenda are subject to change.

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

Dated: September 8, 2017.

Jeffrey N. Lonergan,
Acting Deputy Director, Office of Sustainable Fisheries, National Marine Fisheries Service.

DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
RIN 0648–XF619
Endangered Species; File No. 21169

ACTION: Notice; receipt of application.

SUMMARY: Notice is hereby given that Inwater Research Group, Inc. [Responsible Party: Michael Bresette], 4160 NE Hyline Drive, Jensen Beach, FL 34957, has applied in due form for a
permit to take green (Chelonia mydas), hawksbill (Eretmochelys imbricata), Kemp's ridley (Lepidochelys kempii), and loggerhead (Caretta caretta) sea turtles for purposes of scientific research.

DATES: Written, telefaxed, or email comments must be received on or before October 13, 2017.

ADDRESSES: The application and related documents are available for review by selecting "Records Open for Public Comment" from the "Features" box on the Applications and Permits for Protected Species (APPs) home page, https://apps.nmfs.noaa.gov, and then selecting File No. 21169 from the list of available applications.

These documents are also available upon written request or by appointment in the Permits and Conservation Division, Office of Protected Resources, NMFS, 1315 East-West Highway, Room 13705, Silver Spring, MD 20910; phone (301) 427–8401; fax (301) 713–0376. Written comments on this application should be submitted to the Chief, Permits and Conservation Division, at the address listed above. Comments may also be submitted by facsimile to (301) 713–0376, or by email to NMFS.Pr1Comments@noaa.gov. Please include the File No. in the subject line of the email comment.

Those individuals requesting a public hearing should submit a written request to the Chief, Permits and Conservation Division at the address listed above. The request should set forth the specific reasons why a hearing on this application would be appropriate.

FOR FURTHER INFORMATION CONTACT: Erin Markin or Amy Hapeman, (301) 427–8401.

SUPPLEMENTARY INFORMATION: The subject permit is requested under the authority of the Endangered Species Act of 1973, as amended (ESA; 16 U.S.C. 1531 et seq.) and the regulations governing the taking, importing, and exporting of endangered and threatened species (50 CFR parts 222–226).

Inwater Research Group, Inc., proposes to continue long-term monitoring on habitat preference, species abundance, size frequencies, and disease prevalence in sea turtles in the Key West National Wildlife Refuge, Big Bend region, and coastal and offshore waters of Monroe, Citrus, and Dixie Counties, Florida. Annually, up to 2,432 green, 749 hawksbill, 560 Kemp's ridley, and 500 loggerhead sea turtles would be pursued by vessel for the purpose of species identification and capture using hand capture or dip nets. Of the animals pursued by vessel, annually, up to 350 green, 105 hawksbill, 230 Kemp’s ridley, and 225 loggerhead sea turtles would be captured for collection of morphometric data, biological samples, and tagging (flipper and passive integrated transponder). Of the animals pursued by vessel, up to 50 green, 25 hawksbill, 25 Kemp’s ridley, and 50 loggerhead sea turtles would be captured for morphometric data, biological samples and instrument attachment (acoustic and/or satellite transmitters), annually. In addition, up to 50 green, 25 hawksbill, 50 Kemp’s ridley, and 25 loggerhead neonate sea turtles would be captured, annually, for collection of morphometric data, biological samples, and tagging (flipper and passive integrated transponder). The permit would be valid for up to ten years from the date of issuance.

Dated: September 8, 2017.

Julia Harrison,
Chief, Permits and Conservation Division,
Office of Protected Resources, National Marine Fisheries Service.

BILLING CODE 3510–22–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

RIN 0648–XF645

Fisheries of the South Atlantic, Gulf of Mexico, and Caribbean; Southeast Data, Assessment, and Review (SEDAR); Amendment

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

ACTION: Announcement of meeting location change and schedule modification of the SEDAR Steering Committee meeting.

SUMMARY: The SEDAR Steering Committee will meet to discuss the SEDAR process and assessment schedule.

DATES: The SEDAR Steering Committee will meet Tuesday, September 26, 2017, from 1:30 p.m. until 4:30 p.m.

ADDRESSES: Meeting address: The Steering Committee meeting will be held at the Town and Country Inn, 2008 Savannah Highway, Charleston, SC 29407; telephone: (843) 900–4120.

SEDAR address: South Atlantic Fishery Management Council, 4055 Faber Place Drive, Suite 201, N. Charleston, SC 29405; www.sedarweb.org.

FOR FURTHER INFORMATION CONTACT: John Carmichael, Deputy Executive Director, 4055 Faber Place Drive, Suite 201, North Charleston, SC 29405; phone: (843) 571–4366 or toll free (866) SAFMC–10; fax: (843) 769–4520; email: john.carmichael@safmc.net.

SUPPLEMENTARY INFORMATION: This meeting was previously published in the Federal Register (82 FR 42544). This is notification of a change in meeting location and duration. The meeting was originally scheduled to occur on Tuesday, September 26 and Wednesday, September 27, at the Crown Plaza Charleston Airport in North Charleston SC. This change is being made due to a change in scheduling of a meeting of the South Atlantic Fishery Management Council in response to hazardous weather. The meeting will be accessible via webinar. The items for discussion are unchanged, and are as follows:

1. Research Track Process
2. SEDAR Current Projects Update
3. SEDAR Future Projects Schedule
4. Budget Report

Although non-emergency issues not contained in this agenda may come before this group for discussion, those issues may not be the subject of formal action during this meeting. Action will be restricted to those issues specifically identified in this notice and any issues arising after publication of this notice that require emergency action under section 305(c) of the Magnuson-Stevens Fishery Conservation and Management Act, provided the public has been notified of the intent to take final action to address the emergency.

Special Accommodations

This meeting is accessible to people with disabilities. Requests for auxiliary aids should be directed to the SAFMC office (see ADDRESSES) at least 3 business days prior to the meeting.

Note: The times and sequence specified in this agenda are subject to change.

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

Dated: September 8, 2017.

Jeffrey N. Lonergan,
Acting Deputy Director, Office of Sustainable Fisheries, National Marine Fisheries Service.

[FR Doc. 2017–19439 Filed 9–12–17; 8:45 am]
DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

RIN 0648–XF687

Western Pacific Fishery Management Council; Public Meeting

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

ACTION: Notice of public meeting.

SUMMARY: The Western Pacific Fishery Management Council (Council) will hold a meeting of its Social Science Planning Committee (SSPC) in Honolulu, HI.

DATES: The SSPC meeting will be held on Tuesday and Wednesday, September 26 and 27, 2017, from 9 a.m. to 4 p.m.

ADDRESS: The meeting will be held at the Council Offices at 1164 Bishop Street, Suite 1400, Honolulu, HI 96813.

FOR FURTHER INFORMATION CONTACT: Kitty M. Simonds, Executive Director; telephone: (808) 522–8220.

SUPPLEMENTARY INFORMATION: Public comment periods will be provided. The order in which agenda items are addressed may change. The Committee will meet as late as necessary to complete scheduled business.

Agenda

Tuesday, September 26, 2017, 9 a.m.

1. Introductions
2. Approval of Agenda
3. Report on the 170th Council meeting recommendations
4. Report on Pacific Islands Fisheries Science Center Human Dimensions Review
5. Social Science and Planning Committee Review and Revisions
   A. Report from the SSPC Working Group
   B. Review and revision of Draft Plan
      i. Drivers
      ii. Purpose and Need
      iii. Goals and Objectives
      iv. Tasks and Activities
      v. Other strategic plan items
6. Public Comment
7. Summary and tasking of SSPC committee members

Wednesday, September 27, 2017, 9 a.m.

8. Review of SSPC Strategic Planning from Prior Day
9. Report from Committee members on Revisions and Finalization of Strategic Plan
10. SSPC Research Priorities
   A. Report on Working Group Findings
   i. Pacific Islands Human Dimensions Research Priority Areas
   ii. Prioritization of Research by Priority Areas to meet Strategic Plan Goals and Objectives.
11. Public Comment
12. Discussion and Recommendations
13. Other Business

Special Accommodations

These meetings are physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to Kitty M. Simonds, (808) 522–8220 (voice) or (808) 522–8226 (fax), at least 5 days prior to the meeting date.

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

Dated: September 8, 2017.

Jeffrey N. Lonergan,
Acting Deputy Director, Office of Sustainable Fisheries, National Marine Fisheries Service.

BILLING CODE 3510–22–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

RIN 0648–XF460

Taking and Importing Marine Mammals; Taking Marine Mammals Incidental to a Pile Driving Activities for Waterfront Repairs at the U.S. Coast Guard Station Monterey, Monterey, California

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

ACTION: Notice; proposed incidental harassment authorization; request for comments.

SUMMARY: NMFS has received a request from the U.S. Coast Guard (USCG) for authorization to take marine mammals incidental to pile driving activities for waterfront repairs at the USCG Monterey Station in Monterey, California. Pursuant to the Marine Mammal Protection Act (MMPA), NMFS is requesting comments on its proposal to issue an incidental harassment authorization (IHA) to take marine mammals during the specified activities. NMFS will consider public comments prior to making any final decision on the issuance of the requested MMPA authorization and agency responses will be summarized in the final notice of our decision.

DATES: Comments and information must be received no later than October 13, 2017.

ADDRESS: Comments should be addressed to Jolie Harrison, Chief, Permits and Conservation Division, Office of Protected Resources, National Marine Fisheries Service. Physical comments should be sent to 1315 East-West Highway, Silver Spring, MD 20910 and electronic comments should be sent to ITP.egger@noaa.gov.

Instructions: NMFS is not responsible for comments sent by any other method, to any other address or individual, or received after the end of the comment period. Comments received electronically, including all attachments, must not exceed a 25-megabyte file size. Attachments to electronic comments will be accepted in Microsoft Word or Excel or Adobe PDF file formats only. All comments received are a part of the public record and will generally be posted online at www.nmfs.noaa.gov/pr/permits/incidental/construction.htm without change. All personal identifying information (e.g., name, address) voluntarily submitted by the commenter may be publicly accessible. Do not submit confidential business information or otherwise sensitive or protected information.

FOR FURTHER INFORMATION CONTACT: Stephanie Egger, Office of Protected Resources, NMFS, (301) 427–8401. Electronic copies of the applications and supporting documents, as well as a list of the references cited in this document, may be obtained online at www.nmfs.noaa.gov/pr/permits/incidental/construction.htm. In case of problems accessing these documents, please call the contact listed above.

SUPPLEMENTARY INFORMATION:

Background

Sections 101(a)(5)(A) and (D) of the MMPA (16 U.S.C. 1361 et seq.) direct the Secretary of Commerce (as delegated to NMFS) to allow, upon request, the incidental, but not intentional, taking of small numbers of marine mammals by U.S. citizens who engage in a specified activity (other than commercial fishing) within a specified geographical region if certain findings are made and either regulations are issued or, if the taking is limited to harassment, a notice of a proposed authorization is provided to the public for review.

An authorization for incidental takings shall be granted if NMFS finds that the taking will have a negligible impact on the species or stock(s), will not have an unmitigable adverse impact on the availability of the species or stock(s) for subsistence uses (where relevant), and if the permissible methods of taking and requirements pertaining to the mitigation, monitoring and reporting of such takings are set forth.
NMFS has defined “negligible impact” in 50 CFR 216.103 as an impact resulting from the specified activity that cannot be reasonably expected to, and is not reasonably likely to, adversely affect the species or stock through effects on annual rates of recruitment or survival.

The MMPA states that the term “take” means to harass, hunt, capture, or kill, or attempt to harass, hunt, capture, or kill any marine mammal. Except with respect to certain activities not pertinent here, the MMPA defines “harassment” as: Any act of pursuit, torment, or annoyance which (i) has the potential to injure a marine mammal or marine mammal stock in the wild (Level A harassment); or (ii) has the potential to disturb a marine mammal or marine mammal stock in the wild by causing disruption of behavioral patterns, including, but not limited to, migration, breathing, nursing, breeding, feeding, or sheltering (Level B harassment).

National Environmental Policy Act
To comply with the National Environmental Policy Act of 1969 (NEPA: 42 U.S.C. 4321 et seq.) and NOAA Administrative Order (NAO) 216–6A, NMFS must review our proposed action (i.e., the issuance of an incidental harassment authorization) with respect to potential impacts on the human environment. Accordingly, NMFS plans to adopt the USCG’s Supplemental Environmental Assessment (SEA) entitled Supplemental Environmental Assessment for Waterfront Repairs at U.S. Coast Guard Station Monterey, Monterey, California, and provided our independent evaluation of the document finds that it includes adequate information analyzing the effects on the human environment of issuing the IHA. The USCG’S SEA is available for public comment on our Web site at www.nmfs.noaa.gov/pr/permits/incidental/construction.htm. We will review all comments submitted in response to this notice prior to concluding our NEPA process or making a final decision on the IHA request.

Summary of Request
On February 10, 2017, NMFS received a request from the USCG for an IHA to take marine mammals incidental to pile driving activities for waterfront restoration, at the USCG Station Monterey in Monterey, California. USCG’s request is for take of eight species of marine mammals, by Level B harassment. Neither USCG nor NMFS expected mortality to result from this activity and, therefore, an IHA is appropriate.

NMFS previously issued an IHA to the USCG for similar work (79 FR 57052; September 24, 2014). However, no work was conducted under that IHA.

Description of Proposed Activity
Overview
USCG Station Monterey occupies an upland site and adjacent waterside structures including a 1,700-foot breakwater, a wharf constructed over the breakwater, and floating docks to the east of the wharf in Monterey Harbor. The USCG intends to conduct maintenance on the existing wharf, which is used to berth vessels that are critical to support USCG Station Monterey’s mission.

The wharf is constructed of timber and steel material and is supported by 64 piles. In 1995, 47 of the original timber piles were replaced with 14-inch (in) steel pipe piles and the remaining 17 timber piles had polyvinyl chloride (PVC) pile wraps installed. The 17 remaining timber piles are bearing piles that have exceeded their service life partially due to marine bores and the harsh marine environment to which they are exposed, and they need to be replaced. The proposed project requires replacement of these 17 timber piles including removal of the existing timber deck, replacing stringers, steel pipe caps, steel support beams, and hardware in order to access the timber piles. The timber piles will be removed using vibratory pile driving and replaced with steel piles using vibratory pile driving and if needed an impact hammer.

In-water noise from pile driving activities will result in the take, by Level B harassment only, of eight species of marine mammals.

Dates and Duration
In-water construction for this application is proposed to occur between October 16, 2017 and October 15, 2018. Pile-driving activities are expected to occur for an estimated minimum of three to a maximum of eight days of the total construction time. It is assumed that driving time would be approximately 20 minutes (min) per pile for vibratory or impact pile driving. It is assumed that vibratory extraction of the existing piles would take approximately 10 min per pile. Pile driving and extraction would therefore result in an estimated of 240 min per day (4 hours (hrs)); 510 min for the total project or approximately 8.5 hrs.

Specified Geographic Region
USCG Station Monterey is located at 100 Lighthouse Avenue at the southern end of Monterey Bay in Monterey Harbor, Monterey, California. The USCG Monterey Station’s area of responsibility extends 50 miles offshore for approximately 120 nautical miles of coastline, from Point Año Nuevo south to the Monterey-San Luis Obispo County line, encompassing 5,000 square miles. Monterey Bay is one of the widest bays on the Pacific Coast of the U.S. and approximately 3.5 miles of coastline are within the city limits of Monterey; the Monterey Bay National Marine Sanctuary (MBNMS) encompasses the entirety of the bay and further extends northward and southward along the Pacific Coast.

Detailed Description of Specific Activities

The 17 timber piles, approximately 16 to 18-in in diameter, will be removed using a vibratory extractor. Each timber pile will be replaced with a 14-in steel pipe pile installed using a vibratory hammer (the preferred method) and each pipe pile will be positioned and installed in the footprint of the extracted timber pile. Pile installation would be adjacent to a rock jetty that would provide substantial underwater shielding of sound transmission to areas north (or through the jetty) (see Figure 1–2 of the application).

Pile proofing will be conducted via impact hammer. If, due to substrate or breakwater armor, a pipe pile is unable to be driven to 30 feet below the mud line using a vibratory hammer, then an impact hammer will be used; and if the pile cannot be driven with an impact hammer, the pipe pile would be posted onto the armor stone. The steel pipe piles would not be filled with concrete.

Description of Marine Mammals in the Area of Specified Activities
The marine mammal species under NMFS’s jurisdiction that have the potential to occur in the proposed construction area include California sea lion (Zalophus californianus), Pacific harbor seal (Phoca vitulina), harbor porpoise (Phocoena phocoena), Risso’s dolphin (Grampus griseus), bottlenose dolphin (Tursiops truncates), killer whale (Orcinus Orca), gray whale (Megaptera novaengliae), humpback whale (Eschrichtius robustus), and southern sea otters (Enhydra lutris nereis). The southern sea otter is managed by the U.S. Fish and Wildlife Service and not discussed further in this proposed authorization. Humpback whales are protected under the Endangered Species Act (ESA).

Pertinent information for each of these species is presented in this document to provide the necessary background to
understand their demographics and distribution in the area. Sections 2 and 3 of the USCG’s application summarize available information regarding status and trends, distribution and habitat preferences, and behavior and life history, of the potentially affected species. Additional information regarding population trends and threats may be found in NMFS’s Stock Assessment Reports (SAR; www.nmfs.noaa.gov/pr/sars/) and more general information about these species (e.g., physical and behavioral descriptions) may be found on NMFS’s Web site (www.nmfs.noaa.gov/pr/species/mammals/).

Table 1 lists all species with expected potential for occurrence in the Monterey Bay area and summarizes information related to the population or stock, including regulatory status under the MMPA and ESA and potential biological removal (PBR), where known. For taxonomy, we follow Committee on Taxonomy (2016). PBR is defined by the MMPA as the maximum number of animals, not including natural mortalities, that may be removed from a marine mammal stock while allowing that stock to reach or maintain its optimum sustainable population (as described in NMFS’s SARs). While no mortality is anticipated or authorized here, PBR and annual serious injury and mortality from anthropogenic sources are included here as gross indicators of the status of the species and other threats.

### Table 1—Marine Mammal Species Potentially Present in Region of Activity

<table>
<thead>
<tr>
<th>Common name</th>
<th>Scientific name</th>
<th>Stock</th>
<th>ESA/MMPA status; strategic (Y/N)</th>
<th>Stock abundance (CV, Nmin, most recent abundance survey)</th>
<th>PBR</th>
<th>Annual M/SI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order Cetartiodactyla—Cetacea—Superfamily Mysticeti (baleen whales)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family Eschrichtiidae</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gray whale</td>
<td><em>Eschrichtius robustus</em></td>
<td>Eastern North Pacific</td>
<td>N</td>
<td>20,990 (0.05; 20,125; 2011)</td>
<td>624</td>
<td>132</td>
</tr>
<tr>
<td>Family Balaenidae</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Humpback whale</td>
<td><em>Megaptera novaeangliae</em></td>
<td>California/Oregon/Washington</td>
<td>E; D</td>
<td>1,918 (0.03; 1,855; 2011)</td>
<td>11.0</td>
<td>≥5.5</td>
</tr>
<tr>
<td>Order Carnivora—Superfamily Pinnipedia</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Family Otaridae (eared seals and sea lions)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>California sea lion</td>
<td><em>Zalophus californianus</em></td>
<td>U.S.</td>
<td>N</td>
<td>296,750 (na, 153,337; 2011)</td>
<td>9,200</td>
<td>389</td>
</tr>
<tr>
<td>Family Phocidae (earless seals)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Harbor seal</td>
<td><em>Phoca vitulina</em></td>
<td>California</td>
<td>N</td>
<td>30,968 (na; 27,348 2012)</td>
<td>1,641</td>
<td>43</td>
</tr>
</tbody>
</table>

1—Endangered Species Act (ESA) status: Endangered (E), Threatened (T)/MMPA status: Depleted (D). A dash (-) indicates that the species is not listed under the ESA or designated as depleted under the MMPA. Under the MMPA, a strategic stock is one for which the level of direct human-caused mortality exceeds PBR or which is determined to be declining and likely to be listed under the ESA within the foreseeable future. Any species or stock listed under the ESA is automatically designated under the MMPA as depleted and as a strategic stock.

2—NMFS marine mammal stock assessment reports online at: www.nmfs.noaa.gov/pr/sars/. CV is coefficient of variation; Nmin is the minimum estimate of stock abundance. In some cases, CV is not applicable.

3—These values, found in NMFS’s SARs, represent annual levels of human-caused mortality plus serious injury from all sources combined (e.g., commercial fisheries, ship strike). Annual mortality/serious injury (M/SI) often cannot be determined precisely and is in some cases presented as a minimum value or range. A CV associated with estimated mortality due to commercial fisheries is presented in some cases.
All species that could potentially occur in the proposed project area are included in Table 1. As described below, all eight species temporally and spatially co-occur with the activity to the degree that take is reasonably likely to occur, and we have proposed authorizing it. Some additional information about species being taken is provided below.

**California Sea Lion**

California sea lions breed during July on the Channel Islands off southern California which is approximately 100 mi (161 km) south of MBNMS, and off Baja and mainland Mexico (Odell 1981), although a few pups have been born on Ano Nuevo Island (in San Mateo County) (Keith et al., 1984). Following the breeding season on the Channel Islands, most adult and sub-adult males migrate northward to central and northern California and to the Pacific Northwest, while most females and young animals either remain on or near the breeding grounds throughout the year or move southward or northward, as far as Monterey Bay.

Stage structure of California sea lions within the MBNMS varies by location, but generally, the majority of animals are adult and subadult males, primarily using the central California area to feed during the non-breeding season and most common in the MBNMS during fall and spring migrations between southern breeding areas and northern feeding areas. Though males are generally most common, females may comprise 34 to 37 percent of juvenile individuals on the Monterey breakwater during El Niño events (Nicholson 1986). California sea lions are the most abundant marine mammal in the project area and regularly use the Monterey Breakwater and portions of the pier as a haul-out site.

**Harbor Seal**

In California, there are approximately 400 to 600 haul-out sites located on a mixture of rock shores, intertidal sand bars, and beaches associated with the mainland and offshore islands (NOAA 2015c). Harbor seals are residents in the MBNMS throughout the year. They haul out at dozens of sites from Point Sur to Ano Nuevo. Within MBNMS, tagged harbor seals have been documented to move substantial distances (10–20 km (3.9–7.8 mi)) to foraging areas each night (Oxman 1995; Trumble 1995). Overall, radio-tagged individuals have moved total distances of 480 km (Allen et al., 1987). Pupping within the MBNMS occurs during March and April, followed by a molt during May and June. Peak abundance on land within the Sanctuary is reached in late spring and early summer when harbor seals haul out to breed, give birth to pups, and molt.

Pacific harbor seals are not known to regularly use the Monterey Breakwater as a haul-out site, but may use beaches or other relatively low-gradient areas to haul-out in the project area, and in areas nearby such as beaches along Cannery Row in the City of Monterey.

**Humpback Whale**

Humpback whales are one of the more commonly observed large baleen whales in the MBNMS, mostly seen during summer and fall as they are feeding (NOAA 2014b). Both the Mexico Distinct Population Segment (DPS) and the Central America DPS can occur in the vicinity of the project area. Humpback whales are typically found further offshore than gray whales, but since 2014 higher numbers of humpback whales have been observed in and near Monterey Bay by whale-watching vessels.

**Marine Mammal Hearing**

Hearing is the most important sensory modality for marine mammals underwater, and exposure to anthropogenic sound can have deleterious effects. To appropriately assess the potential effects of exposure to sound, it is necessary to understand the frequency ranges marine mammals are able to hear. Current data indicate that not all marine mammal species have equal hearing capabilities (e.g., Richardson et al. 1995; Wartzok and Ketten 1999; Au and Hastings 2008). To reflect this, Southall et al. (2007) recommended that marine mammals be divided into functional hearing groups based on directly measured or estimated hearing ranges on the basis of available behavioral response data, audiograms derived using auditory evoked potential techniques, anatomical modeling, and other data. Note that no direct measurements of hearing ability have been successfully completed for mysticetes (i.e., low-frequency cetaceans). Subsequently, NMFS (2016a) described generalized hearing ranges for these marine mammal hearing groups. Generalized hearing ranges were chosen based on the approximately 65 dB threshold from the normalized composite audiograms, with the exception for lower limits for low-frequency cetaceans where the lower bound was deemed to be biologically implausible and the lower bound from Southall et al. (2007) retained. The functional groups and the associated frequencies are indicated below (note that these frequency ranges correspond to the range for the composite group, with the entire range not necessarily reflecting the capabilities of every species within that group):

- **Low-frequency cetaceans** (mysticetes): Generalized hearing is estimated to occur between approximately 7 hertz (Hz) and 35 kilohertz (kHz), with best hearing estimated to be from 100 Hz to 8 kHz;
- **Mid-frequency cetaceans** (larger toothed whales, beaked whales, and most delphinids): Generalized hearing is estimated to occur between approximately 150 Hz and 160 kHz, with best hearing from 10 to less than 100 kHz;
- **High-frequency cetaceans** (porpoises, river dolphins, and members of the genera Kogia and Cephalorhynchus): The data for the high-frequency cetaceans include two members of the genus Lagenorhynchus, on the basis of recent echolocation data.
and genetic data): Generalized hearing is estimated to occur between approximately 275 Hz and 160 kHz.

- Pinnipeds in water; Phocidae (true seals): Generalized hearing is estimated to occur between approximately 50 Hz to 86 kHz, with best hearing between 1–50 kHz.
- Pinnipeds in water; Otariidae (eared seals and sea lions): Generalized hearing is estimated to occur between 60 Hz and 39 kHz, with best hearing between 2–48 kHz.

The pinniped functional hearing group was modified from Southall et al. (2007) on the basis of data indicating that phocid species have consistently demonstrated an extended frequency range of hearing compared to otarids, especially in the higher frequency range (Hemila et al., 2006; Kastelein et al., 2009; Reichmuth and Holt, 2013).

For more detail concerning these groups and associated frequency ranges, please see NMFS (2016a) for a review of available information. Eight marine mammal species (6 cetacean and 2 pinniped (1 otariid and 1 phocid species) have the reasonable potential to co-occur with the proposed survey activities. Please refer to Table 1. Of the cetacean species that may be present, three are classified as low-frequency cetaceans (i.e., all mysticete species), two are classified as mid-frequency cetaceans (i.e., all delphinid and ziphid species), and two are classified as high-frequency cetaceans (i.e., harbor porpoise).

**Potential Effects of Specified Activities on Marine Mammals and Their Habitat**

This section includes a summary and discussion of the ways that components of the specified activity may impact marine mammals and their habitat. The “Estimated Take by Incidental Harassment” section later in this document will include a quantitative analysis of the number of individuals that are expected to be taken by this activity. The “Negligible Impact Analysis and Determination” section will consider the content of this section, the “Estimated Take by Incidental Harassment” section, and the “Proposed Mitigation” section, to draw conclusions regarding the likely impacts of these activities on the reproductive success or survivorship of individuals and how those impacts on individuals are likely to impact marine mammal species or stocks.

The USCG Monterey Station Project involves in-water pile driving and pile removal that could adversely affect marine mammal species and stocks by exposing them to elevated underwater noise levels in the vicinity of the activity area. Although marine mammals (primarily pinnipeds hauled out on the adjacent jetty) could be exposed to airborne noise associated with pile replacement, airborne noise would likely cause behavioral responses similar to those discussed below in relation to underwater noise and is accounted for in the “Estimated Take” section and therefore is not discussed further.

Exposure to high intensity sound for a sufficient duration may result in auditory effects such as a noise-induced threshold shift (TTS)—an increase in the auditory threshold after exposure to noise (Finneran et al., 2005). Factors that influence the amount of threshold shift include the amplitude, duration, frequency content, temporal pattern, and energy distribution of noise exposure. The magnitude of hearing threshold shift normally decreases over time following cessation of the noise exposure. The amount of threshold shift just after exposure is the initial threshold shift. If the threshold shift eventually returns to zero (i.e., the threshold returns to the pre-exposure value), it is a temporary threshold shift (Southall et al., 2007).

**Threshold Shift (noise-induced loss of hearing)—**When animals exhibit reduced hearing sensitivity (i.e., sounds must be louder for an animal to detect them) following exposure to an intense sound or sound for long duration, it is referred to as TS. An animal can experience temporary threshold shift (TTS) or permanent threshold shift (PTS). PTS can last from minutes or hours to days (i.e., there is complete recovery), can occur in specific frequency ranges (i.e., an animal might only have a temporary loss of hearing sensitivity between the frequencies of 1 and 10 kHz), and can be of varying amounts (for example, an animal’s hearing sensitivity might be reduced initially by only 6 dB or reduced by 30 dB). PTS is permanent, but some recovery is possible. PTS can also occur in a specific frequency range and amount as mentioned above for TTS. For marine mammals, published data are limited to the captive bottlenose dolphin, beluga, harbor porpoise, and Yangtze finless porpoise (Finneran et al., 2000, 2002, 2003, 2005, 2007, 2010a, 2010b; Finneran and Schlundt, 2010; Lucke et al., 2009; Mooney et al., 2009a, 2009b; Popov et al., 2011a, 2011b; Kastelein et al., 2012a; Schlundt et al., 2000; Nachtigall et al., 2003, 2004). For pinnipeds in water, data are limited to measurements of TTS in harbor seals, an elephant seal, and California sea lion (Kastak et al., 1999, 2005; Kastelein et al., 2012b).

Marine mammal hearing plays a critical role in communication with conspecifics, and interpretation of environmental sounds for purposes such as predator avoidance and prey capture. Depending on the degree (elevation of threshold in dB), duration (i.e., recovery time), and frequency range of TTS, and the context in which it is experienced, TTS can have effects on marine mammals ranging from discountable to serious (similar to those discussed in auditory masking, below). For example, a marine mammal may be able to readily compensate for a brief, relatively small amount of TTS in a non-critical frequency range that occurs during a time where ambient noise is lower and there are not as many competing sounds present. Alternatively, a larger amount and longer duration of TTS sustained during time when communication is critical for successful mother/calf interactions could have more serious impacts. Also, depending on the degree and frequency range, the effects of PTS on an animal could range in severity, although it is considered generally more serious because of a permanent condition. Of note, reduced hearing sensitivity as a simple function of aging has been observed in marine mammals, as well as humans and other taxa (Southall et al., 2007), so one can infer that strategies exist for coping with this condition to some degree, though likely not without cost.

**Masking—**In addition, chronic exposure to excessive, though not high-intensity, noise could cause masking at particular frequencies for marine mammals that utilize sound for vital biological functions (Clark et al., 2009). Acoustic masking is when other noises such as from human sources interfere with animal detection of acoustic signals such as communication calls, echolocation sounds, and environmental sounds important to marine mammals. Therefore, under certain circumstances, marine mammals whose acoustical sensors or environment are being severely masked could also be impaired from maximizing their performance fitness in survival and reproduction.

Masking occurs at the frequency band that the animals utilize. Therefore, since noise generated from vibratory pile driving activity is mostly concentrated at low frequency ranges, it may have less effect on high frequency echolocation sounds by odontocetes (toothed whales). However, lower frequency man-made noises are more likely to affect detection of communication calls and other potentially important natural sounds such as surf and prey noise. It may also
impact on marine mammals’ exposure to certain sounds could lead to behavioral disturbance (Richardson et al., 1995), such as: Changing durations of surfacing and dives, number of blows per surfacing, or moving direction and/or speed; reduced/increased vocal activities; changing/cessation of certain behavioral activities (such as socializing or feeding); visible startle response or aggressive behavior (such as tail/fluke slapping or jaw clapping); avoidance of areas where noise sources are located; and/or flight responses (e.g., pinnipeds flushing into water from haulouts or rookeries).

The onset of behavioral disturbance from anthropogenic noise depends on both external factors (characteristics of noise sources and their paths) and the receiving animals (hearing, motivation, experience, demography) and is also difficult to predict (Southall et al., 2007). Currently NMFS uses a received level of 160 dB re 1 µPa root mean square (rms) to predict the onset of behavioral harassment from impulse noises (such as impact pile driving), and 120 dB re 1 µPa (rms) for continuous noises (such as vibratory pile driving). For the proposed USCG Monterey Station Project, both of these noise levels are considered for effects analysis because the USCG plans to use both impact and vibratory pile driving, as well as vibratory pile removal.

The biological significance of many of these behavioral disturbances is difficult to predict, especially if the detected disturbances appear minor. However, the consequences of behavioral modification can be biologically significant if the change affects growth, survival, and/or reproduction, which depends on the severity, duration, and context of the effects.

**Habitat**—The primary potential impacts to marine mammal habitat are associated with elevated sound levels produced by pile driving and removal associated with marine mammal prey species. However, other potential impacts to the surrounding habitat and prey species from physical disturbance are also possible.

No permanent impacts to habitat are proposed to or would occur as a result of the proposed project. The USCG’s proposed Station Monterey waterfront repair activity would not increase the pier’s existing footprint, and no new structures would be installed that would result in the loss of additional habitat. A temporary, small-scale loss of foraging habitat may occur for marine mammals if marine mammals leave the area during pile extraction and driving activities.

Short-term behavioral disturbance — Finally, marine mammals’ exposure to certain sounds could lead to behavioral disturbance (Richardson et al., 1995), such as: Changing durations of surfacing and dives, number of blows per surfacing, or moving direction and/or speed; reduced/increased vocal activities; changing/cessation of certain behavioral activities (such as socializing or feeding); visible startle response or aggressive behavior (such as tail/fluke slapping or jaw clapping); avoidance of areas where noise sources are located; and/or flight responses (e.g., pinnipeds flushing into water from haulouts or rookeries).

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The biological significance of many of these behavioral disturbances is difficult to predict, especially if the detected disturbances appear minor. However, the consequences of behavioral modification can be biologically significant if the change affects growth, survival, and/or reproduction, which depends on the severity, duration, and context of the effects.
marine mammal or marine mammal stock in the wild by causing disruption of behavioral patterns, including, but not limited to, migration, breathing, nursing, breeding, feeding, or sheltering (Level B harassment).

Authorized takes would be by Level B harassment only, in the form of disruption of behavioral patterns for individual marine mammals resulting from exposure to noise from pile driving and removal activities. Based on the nature of the activity and the anticipated effectiveness of the mitigation measures (i.e., shutdown measures—discussed in detail below in Proposed Mitigation section), Level A harassment is neither anticipated nor proposed to be authorized.

As described previously, no mortality is anticipated or proposed to be authorized for this activity. Below we describe how the take is estimated. Described in the most basic way, we estimate take by considering: (1) Acoustic thresholds above which NMFS believes the best available scientific information indicates marine mammals will be behaviorally harassed or incur some degree of hearing impairment; (2) the area or volume of water that will be ensonified above these levels in a day; (3) the density or occurrence of marine mammals within these ensonified areas; and, (4) the number of days of activities. Below, we describe these components in more detail and present the proposed take estimate.

**Acoustic Thresholds**

Using the best available science, NMFS has developed acoustic thresholds to identify the received levels of underwater sound above which exposed marine mammals would be reasonably expected to be behaviorally harassed (equated to Level B harassment) or to incur PTS of some degree (equated to Level A harassment). Level B Harassment for non-explosive sources—Though significantly driven by received level, the onset of behavioral disturbance from anthropogenic noise exposure is also informed to varying degrees by other factors related to the source (e.g., frequency, predictability, duty cycle), the environment (e.g., bathymetry), and the receiving animals (hearing, motivation, experience, demography, behavioral context) and can be difficult to predict (Southall et al. 2007, Ellison et al. 2011). Based on what the available science indicates and the practical need to use a threshold based on a factor that is both predictable and measurable for most activities, NMFS uses a generalized acoustic threshold based on received level to estimate the onset of behavioral harassment. NMFS predicts that marine mammals are likely to be behaviorally harassed in a manner we consider Level B harassment when exposed to underwater anthropogenic noise above received levels of 120 dB re 1 μPa (rms) for continuous (e.g., vibratory pile driving, drilling) sources and above 160 dB re 1 μPa (rms) for non-explosive (impulsive) sources (e.g., seismic airguns) or intermittent (e.g., scientific) sources. USCG’s proposed activity includes the use of continuous (vibratory pile driving and removal) and impulsive (impact pile driving) sources, and therefore the 120 and 160 dB re 1 μPa (rms) are applicable.

Level A harassment for non-explosive sources—NMFS’s Technical Guidance for Assessing the Effects of Anthropogenic Sound on Marine Mammal Hearing (NMFS, 2016a) identifies dual criteria to assess auditory injury (Level A harassment) to five different marine mammal groups (based on hearing sensitivity) as a result of exposure to noise from two different types of sources (impulsive or non-impulsive). USCG’s proposed activity includes the use of non-impulsive (vibratory pile driving and removal) and impulsive (impact pile driving) sources.

These thresholds were developed by compiling and synthesizing the best available science and soliciting input multiple times from both the public and peer reviewers to inform the final product, and are provided in Table 2 below. The references, analysis, and methodology used in the development of the thresholds are described in NMFS 2016 Technical Guidance, which can be accessed at www.nmfs.noaa.gov/pr/acoustics/guidelines.htm.

**Table 2—Thresholds Identifying the Onset of Permanent Threshold Shift**

<table>
<thead>
<tr>
<th>Hearing group</th>
<th>Impulsive</th>
<th>Non-impulsive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low-Frequency (LF) Cetaceans</td>
<td>$L_{pk,flat}$: 219 dB; $L_{slow,24h}$: 183 dB</td>
<td>$L_{slow,24h}$: 199 dB</td>
</tr>
<tr>
<td>Mid-Frequency (MF) Cetaceans</td>
<td>$L_{pk,flat}$: 230 dB; $L_{MF,24h}$: 185 dB</td>
<td>$L_{MF,24h}$: 198 dB</td>
</tr>
<tr>
<td>High-Frequency (HF) Cetaceans</td>
<td>$L_{pk,flat}$: 202 dB; $L_{HF,24h}$: 155 dB</td>
<td>$L_{HF,24h}$: 173 dB</td>
</tr>
<tr>
<td>Phocid Pinnipeds (PW) (Underwater)</td>
<td>$L_{pk,flat}$: 218 dB; $L_{PW,24h}$: 185 dB</td>
<td>$L_{PW,24h}$: 201 dB</td>
</tr>
<tr>
<td>Otariid Pinnipeds (OW) (Underwater)</td>
<td>$L_{pk,flat}$: 232 dB; $L_{OW,24h}$: 203 dB</td>
<td>$L_{OW,24h}$: 219 dB</td>
</tr>
</tbody>
</table>

* Dual metric acoustic thresholds for impulsive sounds: Use whichever results in the largest isopleth for calculating PTS onset. If a non-impulsive sound has the potential of exceeding the peak sound pressure level thresholds associated with impulsive sounds, these thresholds should also be considered.

**Note:** Peak sound pressure ($L_{pk}$) has a reference value of 1 μPa, and cumulative sound exposure level ($L_{cum}$) has a reference value of 1μPa2s. In this Table, thresholds are abbreviated to reflect American National Standards Institute standards (ANSI 2013). However, peak sound pressure is defined by ANSI as incorporating frequency weighting, which is not the intent for this Technical Guidance. Hence, the subscript “flat” is being included to indicate peak sound pressure should be flat weighted or unweighted within the generalized hearing range. The subscript associated with cumulative sound exposure level thresholds designates the designated marine mammal auditory weighting function (LF, MF, and HF cetaceans, and PW and OW pinnipeds) and that the recommended accumulation period is 24 hours. The cumulative sound exposure level thresholds could be exceeded in a multitude of ways (e.g., varying exposure levels and durations, duty cycle). When possible, it is valuable for action proponents to indicate the conditions under which these acoustic thresholds will be exceeded.

**Ensonified Area**

Here, we describe operational and environmental parameters of the activity that will feed into identifying the area ensonified above the acoustic thresholds.

Background noise is the sound level that would exist without the proposed activity (pile driving and removal, in this case), while ambient sound levels are those without human activity (NOAA 2009). Natural actions that contribute to ambient noise include waves, wind, rainfall, current fluctuations, chemical composition, and biological sound sources (e.g., marine mammals, fish, and shrimp, Carr et al. 2006). Background noise levels will be compared to the NOAA/NMFS threshold levels designed to protect marine mammals to determine the Level B Harassment Zones for noise sources. The background noise at Monterey Harbor is relatively high due to boat traffic, foot traffic, and noise from the USCG Monterey Station.
Pile installation would be adjacent to a rock jetty that would provide substantial underwater shielding of sound transmission to areas north (or through the jetty) (see Figure 1–2 of the Application).

To more accurately estimate the extent of underwater noise, the software package SoundPlan was used to simulate the effect of the Monterey Breakwater in reducing underwater sound transmission from the proposed project (Ilingworth and Rodkin, Inc. 2012). A conservative source level of 168 dB rms at 33 feet (ft) (10 meters (m)) level was used to characterize the sound that would be produced from vibratory pile installation (from data produced by the Navy for their Test Pile Program in Bangor, Washington and then also compared to CALTRANS data (see Appendix A of the application)). For the Navy’s Test Pile Program, there was a considerable range in the rms levels measured across vibratory pile driving event, where the highest average rms level was 169 dB rms at 33 ft (10 m) for 36-inch piles. In comparison, the range of vibratory sound levels at 33 ft or 10 m reported by CALTRANS is 155 dB rms for 12-in diameter piles to 175 dB rms for 36-in piles (based on maximum 1-second rms levels). All of these piles were driven in relatively shallow water similar to Monterey Harbor. Because the USCG proposes to use 14-in steel piles, and to be conservative, the USCG input into Sound Plan an rms level greater than those for 12-in piles from CALTRANS data and closer to the rms level for 36-in piles from the CALTRANS and the Navy’s Test Pile Program data.

Table 3 shows the results of the modeled underwater noise analysis for vibratory pile driving where 120 dB RMS (Level B threshold) levels would end, and Figure 5–1 from the application shows the pattern of sound expected from vibratory pile extraction and pile installation, taking into account shielding from the Monterey Breakwater. From these data, a Level B zone of influence (ZOI) was calculated at approximately 7.3 square kilometers (km²). The modeled distances shown in the table below are likely an overestimate of the extent of underwater noise, because practical spreading loss (15 log10) sound propagation were assumed, and the Monterey Breakwater would likely reduce noise considerably faster than assumed. Per the sound assessment completed for the project (included in Appendix A of the application) the following assumptions and parameters were used for the analysis: For vibratory pile installation, it is estimated that it would take approximately 20 minutes (1200 seconds) to vibrate in each pile.

### Table 3—Modeled Extent of Level B Zones From Vibratory Pile Extraction and Driving

<table>
<thead>
<tr>
<th>Modeling scenario</th>
<th>Level B Zone (Distance to 120 dB rms)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Modeled north</td>
<td>2,000 m.</td>
</tr>
<tr>
<td>Modeled northeast shoreline</td>
<td>2,400 m.</td>
</tr>
<tr>
<td>Modeled east to shoreline</td>
<td>1,800 m.</td>
</tr>
<tr>
<td>Modeled south to shoreline</td>
<td>550 m.</td>
</tr>
<tr>
<td>Area of Influence</td>
<td>7.3 km².</td>
</tr>
</tbody>
</table>

Notes: dB = decibel, RMS = root mean square.

The extent of underwater noise from impact pile driving was also predicted using the SoundPlan software package as described above for vibratory pile driving. Per the sound assessment completed for the project and included in Appendix A the following assumptions and parameters were used for the analysis: The assumption that a hammer is used that moves the pile at about 30 to 40 blows per minute, up to 20 minutes of impact pile driving would be required for each pile. Measurements conducted for the USCG Tongue Point Pier Repairs in the Columbia River were found to be most representative for this project. The Tongue Point Pier included installation of 24-in steel pipe piles. Average sound levels measured at Tongue Point include peak pressures of 189 to 207 dB, rms sound pressure levels of 178 to 189 dB, and SEL levels of 160 to 175 dB per strike at 33 ft (10 m). Due to the difference in pile sizes, use of the Tongue Point data would likely overestimate sound levels expected at the proposed USCG Station Monterey project. Based on the Tongue Point sound measurements, unattenuated near-source impact pile driving levels of 208 dB peak, 195 rms and 174 dB SEL were applied to this project. Table 4 shows the extent of noise levels for NMFS’ acoustic criteria, assuming the use of noise attenuation (bubble curtain). Figure 5–3 of the application shows the extent of attenuated noise levels for impact pile driving out to the NMFS behavioral criterion of 160 dB rms. The area encompassed by the 160 dB criterion is approximately 0.27 km².

### Table 4—Modeled Extent of Level B Zones From Impact Pile Driving

<table>
<thead>
<tr>
<th>Modeling scenario</th>
<th>Distance to marine mammal criteria rms (dB re: 1μPa)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Modeled attenuated noise transmission north and northeast (through breakwater)</td>
<td>76 m.</td>
</tr>
<tr>
<td>Modeled attenuated noise transmission in all other directions</td>
<td>465 m.</td>
</tr>
<tr>
<td>Area of Influence</td>
<td>0.27 km².</td>
</tr>
</tbody>
</table>

Notes: Assumes 10 dB of underwater noise attenuation by using a bubble curtain during pile driving Distances and method of calculation are presented in Appendix A of the application.

dB = decibel
rms = root mean square (dB re: 1μPa).
The incidental take requested is Level B harassment of any marine mammal occurring within the 160 dB rms disturbance threshold during impact pile driving of 14-in steel pipe piles; the 120 dB rms disturbance threshold for vibratory pile driving of 14-in steel pipe piles; and the 120 dB rms disturbance threshold for vibratory removal of 16-in to 18-in timber piles. Level B harassment zones have been established as described in Tables 3 and 4 that will be in place during active pile removal or installation.

When NMFS Technical Guidance (NMFS 2016) was published, in recognition of the fact that ensonified area/volume could be more technically challenging to predict because of the duration component in the new thresholds, we developed a User Spreadsheet that includes tools to help predict a simple isopleth that can be used in conjunction with marine mammal density or occurrence to help predict takes. We note that because of some of the assumptions included in the methods used for these tools, we anticipate that isopleths produced are typically going to be overestimates of some degree, which will result in some degree of overestimate of Level A take. However, these tools offer the best way to predict appropriate isopleths when more sophisticated 3D modeling methods are not available, and NMFS continues to develop ways to quantitatively refine these tools, and will qualitatively address the output where appropriate. For stationary sources such as vibratory and impact pile driving, NMFS’s User Spreadsheet predicts the closest distance at which, if a marine mammal remained at that distance the whole duration of the activity, it would not incur PTS. Inputs used in the User Spreadsheet, and the resulting isopleths are reported below (Tables 5 and 6).

The PTS isopleths were identified for each hearing group for impact and vibratory installation and removal methods that will be used in the proposed Monterey Station Project. The PTS isopleths distances were calculated using the NMFS acoustic threshold calculator (NMFS 2016), with inputs based on measured and surrogate noise measurements. Data from the U.S. Navy for their Test Pile Program at Bangor, Washington with a source level of 168 dB rms (at 10 m) was used to characterize the sound that would be produced from vibratory pile driving and removal. For impact pile driving, referenced data provided for similar piles and substrate identified in the California Department of Transportation Compendium of Pile Driving Sound Data Report (Caltrans 2007) with a source level (in SEL) of 174 dB at a distance of 10 m with an average of 30 strikes per pile.

### TABLE 5—NMFS TECHNICAL ACOUSTIC GUIDANCE USER SPREADSHEET INPUT TO PREDICT PTS ISOPLETHS

<table>
<thead>
<tr>
<th>Spreadsheet tab used</th>
<th>Sound source 1</th>
<th>Sound source 2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(A) Vibratory pile driving</td>
<td>(E.1) Impact pile driving</td>
</tr>
<tr>
<td></td>
<td>(removal and installation)</td>
<td>(installation)</td>
</tr>
<tr>
<td>Source Level (rms SPL)</td>
<td>168 dB</td>
<td>174 dB</td>
</tr>
<tr>
<td>Source Level (Single Strike/shot SEL)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Weighting Factor Adjustment (kHz)</td>
<td>2.5</td>
<td>2</td>
</tr>
<tr>
<td>(a) Number of strikes in 1 h</td>
<td>30</td>
<td>5</td>
</tr>
<tr>
<td>(a) Activity Duration (h) within 24-h period</td>
<td>4</td>
<td>15</td>
</tr>
<tr>
<td>Propagation (xLogR)</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>Distance of source level measurement (meters) *</td>
<td>10</td>
<td>14</td>
</tr>
</tbody>
</table>

### TABLE 6—NMFS TECHNICAL ACOUSTIC GUIDANCE USER SPREADSHEET OUTPUT FOR PREDICTED PTS ISOPLETHS AND LEVEL A DAILY ENSONIFIED AREAS

<table>
<thead>
<tr>
<th>Sound source type</th>
<th>Low-frequency cetaceans</th>
<th>Mid-frequency cetaceans</th>
<th>High-frequency cetaceans</th>
<th>Phocid pinnipeds</th>
<th>Otariid pinnipeds</th>
</tr>
</thead>
<tbody>
<tr>
<td>PTS Isopleth (meters)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vibratory (removal and installation)</td>
<td>50.4</td>
<td>4.5</td>
<td>74.5</td>
<td>30.6</td>
<td>2.2</td>
</tr>
<tr>
<td>Impact (installation)</td>
<td>70.8</td>
<td>2.5</td>
<td>84.4</td>
<td>37.9</td>
<td>2.8</td>
</tr>
<tr>
<td>Daily Ensonified Area (km²)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vibratory (pile removal and installation)</td>
<td>0.00798</td>
<td>0.00006</td>
<td>0.01744</td>
<td>0.00294</td>
<td>0.00002</td>
</tr>
<tr>
<td>Impact (installation)</td>
<td>0.01575</td>
<td>0.00002</td>
<td>0.02238</td>
<td>0.00451</td>
<td>0.00002</td>
</tr>
</tbody>
</table>

### Marine Mammal Occurrence and Take Calculation and Estimation

In this section we provide the information about the presence, density, or group dynamics of marine mammals that will inform the take calculation and we describe how the marine mammal occurrence information is brought together to produce a quantitative take estimate.

Take estimates are based on the number of animals per unit area in the project area multiplied by the area size of ensonified zones within which received noise levels exceed certain thresholds (i.e., Level B harassment) from specific activities, then multiplied by the total number of days such activities would occur. Local abundance data are used for take calculations for the proposed authorized take where density is not available or applicable to the project area.

Unless otherwise described, incidental take is estimated by the following equation:

Incidental take estimate = species density \* zone of influence (7.3
Harbor Seals

Pacific harbor seals are much less abundant in the project area than California sea lions, and only two annual surveys conducted since 1998 identified any individuals. The 2004 annual pinpinniped survey conducted by NMFS counted 28 Pacific harbor seals in Monterey Harbor in 2004, and 1 in 2005 (Lowry 2012). Pacific harbor seals hauled-out along Cannery Row, north of the Monterey Breakwater, ranged from 1 to 24 in 2002, 2004, and 2009. During repairs on the Pier in 2009, Pacific harbor seals were occasionally observed in the nearby waters, but were never observed to haul-out on the breakwater (Harvey and Hoover 2009). The density for harbor seals was determined by drawing a 5 km radius in ArcGIS with the jetty haul-out site at the center. The area within this circle was calculated, excluding the land, resulting in a 29 km² foraging area. The calculation for excluding the land, resulting in a 29 km² foraging area. The calculation for area within this circle was calculated, excluding the land, resulting in a 29 km² foraging area. The calculation for area within this circle was calculated, excluding the land, resulting in a 29 km² foraging area. The calculation for area within this circle was calculated, excluding the land, resulting in a 29 km² foraging area. The calculation for area within this circle was calculated, excluding the land, resulting in a 29 km² foraging area.

The calculated density is 0.97 seals/km². The estimated Level B take is 0.97 seals multiplied by 7.3 km² and 8 days of activity for a total of 57 harbor seals (see Table 7). Since the calculated Level A zones of phocids are small and mitigation is in place to avoid Level A take (Table 6), we do not consider it likely that any harbor seals would be taken by Level A harassment.

California Sea Lions

The calculation for Level B take of California sea lions in the water assumes an average density of 8.62 individuals/km². This density was determined by drawing a 5 km radius in ArcGIS with the jetty haul-out site at the center. The area within this circle was calculated, excluding the land, resulting in a 29 km² foraging area. An average of 250 sea lions were assumed in the water at any given time. Therefore, 250 sea lions divided by 29 km² equals 8.62 sea lions/km². Estimated take is then calculated using 8.62 sea lions multiplied by 7.3 km² and 8 days of activity for a total of 2,000 California sea lions (see Table 7). Since the calculated Level A zones of otariids are all very small and mitigation is in place to avoid Level A take (Table 6), we do not consider it likely that any sea lions would be taken by Level A harassment. Due to the low frequency and unpredictability of killer whales entering the project area, the application of a density equation is not reasonable for predicting take. When killer whales enter Monterey Bay, they typically are in groups of 3 to 8 at a time (Guzman 2016). To be conservative, the proposed take estimate for Level B harassment is based on a larger group of eight animals that may enter the area (Table 7). Since the Level A zones of mid-frequency cetaceans are small and mitigation is in place to avoid Level A take (Table 6), we do not consider it likely that any killer whales would be taken by Level A harassment.

Bottlenose Dolphin

Abundance and densities of cetaceans in the California Current ecosystem were conducted from 1991 to 2005 (Barlow, Forney 2007). The results of the surveys indicate that bottlenose dolphin population density throughout the entire west coast shoreline is 1.78 individuals/100 km². During the same survey, the mean group size for bottlenose dolphins observed in Central California was four individuals. Other, more recent data suggest that densities may be up to 0.04/km² (Weller 2016). Even when using the higher density, estimated take results in very low numbers (<1 over the entire period of construction). Rather than using density calculations to estimate take, to be conservative, the proposed Level B take is a small pod of 10 bottlenose dolphins (Table 7). Since the Level A zones of mid-frequency cetaceans are small and mitigation is in place to avoid Level A take (Table 6), we do not consider it likely that any bottlenose dolphins would be taken by Level A harassment.

Risso’s Dolphin

Because there is not reliable local data for Monterey Bay, the proposed Level B take estimate for Risso’s dolphins is a single occurrence of a small pod of 10 animals (see Table 7) as groups of Risso’s dolphins average between 10–30 animals. Since the Level A zones of mid-frequency cetaceans are small and mitigation is in place to avoid Level A take (Table 6), we do not consider it likely that any Risso’s dolphin would be taken by Level A harassment.

Killer Whale

Due to the low frequency and unpredictability of killer whales entering the project area, the application of a density equation is not reasonable for predicting take. When killer whales enter Monterey Bay, they typically are in groups of 3 to 8 at a time (Guzman 2016). To be conservative, the proposed take estimate for Level B harassment is based on a larger group of eight animals that may enter the area (Table 7). Since the Level A zones of high frequency cetaceans are small and mitigation is in place to avoid Level A take (Table 6), we do not consider it likely that any harbor porpoise would be taken by Level A harassment.

Humpback Whale

Humpback whales are typically found further offshore than gray whales and occurrence is rare; however, since 2014 greater numbers of humpback whales have been observed in and near Monterey Bay by whale-watching vessels. Because USCG will shutdown for all observed humpbacks (in Level A and B zones), no takes of humpback whales are proposed.

Gray Whale

The occurrence of gray whales is extremely rare near shore in the project area. If gray whales would approach the project area they would be more likely to occur during the spring migration north, when they tend to stay closer to shore than during the winter southern migration. The NOAA National Center for Coastal Ocean Science (NCCOS) reported densities of gray whales at 0.1 to 0.5 per km² (NCCOS 2007); however, it is unclear how applicable these data are for the very near-shore environment of the project area. Therefore, instead of using density, the proposed Level B take of four gray whales is proposed for the project. Since the Level A zones of low-frequency cetaceans are small and mitigation is in place to avoid Level A take (see Table 6) we do not consider it likely that any gray whales would be taken by Level A harassment during removal or impact installation.
TABLE 7—SUMMARY OF REQUESTED INCIDENTAL TAKE BY LEVEL A AND LEVEL B HARASSMENT

<table>
<thead>
<tr>
<th>Species</th>
<th>Stock size</th>
<th>Proposed authorized Level B take</th>
<th>Proposed authorized total take</th>
<th>% of Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pacific harbor seal (Phoca vitulina)</td>
<td>30,968</td>
<td>57</td>
<td>57</td>
<td>Less than 1.</td>
</tr>
<tr>
<td>California sea lion (Zalophus californianus)</td>
<td>296,750</td>
<td>504 (Animals already in the water)</td>
<td>2,504</td>
<td>Less than 1.</td>
</tr>
<tr>
<td>California sea lion (Zalophus californianus)</td>
<td>296,750</td>
<td>2,000 (Animals that enter the water from the breakwater).</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transient killer whale (Orcinus Orca)</td>
<td>240</td>
<td>8</td>
<td>8</td>
<td>3.33.</td>
</tr>
<tr>
<td>Bottlenose dolphin (Tursiops truncatus)</td>
<td>453</td>
<td>10 (single occurrence of a small pod)</td>
<td>10</td>
<td>4.19.</td>
</tr>
<tr>
<td>Risso’s dolphin (Grampus griseus)</td>
<td>6,336</td>
<td>10 (single occurrence of a small pod)</td>
<td>10</td>
<td>Less than 1.</td>
</tr>
<tr>
<td>Harbor porpoise (Phocoena phocoena)</td>
<td>3,715</td>
<td>136</td>
<td>136</td>
<td>3.66.</td>
</tr>
<tr>
<td>Humback whale (Megaptera novaeangliae)</td>
<td>1,918</td>
<td>0</td>
<td>0</td>
<td>0.</td>
</tr>
<tr>
<td>Gray whale (Eschrichtius robustus)</td>
<td>20,990</td>
<td>4</td>
<td>4</td>
<td>Less than 1.</td>
</tr>
</tbody>
</table>

*USCG will implement shutdown measures for any humpback observed; therefore, the take is considered to be zero.

**Proposed Mitigation**

In order to issue an IHA under section 101(a)(5)(D) of the MMPA, NMFS must set forth the permissible methods of taking pursuant to such activity, “and other means of effecting the least practicable impact on such species or stock and its habitat, paying particular attention to rookeries, mating grounds, and areas of similar significance, and on the availability of such species or stock for taking” for certain subsistence uses (latter not applicable for this action).

NMFS regulations require applicants for incidental take authorizations to include information about the availability and feasibility (economic and technological) of equipment, methods, and manner of conducting such activity or other means of effecting the least practicable adverse impact upon the affected species or stocks and their habitat (50 CFR 216.104(a)(11)).

In evaluating how mitigation may or may not be appropriate to ensure the least practicable adverse impact on species or stocks and their habitat, as well as subsistence uses where applicable, we carefully consider two primary factors:

(1) The manner in which, and the degree to which, the successful implementation of the measure(s) is expected to reduce impacts to marine mammals, marine mammal species or stocks, and their habitat. This considers the nature of the potential adverse impact being mitigated (likelihood, scope, range). It further considers the likelihood that the measure will be effective if implemented (probability of accomplishing the mitigating result if implemented as planned) the likelihood of effective implementation (probability implemented as planned), and;

(2) the practicability of the measures for applicant implementation, which may consider such things as cost, impact on operations, and, in the case of a military readiness activity, personnel safety, practicality of implementation, and impact on the effectiveness of the military readiness activity.

Several measures are proposed for mitigating effects on marine mammals from the pile installation and removal activities at the USCG Monterey Station and are described below.

**Timing Restrictions**

All work would be conducted during daylight hours.

**Noise Attenuation**

A bubble curtain and cushion pads will be used during pile driving activities with an impact hammer to reduce sound levels. In addition, the USCG has proposed performing “pre-drilling.” Pre-drilling would be performed and would be discontinued when the pile tip is approximately five feet (ft) above the required pile tip elevation. Pre-drilling is a method that starts the “hole” for the new pile; the pile is inserted after the hole has been pre-drilled which creates less friction and overall noise and turbidity during installation.

**Exclusion Zones**

Exclusion Zones calculated from the PTS isophths will be implemented to protect marine mammals from Level A harassment (refer to Table 6). If a marine mammal is observed at or within the Exclusion Zone, work will shut down (stop work) until the individual has been observed outside of the zone, or has not been observed for at least 15 minutes for pinnipeds and small cetaceans and 30 minutes for large whales.

**Additional Shutdown Measures**

If a humpback whale is observed within the Level A or Level B zones, the USCG will implement shutdown measures. Work would not commence until 30-minutes after the last sighting of a humpback within these zones.

During impact pile driving because the Level B Zone is smaller (76 m) compared to the Level A Zone (84.4 m) for high frequency cetaceans for noise transmission north and northeast (through breakwater), the USCG will consider both the Level A and B zones to be at 84.4 m and will implement shutdown measures.

USCG will implement shutdown measures if the number of authorized takes for any particular species reaches the limit under the IHA and if such marine mammals are sighted within the vicinity of the project area and are approaching the Level B harassment zone during in-water construction activities.

If a marine mammal species under NMFS’ jurisdiction is observed within the Level A or B zones that has not been authorized for take, the USCG will implement shutdown measures.

**Level B Harassment Zones**

USCG will monitor the Level B harassment ZOIs as described in Tables 3 and 4.

**Soft-Start for Impact Pile Driving**

For impact pile installation, contractors will provide an initial set of three strikes from the impact hammer at 40 percent energy, followed by a one-minute waiting period, then two subsequent three-strike sets. Each day, USCG will use the soft-start technique at the beginning of impact pile driving, or if impact pile driving has ceased for more than 30 minutes.

Based on our evaluation of the applicant’s proposed measures, as well as other measures considered by NMFS, NMFS has preliminarily determined that the proposed mitigation measures provide the means of effecting the least practicable impact on the affected species or stocks and their habitat, paying particular attention to rookeries.
mating grounds, and areas of similar significance.

Proposed Monitoring and Reporting

In order to issue an IHA for an activity, section 101(a)(5)(D) of the MMPA states that NMFS must set forth, “requirements pertaining to the monitoring and reporting of such taking.” The MMPA implementing regulations at 50 CFR 216.104 (a)(13) indicate that requests for authorizations must include the suggested means of accomplishing the necessary monitoring and reporting that will result in increased knowledge of the species and of the level of taking or impacts on populations of marine mammals that are expected to be present in the proposed action area. Effective reporting is critical both to compliance as well as ensuring that the most value is obtained from the required monitoring.

Monitoring and reporting requirements prescribed by NMFS should contribute to improved understanding of one or more of the following:

- Occurrence of marine mammal species or stocks in the area in which take is anticipated (e.g., presence, abundance, distribution, density).
- Nature, scope, or context of likely marine mammal exposure to potential stressors/impacts (individual or cumulative, acute or chronic), through better understanding of: (1) Action or environment (e.g., source characterization, propagation, ambient noise); (2) affected species (e.g., life history, dive patterns); (3) co-occurrence of marine mammal species with the action; or (4) biological or behavioral context of exposure (e.g., age, calving or feeding areas).
- Individual marine mammal responses (behavioral or physiological) to acoustic stressors (acute, chronic, or cumulative), other stressors, or cumulative impacts from multiple stressors.
- How anticipated responses to stressors impact either: (1) Long-term fitness and survival of individual marine mammals; or (2) populations, species, or stocks.
- Effects on marine mammal habitat (e.g., marine mammal prey species, acoustic habitat, or other important physical components of marine mammal habitat).
- Mitigation and monitoring effectiveness.

Marine mammal monitoring will be conducted in strategic locations around the area of potential effects at all times during in-water pile driving and removal as described below:

- During pile removal or installation the observer will monitor from the most practicable vantage point possible (i.e., the pier itself, the breakwater, adjacent boat docks in the harbor, or a boat) to determine whether marine mammals enter the exclusion zone and to record take when marine mammals enter the relevant Level B Harassment Zones based on type of construction activity.
- If a marine mammal approaches an Exclusion Zone, the observation will be reported to the Construction Manager and the individual will be watched closely. If the marine mammal crosses into an Exclusion Zone, a stop-work order will be issued. In the event that a stop-work order is triggered, the observed marine mammal(s) will be closely monitored while it remains in or near the Exclusion Zone, and only when it moves well outside of the Exclusion Zone or has not been observed for at least 15 minutes for pinnipeds and 30 minutes for whales will the lead monitor allow work to recommence.

Protected Species Observers

USCG shall employ NMFS-approved protected species observers (PSOs) to conduct marine mammal monitoring for its Monterey Station Project. The PSOs will observe and collect data on marine mammals in and around the project area for 30 minutes before, during, and for 30 minutes after all pile removal and pile installation work. NMFS-approved PSOs shall meet the following requirements:

1. Visual acuity in both eyes (correction is permissible) sufficient for discernment of moving targets at the water’s surface with ability to estimate target size and distance. Use of binoculars may be necessary to correctly identify the target.
2. Advanced education in biological science, wildlife management, mammalogy or related fields (Bachelors degree or higher is preferred), but not required.
3. Experience or training in the field identification of marine mammals (cetaceans and pinnipeds).
4. Sufficient training, orientation or experience with the construction operation to provide for personal safety during observations.
5. Ability to communicate orally, by radio or in person, with project personnel to provide real-time information on marine mammals observed in the area as necessary.
6. Experience and ability to conduct field observations and collect data according to assigned protocols (this may include academic experience).
7. Writing skills sufficient to prepare a report of observations that would include such information as the number and type of marine mammals observed; the behavior of marine mammals in the project area during construction, dates and times when observations were conducted; dates and times when in-water construction activities were conducted; and dates and times when marine mammals were present at or within the defined ZOI.
8. If a team of three or more observers are required, one observer should be designated as lead observer or monitoring coordinator. The lead observer must have prior experience working as an observer.
9. NMFS will require submission and approval of observer CVs.
10. PSOs will monitor marine mammals around the construction site using high-quality binoculars (e.g., Zeiss, 10 x 42 power) and or spotting scopes.
11. If marine mammals are observed, the following information will be documented:
   (A) Date and time that monitored activity begins or ends;
   (B) Construction activities occurring during each observation period;
   (C) Weather parameters (e.g., percent cover, visibility);
   (D) Water conditions (e.g., sea state, tide state);
   (E) Species, numbers, and, if possible, sex and age class of marine mammals;
   (F) Description of any observable marine mammal behavior patterns, including bearing and direction of travel and distance from pile driving activity;
   (G) Distance from pile driving activities to marine mammals and distance from the marine mammals to the observation point;
   (H) Locations of all marine mammal observations; and
   (I) Other human activity in the area.

Proposed Reporting Measures

Marine Mammal Monitoring Report

USCG would be required to submit a draft marine mammal monitoring report within 90 days after completion of the in-water construction work or the expiration of the IHA (if issued), whichever comes earlier. The report would include data from marine mammal sightings as described: Date, time, location, species, group size, and behavior, any observed reactions to construction, distance to operating pile hammer, and construction activities occurring at time of sighting and environmental data for the period (i.e., wind speed and direction, sea state, tidal state, cloud cover, and visibility).

The marine mammal monitoring report will also include total takes, takes by
day, and stop-work orders for each species. NMFS would have an opportunity to provide comments on the report, and if NMFS has comments, USCG would address the comments and submit a final report to NMFS within 30 days.

In the unanticipated event that the specified activity clearly causes the take of a marine mammal in a manner prohibited by the IHA (if issued), such as an injury (Level A harassment), serious injury, or mortality, USCG would immediately cease the specified activities and immediately report the incident to the Permits and Conservation Division, Office of Protected Resources, NMFS and the NMFS’ West Coast Stranding Coordinator. The report must include the following information:

• Time, date, and location (latitude/longitude) of the incident;
• Description of the incident;
• Status of all sound source use in the 24 hrs preceding the incident;
• Water depth;
• Environmental conditions (e.g., wind speed and direction, sea state, cloud cover, and visibility);
• Description of all marine mammal observations in the 24 hrs preceding the incident;
• Species identification or description of the animal(s) involved;
• Fate of the animal(s); and
• Photographs or video footage of the animal(s) (if equipment is available).

Activities would not resume until NMFS is able to review the circumstances of the prohibited take. NMFS would work with USCG to determine what is necessary to minimize the likelihood of further prohibited take and ensure MMPA compliance. USCG may not resume their activities until notified by NMFS via letter, email, or telephone.

Reporting of Injured or Dead Marine Mammals

In the event that the USCG discovers an injured or dead marine mammal, and the lead PSO determines that the cause of the injury or death is unknown and the death is relatively recent (i.e., in less than a moderate state of decomposition as described in the next paragraph), USCG would immediately report the incident to the Permits and Conservation Division, Office of Protected Resources, NMFS and the NMFS’ West Coast Stranding Coordinator. The report must include the same information identified in the paragraph above. Activities may continue while NMFS reviews the circumstances of the incident. NMFS would work with USCG to determine whether modifications in the activities are appropriate.

In the event that USCG discovers an injured or dead marine mammal, and the lead PSO determines that the injury or death is not associated with or related to the activities authorized in the IHA (e.g., previously wounded animal, carcass with moderate to advanced decomposition, or scavenger damage), USCG would report the incident to the Permits and Conservation Division, Office of Protected Resources, NMFS and the NMFS Stranding Hotline and/or by email to the NMFS’ West Coast Stranding Coordinator within 24 hrs of the discovery. USCG would provide photographs or video footage (if available) or other documentation of the stranded animal sighting to NMFS. Activities may continue while NMFS reviews the circumstances of the incident.

Negligible Impact Analysis and Determination

NMFS has defined negligible impact as “an impact resulting from the specified activity that cannot be reasonably expected to, and is not reasonably likely to, adversely affect the species or stock through effects on annual rates of recruitment or survival” (50 CFR 216.103). A negligible impact finding is based on the lack of likely adverse effects on annual rates of recruitment or survival (i.e., population-level effects). An estimate of the number of takes alone is not enough information on which to base an impact determination. In addition to considering estimates of the number of marine mammals that might be “taken” through harassment, NMFS considers other factors, such as the likely nature of any responses (e.g., intensity, duration), the context of any responses (e.g., critical reproductive time or location, migration), as well as effects on habitat, and the likely effectiveness of the mitigation. We also assess the number, intensity, and context of estimated takes by evaluating this information relative to population status. Consistent with the 1989 preamble for NMFS’s implementing regulations (54 FR 40338; September 29, 1989), the impacts from other past and ongoing anthropogenic activities are incorporated into this analysis via their impacts on the environmental baseline (e.g., as reflected in the regulatory status of the species, population size and growth rate where known, ongoing sources of human-caused mortality, or ambient noise levels).

No serious injury or mortality is anticipated or proposed to be authorized for the Monterey Station Project. Takes that are anticipated and proposed to be authorized are expected to be limited to short-term Level B harassment (behavioral) only. Marine mammals present in the vicinity of the action area and taken by Level B harassment would most likely show overt brief disturbance (startle reaction) and avoidance of the area from elevated noise levels during pile driving and pile removal and the implosion noise.

There is one endangered species that may occur in the project area, humpback whales. However, if any humpbacks are detected within the Level B harassment zone of the project area, the USCG will shut down. The Monterey Breakwater is a haulout location for approximately 250 California sea lions. There no other known critical habitat areas, haulouts or import feeding areas in close proximally to the project area.

The project also is not expected to have significant adverse effects on affected marine mammals’ habitat, as analyzed in detail in the “Potential Effects of Specified Activities on Marine Mammals and their Habitat” section. Project activities would not permanently modify existing marine mammal habitat. The activities may kill some fish and cause other fish to leave the area temporarily, thus impacting marine mammals foraging opportunities in a limited portion of the foraging range; but, because of the short duration of the activities and the relatively small area of the habitat that may be affected, the impacts to marine mammal habitat are not expected to cause significant or long-term negative consequences. Therefore, given the consideration of potential impacts to marine mammal prey species and their physical environment, USCG’s proposed Monterey Station would not adversely affect marine mammal habitat.

In summary and as described above, the following factors primarily support our preliminary determination that the impacts resulting from this activity are not expected to adversely affect the species or stock through effects on annual rates of recruitment or survival:

• No serious injury or mortality is anticipated or authorized.
• Takes that are anticipated and proposed to be authorized are expected to be limited to short-term Level B harassment (behavioral).
• The project also is not expected to have significant adverse effects on affected marine mammals’ habitat.

There are no known important feeding or pupping areas. There is one haulout (the breakwater) within the project area. There are no other known...
important areas for marine mammals with the footprint of the project area.

- For five out of eight species, take is less than one percent of the stock abundance. Instances of take for the other three species (killer whale, bottlenose dolphin, and harbor porpoise) range from 3–4 percent of the stock abundance.

Based on the analysis contained herein of the likely effects of the specified activity on marine mammals and their habitat, and taking into consideration the implementation of the proposed monitoring and mitigation measures, NMFS preliminarily finds that the total marine mammal take from the proposed activity will have a negligible impact on all affected marine mammal species or stocks.

**Small Numbers**

As noted above, only small numbers of incidental take may be authorized under section 101(a)(5)(D) of the MMPA for specified activities other than military readiness activities. The MMPA does not define small numbers and so, in practice, where estimated numbers are available, NMFS compares the number of individuals taken to the most appropriate estimation of abundance of the relevant species or stock in our determination of whether an authorization is limited to small numbers of marine mammals. Additionally, other factors may be considered in the analysis, such as the temporal or spatial scale of the activities.

For five out of eight species, take is less than one percent of the stock abundance. Instances of take for the other three species (killer whale, bottlenose dolphin, and harbor porpoise) range from 3–4 percent of the stock abundance. Based on the analysis contained herein of the proposed activity (including the proposed mitigation and monitoring measures) and the anticipated take of marine mammals, NMFS preliminarily finds that small numbers of marine mammals will be taken relative to the population sizes of the affected species or stocks.

**Unmitigable Adverse Impact Analysis and Determination**

There are no relevant subsistence uses of the affected marine mammal stocks or species implicated by this action. Therefore, NMFS has determined that the total taking of affected species or stocks would not have an unmitigable adverse impact on the availability of such species or stocks for taking for subsistence purposes.

**Endangered Species Act (ESA)**

Section 7(a)(2) of the ESA of 1973 (16 U.S.C. 1531 et seq.) requires that each Federal agency insure that any action it authorizes, funds, or carries out is not likely to jeopardize the continued existence of any endangered or threatened species or result in the destruction or adverse modification of designated critical habitat. To ensure ESA compliance for the issuance of IHAs, NMFS consults internally, in this case with the West Coast Regional Office, whenever we propose to authorize take for endangered or threatened species.

NMFS is proposing to not authorize take of humpback whales, which are listed under the ESA, as the applicant will implement shutdown measures whenever humpbacks are observed (Level A or B). Therefore, consultation under section 7 of the ESA is not required.

The Permit and Conservation Division has requested initiation of section 7 consultation with the West Coast Regional Office for the issuance of this IHA. NMFS will conclude the ESA consultation prior to reaching a determination regarding the proposed issuance of the authorization.

**Proposed Authorization**

As a result of these preliminary determinations, NMFS proposes to issue an IHA to the U.S. Coast Guard (USCG) for conducting pile driving and removal activities at the USCG Monterey Station, Monterey, California from October 2017 to October 2018, provided the previously mentioned mitigation, monitoring, and reporting requirements are incorporated. This section contains a draft of the IHA itself. The wording contained in this section is proposed for inclusion in the IHA (if issued).

The proposed IHA language is provided next.

1. This Authorization is valid from October 16, 2017, through October 15, 2018.
2. This Authorization is valid only for activities associated with in-water construction work at the USCG Monterey Station Project, Monterey, California.
3. General Condition.
   (a) The species authorized for taking, by Level B harassment only, and in the numbers shown in Table 7 are: California sea lion (*Zalophus californianus*), Pacific harbor seal (*Phoca vitulina*), harbor porpoise (*Phocoena phocoena*), Risso’s dolphin (*Grampus griseus*), bottlenose dolphin (*Tursiops truncatus*), bottlenose porpoise (*Phocoena phocoena*), and gray whale (*Eschrichtius robustus*).
   (b) The authorization for taking by harassment is limited to the following acoustic sources and from the following activities:
   - Impact pile driving;
   - Vibratory pile driving; and
   - Vibratory pile removal
4. Prohibitions.
   (a) The taking, by incidental harassment only, is limited to the species listed under condition 3(a) above and by the numbers listed in Table 7 of this notice. The taking by serious injury or death of these species or the taking by harassment, injury or death of any other species of marine mammal is prohibited unless separately authorized or exempted under the MMPA and may result in the modification, suspension, or revocation of this Authorization.
   (b) The taking of any marine mammal is prohibited whenever the required protected species observers (PSOs), required by condition 6(b), are not present in conformance with condition 6(b) of this Authorization.
5. Mitigation.
   (a) Time Restriction. In-water construction work shall occur only during daylight hours.
   (b) Noise Attenuation. A bubble curtain and cushion pads shall be used during pile driving activities with an impact hammer to reduce sound levels. In addition, the USCG has proposed performing “pre-drilling.” Pre-drilling shall be performed and would be discontinued when the pile tip is approximately five ft above the required pile tip elevation. Pre-drilling is a method that starts the “hole” for the new pile; the pile is inserted after the hole has been pre-drilled which creates less friction and overall noise and turbidity during installation.
   (c) Level B Harassment Zones. USCG shall monitor the Level B harassment ZOIs as described in Table 3 and 4 of this notice.
   (d) Exclusion Zones. USCG shall shut down (stop work) in the Exclusion Zones using the PTS isopleths as described in Table 6 of this notice to protect marine mammals from Level A harassment.
   (i) USCG shall implement a minimum shutdown zone of 10 m radius around each pile for all construction methods other than pile driving for all marine mammals.
   (ii) If a marine mammal is observed at or within the Exclusion Zone, work shall stop until the individual has been observed outside of the zone, or has not been observed for at least 15 minutes for pinnipeds and small cetaceans and 30 minutes for large whales.

**Noise Mitigation**

USCG shall implement shutdown measures whenever harassment of marine mammals is observed. Once a marine mammal is observed, pile driving activities are to be stopped immediately.

**Level A Harassment**

USCG shall cease any pile driving or removal activities within 30 meters of a marine mammal whenever that marine mammal remains within 30 meters of the pile tip.

**Level B Harassment**

USCG shall implement shutdown measures whenever harassment of marine mammals is observed. Once a marine mammal is observed, pile driving activities are to be stopped immediately.
(e) Additional Shutdown Measures.

(i) If a humpback whale is observed within the Level A or Level B zones, the USCG shall implement shutdown measures. Work would not commence until 30-minutes after the last sighting of a humpback within these zones.

(ii) USCG shall implement shutdown measures if the number of authorized takes for any particular species reaches the limit under the IHA and if such marine mammals are sighted within the vicinity of the project area and are approaching the Level B harassment zone during in-water construction activities.

(iii) During impact pile driving because the Level B Zone is smaller (76 m) compared to the Level A Zone (84.4 m) for high frequency cetaceans for noise transmission north and northeast (through breakwater), the USCG shall consider both the Level A and B zones to be at 84.4 m and will implement shutdown measures.

(iv) If a species is observed within the Level A or B zones that has not been authorized for take, the USCG shall implement shutdown measures.

(f) Soft-Start for Impact Pile Driving.

For impact pile installation, contractors will provide an initial set of three strikes from the impact hammer at 40 percent energy, followed by a one-minute waiting period, then two subsequent three-strike sets.


(a) Protected Species Observers.

USCG shall employ NMFS-approved PSOs to conduct marine mammal monitoring for its construction project. NMFS-approved PSOs will meet the following qualifications:

(i) Visual acuity in both eyes (correction is permissible) sufficient for discernment of moving targets at the water’s surface with ability to estimate target size and distance. Use of binoculars may be necessary to correctly identify the target.

(ii) Advanced education in biological science, wildlife management, mammalogy or related fields (Bachelors degree or higher is preferred), but not required.

(iii) Experience or training in the field identification of marine mammals (cetaceans and pinnipeds).

(iv) Sufficient training, orientation or experience with the construction operation to provide for personal safety during observations.

(v) Ability to communicate orally, by radio or in person, with project personnel to provide real-time information on marine mammals observed in the area as necessary.

(vi) Experience and ability to conduct field observations and collect data according to assigned protocols (this may include academic experience).

(vii) Writing skills sufficient to prepare a report of observations that would include such information as the number and type of marine mammals observed; the behavior of marine mammals in the project area during construction, dates and times when observations were conducted; dates and times when in-water construction activities were conducted; and dates and times when marine mammals were present at or within the defined ZOI.

(viii) If a team of three or more observers are required, one observer should be designated as lead observer or monitoring coordinator. The lead observer must have prior experience working as an observer.

(ix) NMFS shall require submission and approval of observer CVs.

(b) Monitoring Protocols: PSOs shall be present at all times during pile removal and driving.

(i) A 30-minute pre-construction marine mammal monitoring shall be required before the first pile driving or pile removal of the day. A 30-minute post-construction marine mammal monitoring shall be required after the last pile driving or pile removal of the day. If the contractors take a break between subsequent pile driving or pile removal for more than 30 minutes, then additional 30-minute pre-construction marine mammal monitoring shall be required before the next start-up of pile driving or pile removal.

(ii) During pile removal or installation, the monitors shall be positioned such that each monitor has a most practicable vantage point possible (i.e., the pier itself, the breakwater, adjacent boat docks in the harbor, or a boat) and distinct view-shed and the monitors collectively have overlapping view-sheds.

(iii) Monitors shall record take when marine mammals enter their relevant Level B Harassment Zones based on type of construction activity.

(iv) If a marine mammal approaches an Exclusion Zone, the observation shall be reported to the Construction Manager and the individual shall be watched closely. If the marine mammal crosses into an Exclusion Zone, a stop-work order shall be issued. In the event that a stop-work order is triggered, the observed marine mammal(s) shall be closely monitored while it remains in or near the Exclusion Zone, and only when it moves well outside of the Exclusion Zone or is observed for at least 15 minutes for pinnipeds and small cetaceans and 30 minutes for large whales shall the lead monitor allow work to recommence.

(v) PSOs shall monitor marine mammals around the construction site using high-quality binoculars (e.g., Zeiss, 10 x 42 power) and/or spotting scopes.

(vi) If marine mammals are observed, the following information shall be documented:

(A) Date and time that monitored activity begins or ends;

(B) Construction activities occurring during each observation period;

(C) Weather parameters (e.g., percent cover, visibility);

(D) Water conditions (e.g., sea state, tide state);

(E) Species, numbers, and, if possible, sex and age class of marine mammals;

(F) Description of any observable marine mammal behavior patterns, including bearing and direction of travel and distance from pile driving activity;

(G) Distance from pile driving activities to marine mammals and distance from the marine mammals to the observation point;

(H) Locations of all marine mammal observations; and

(I) Other human activity in the area.


7. Reporting.

(a) Marine Mammal Monitoring.

(i) USCG shall submit a draft marine mammal monitoring report within 90 days after completion of the in-water construction work or the expiration of the IHA (if issued), whichever comes earlier. The report shall include data from marine mammal sightings as described: date, time, location, species, group size, and behavior, any observed reactions to construction, distance to operating pile hammer, and construction activities occurring at time of sighting and environmental data for the period (i.e., wind speed and direction, sea state, tidal state, cloud cover, and visibility). The marine mammal monitoring report shall also include total takes, takes by day, and stop-work orders for each species.

(ii) If comments are received from NMFS Office of Protected Resources on the draft report, a final report shall be submitted to NMFS within 30 days.
thereafter. If no comments are received from NMFS, the draft report shall be considered to be the final report. (iii) In the unanticipated event that the specified activity clearly causes the take of a marine mammal in a manner prohibited by the IHA (if issued), such as an injury (Level A harassment), serious injury, or mortality, USCG shall immediately cease the specified activities and immediately report the incident to the Permits and Conservation Division, Office of Protected Resources, NMFS and the NMFS’ West Coast Stranding Coordinator. The report must include the following information: • Time, date, and location (latitude/ longitude) of the incident; • Name and type of vessel involved; • Vessel’s speed during and leading up to the incident; • Description of the incident; • Status of all sound source use in the 24 hrs preceding the incident; • Water depth; • Environmental conditions (e.g., wind speed and direction, sea state, cloud cover, and visibility); • Description of all marine mammal observations in the 24 hrs preceding the incident; • Species identification or description of the animal(s) involved; • Fate of the animal(s); and • Photographs or video footage of the animal(s) (if equipment is available). Activities would not resume until NMFS is able to review the circumstances of the prohibited take. NMFS shall work with USCG to determine what is necessary to minimize the likelihood of further prohibited take and ensure MMPA compliance. USCG shall not resume their activities until notified by NMFS via letter, email, or telephone. (b) Reporting of Injured or Dead Marine Mammals. (i) In the event that USCG discovers an injured or dead marine mammal, and the lead PSO determines that the injury or death is not associated with or related to the activities authorized in the IHA (e.g., previously wounded animal, carcass with moderate to advanced decomposition, or scavenger damage), USCG shall report the incident to the Permits and Conservation Division, Office of Protected Resources, NMFS and the NMFS’ West Coast Stranding Coordinator within 24 hrs of the discovery. USCG shall provide photographs or video footage (if available) or other documentation of the stranded animal sighting to NMFS. Activities may continue while NMFS reviews the circumstances of the incident. (c) Acoustic Monitoring Report—USCG shall submit an Acoustic Monitoring Report that will provide details on the monitored piles, method of installation, monitoring equipment, and sound levels documented during monitoring. NMFS shall review the acoustic monitoring report and suggest any changes in monitoring as needed. 8. This Authorization may be modified, suspended or withdrawn if the holder fails to abide by the conditions prescribed herein or if NMFS determines the authorized taking is having more than a negligible impact on the species or stock of affected marine mammals. 9. A copy of this Authorization must be in the possession of each contractor who performs the construction work at the Monterey Station Project.

Request for Public Comments

We request comment on our analyses, the draft authorization, and any other aspect of this Notice of Proposed IHA for the proposed pile driving activities for the USCG Monterey Station Project. Please include with your comments any supporting data or literature citations to help inform our final decision on the request for MMPA authorization.

Dated: September 6, 2017.

Donna S. Wieting,
Director, Office of Protected Resources,
National Marine Fisheries Service.

DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration

Proposed Information Collection; Comment Request; Annual Northern Seal Subsistence Harvest Reporting and St. George Harvest Management Plan

AGENCY: National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice.

SUMMARY: The Department of Commerce, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995.

DATES: Written comments must be submitted on or before November 13, 2017.

ADDRESSES: Direct all written comments to Jennifer Jessup, Departmental Paperwork Clearance Officer, Department of Commerce, Room 6616, 14th and Constitution Avenue NW., Washington, DC 20230 (or via the Internet at pracomments@doc.gov).

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the information collection instrument and instructions should be directed to Michael Williams, (907) 271–5117, or michael.williams@noaa.gov.

SUPPLEMENTARY INFORMATION:

I. Abstract

The subsistence harvest of northern fur seals is cooperatively managed by the National Oceanic and Atmospheric Administration’s (NOAA) National Marine Fisheries Service (NMFS) and the Tribal Governments of St. Paul and St. George Islands (Pribilof Islands) under section 119 of the Marine Mammal Protection Act, 16 U.S.C. 1388 (MMPA) and governed by regulations under section 102 of the Fur Seal Act, 16 U.S.C. 1152 (FSA) found in 50 CFR part 216 subpart F. Taking for Subsistence Purposes. The regulations, laws, and cooperative agreement are focused on conserving northern fur seals through cooperative effort and consultation regarding effective management of human activities related to the subsistence harvests of northern fur seals and Steller sea lions. This request is for extension of the information collection for the annual
subistence harvests of northern fur seals by Alaska Natives who reside on the Pribilof Islands (Pribilovians) under 50 CFR 216 subpart F.

The estimates of the number of fur seals necessary to satisfy the subsistence requirements of the Pribilovians to comply with 50 CFR 216.672(b) are derived from historic harvest levels reported by, and in direct consultation with, the Tribal Governments of St. Paul and St. George Islands in Alaska and their respective local Native corporations (Tanadusix and Tanaq).

II. Method of Collection

Reports may be submitted via mail or email.

III. Data

OMB Control Number: 0648–0699.
Form Number(s): None.
Type of Review: Regular submission (extension of a currently approved information collection).
Affected Public: Individuals or households; state, local or tribal government.
Estimated Number of Respondents: 2.
Estimated Time per Response: 20 hours.
Estimated Total Annual Burden Hours: 40.
Estimated Total Annual Cost to Public: $8 in recordkeeping/reporting costs.

IV. Request for Comments

Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency’s estimate of the burden (including hours and cost) of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology.

Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval of this information collection; they also will become a matter of public record.

Dated: September 8, 2017.
Sarah Brabson,
NOAA PRA Clearance Officer.
[FR Doc. 2017–19394 Filed 9–12–17; 8:45 am]
BILLING CODE 3510–22–P

DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
RIN 0648–XF664
Marine Mammals; File No. 21422
AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice; receipt of application.

SUMMARY: Notice is hereby given that James Lloyd-Smith, Ph.D., Department of Ecology and Evolutionary Biology University of California, Los Angeles Los Angeles, CA 90095, has applied in due form for a permit to conduct research on marine mammals.

DATES: Written, telefaxed, or email comments must be received on or before October 13, 2017.

ADDRESSES: The application and related documents are available for review by selecting “Records Open for Public Comment” from the “Features” box on the Applications and Permits for Protected Species (APPS) home page, https://apps.nmfs.noaa.gov, and then selecting File No. 21422 from the list of available applications.

These documents are also available upon written request or by appointment in the Permits and Conservation Division, Office of Protected Resources, NMFS, 1315 East-West Highway, Room 13705, Silver Spring, MD 20910; phone (301) 427–8401; fax (301) 713–0376.

Written comments on this application should be submitted to the Chief, Permits and Conservation Division, at the address listed above. Comments may also be submitted by facsimile to (301) 713–0376, or by email to NMFS.PriComments@noaa.gov. Please include the File No. in the subject line of the email comment.

Those individuals requesting a public hearing should submit a written request to the Chief, Permits and Conservation Division at the address listed above. The request should set forth the specific reasons why a hearing on this application would be appropriate.

FOR FURTHER INFORMATION CONTACT: Shasta McClenanah or Sara Young, (301) 427–8401.

SUPPLEMENTARY INFORMATION: The subject permit is requested under the authority of the Marine Mammal Protection Act of 1972, as amended (MMPA; 16 U.S.C. 1361 et seq.), the regulations governing the taking and importing of marine mammals (50 CFR part 216) and the Fur Seal Act of 1966, as amended (16 U.S.C. 1151 et seq.).

The applicant requests a five year research permit to take California sea lions (CSL; Zalophus californianus) to study the disease ecology of Leptospira in the pinniped populations along the west coast of the United States. Up to 460 non-pup CSL may be captured and sampled annually at several sites in California, Oregon, and Washington. During capture animals may be restrained and receive anesthesia, biological sampling (blood, urine, feces, vibrissae, hair and nail clip, and mucus membrane swabs), length and weight measurements, and external tags. An additional 60 non-target CSL, including large pups, may be incidentally captured and restrained to determine age and sex, but would be released without sampling. If opportunistically encountered during sampling, up to 30 entangled CSL may be captured for disentanglement, and up 100 dead stranded CSL may be necropsied, annually. Up to 8 CSL may be taken by unintentional mortality during the requested five year permit. An additional 20,000 CSL, 5,000 Northern elephant seals (Mirounga angustirostris), 500 Northern fur seals (Callorhinus ursinus), 100 harbor seals (Phoca vitulina), and 50 non-listed Steller sea lions (Eumetopias jubatus) may be disturbed incidentally to capture activities.

In compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), an initial determination has been made that the activity proposed is categorically excluded from the requirement to prepare an environmental assessment or environmental impact statement.

Concurrent with the publication of this notice in the Federal Register, NMFS is forwarding copies of the application to the Marine Mammal Commission and its Committee of Scientific Advisors.

Julia Harrison,
Chief, Permits and Conservation Division, Office of Protected Resources, National Marine Fisheries Service.
[FR Doc. 2017–19393 Filed 9–12–17; 8:45 am]
BILLING CODE 3510–22–P

CONSUMER PRODUCT SAFETY COMMISSION

Sunshine Act Meeting Notice

TIME AND DATE: Monday, September 18, 2017, 1:00 p.m.–3:00 p.m.
PLACE: Hearing Room 420, Bethesda Towers, 4330 East West Highway, Bethesda, MD.
DEPARTMENT OF ENERGY

[OE Docket No. EA–439]

Application To Export Electric Energy; J. Aron & Company LLC

AGENCY: Office of Electricity Delivery and Energy Reliability, DOE.

ACTION: Notice of application.

SUMMARY: J. Aron & Company LLC (Applicant) has applied for authority to transmit electric energy from the United States to Mexico pursuant to the Federal Power Act.

DATES: Comments, protests, or motions to intervene must be submitted on or before October 13, 2017.

ADDRESSES: Comments, protests, motions to intervene, or requests for more information should be addressed to: Office of Electricity Delivery and Energy Reliability, Mail Code: OE–20, U.S. Department of Energy, 1000 Independence Avenue SW., Washington, DC 20585–0350. Because of delays in handling conventional mail, it is recommended that documents be transmitted by overnight mail, by electronic mail to Electricity.Exports@hq.doe.gov, or by facsimile to 202–586–8008.

SUPPLEMENTARY INFORMATION: Exports of electricity from the United States to a foreign country are regulated by the Department of Energy (DOE) pursuant to sections 301(b) and 402(f) of the Department of Energy Organization Act (42 U.S.C. 7151(b), 7172(f)) and require authorization under section 202(e) of the Federal Power Act (16 U.S.C. 824a(e)).

On August 17, 2017, DOE received an application from the Applicant for authority to transmit electric energy from the United States to Mexico as a power marketer for a five-year term using existing international transmission facilities.

In its application, the Applicant states that it does not own or control any electric generation or transmission facilities, and it does not have a franchised service area. The electric energy that the Applicant proposes to export to Mexico would be surplus energy purchased from third parties such as electric utilities and Federal power marketing agencies pursuant to voluntary agreements. The existing international transmission facilities to be utilized by the Applicant have previously been authorized by Presidential Permits issued pursuant to Executive Order 10485, as amended, and are appropriate for open access transmission by third parties.

PROCEDURAL MATTERS: Any person desiring to become a party to these proceedings should file a comment or protest to the application at the address provided above. Protests should be filed in accordance with Rule 211 of the Federal Energy Regulatory Commission’s (FERC) Rules of Practice and Procedures (18 CFR 385.211). Any person desiring to become a party to these proceedings should file a motion to intervene at the above address in accordance with FERC Rule 214 (18 CFR 385.214). Five copies of such comments, protests, or motions to intervene should be sent to the address provided above on or before the date listed above.

Comments and other filings concerning the Applicant’s application to export electric energy to Mexico should be clearly marked with OE Docket No. EA–439. An additional copy is to be provided to both Kelly Brooks, J. Aron & Company LLC, 200 West Street, 6th Floor, New York, NY 10282 and Ricardo Alicea, J. Aron & Company LLC, 200 West Street, 15th Floor, New York, NY 10282.

A final decision will be made on this application after the environmental impacts have been evaluated pursuant to DOE’s National Environmental Policy Act Implementing Procedures (10 CFR part 1021) and after a determination is made by DOE that the proposed action will not have an adverse impact on the sufficiency of supply or reliability of the U.S. electric power supply system.

Copies of this application will be made available, upon request, for public inspection and copying at the address provided above, by accessing the inspection and copying at the address provided above on or before the date listed above.

Christopher Lawrence,
Electricity Policy Analyst, Office of Electricity Delivery and Energy Reliability.

[FR Doc. 2017–19407 Filed 9–12–17; 8:45 am]

BILLING CODE 6450–01–P

DEPARTMENT OF ENERGY

[OE Docket No. EA–440]

Application To Export Electric Energy; Plant-E Corp.

AGENCY: Office of Electricity Delivery and Energy Reliability, DOE.

ACTION: Notice of application.

SUMMARY: Plant-E Corp (Applicant) has applied for authority to transmit electric energy from the United States to Canada pursuant to the Federal Power Act.

DATES: Comments, protests, or motions to intervene must be submitted on or before October 13, 2017.

ADDRESSES: Comments, protests, motions to intervene, or requests for more information should be addressed to: Office of Electricity Delivery and Energy Reliability, Mail Code: OE–20, U.S. Department of Energy, 1000 Independence Avenue SW., Washington, DC 20585–0350. Because of delays in handling conventional mail, it is recommended that documents be transmitted by overnight mail, by electronic mail to Electricity.Exports@hq.doe.gov, or by facsimile to 202–586–8008.

SUPPLEMENTARY INFORMATION: Exports of electricity from the United States to a foreign country are regulated by the Department of Energy (DOE) pursuant to sections 301(b) and 402(f) of the Department of Energy Organization Act (42 U.S.C. 7151(b), 7172(f)) and require authorization under section 202(e) of the Federal Power Act (16 U.S.C. 824a(e)).

On August 18, 2017, DOE received an application from the Applicant for authority to transmit electric energy from the United States to Canada as a power marketer for a five-year term using existing international transmission facilities.

In its application, the Applicant states that it does not own or control any electric generation or transmission facilities, and it does not have a franchised service area. The electric energy that the Applicant proposes to export to Canada would be surplus energy purchased from third parties such as electric utilities and Federal power marketing agencies pursuant to voluntary agreements. The existing
international transmission facilities to be utilized by the Applicant have previously been authorized by Presidential Permits issued pursuant to Executive Order 10485, as amended, and are appropriate for open access transmission by third parties.

Procedural Matters: Any person desiring to be heard in this proceeding should file a comment or protest to the application at the address provided above. Protests should be filed in accordance with Rule 211 of the Federal Energy Regulatory Commission’s (FERC) Rules of Practice and Procedures (18 CFR 385.214). Any person desiring to become a party to these proceedings should file a motion to intervene at the address provided above on or before the date listed above.

Comments and other filings concerning the Applicant’s application to export electric energy to Canada should be clearly marked with OE Docket No. EA–440. An additional copy is to be provided to Pierre Plante, Plant-E Corp., 740 St Maurice, Suite 209, Montreal, Quebec H3C 1L5.

A final decision will be made on this application after the environmental impacts have been evaluated pursuant to DOE’s National Environmental Policy Act Implementing Procedures (10 CFR part 1021) and after a determination is made by DOE that the proposed action will not have an adverse impact on the sufficiency of supply or reliability of the U.S. electric power supply system.

Copies of this application will be made available, upon request, for public inspection and copying at the address provided above, by accessing the program Web site at http://energy.gov/node/11845, or by emailing Angela Troy at Angela.Troy@hq.doe.gov.

Issued in Washington, DC, on September 5, 2017.

Christopher Lawrence, Electricity Policy Analyst, Office of Electricity Delivery and Energy Reliability.

[FR Doc. 2017–19424 Filed 9–12–17; 8:45 am]

BILLING CODE 6450–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Combined Notice of Filings #1

Take notice that the Commission received the following electric corporate filings:


Applicants: Southern California Edison Company.

Description: Application for Authorization under Section 203 of the FPA to Merge Jurisdictional Facilities of Southern California Edison Company. Filed Date: 9/6/17.

Accession Number: 20170906–5181. Comments Due: 5 p.m. ET 9/27/17. Docket Numbers: EC17–174–000. Applicants: Consolidated Edison Company of New York, Inc. Description: Application of Consolidated Edison Company of New York, Inc. under New Docket for an order pursuant to Section 203 of the Federal Power Act. Filed Date: 9/6/17. Accession Number: 20170906–5183. Comments Due: 5 p.m. ET 9/27/17. Take notice that the Commission received the following exempt wholesale generator filings:


**DEPARTMENT OF ENERGY**

**Federal Energy Regulatory Commission**

[Docket No. ER17–2426–000]

**PSEG Keys Energy Center 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 PSEG Keys Energy Center 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 September 27, 2017.

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 valid 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 each time 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.


Nathaniel J. Davis, Sr.,
Deputy Secretary.

[FR Doc. 2017–19409 Filed 9–12–17; 8:45 am]

BILLING CODE 6717–01–P

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**ENVIRONMENTAL PROTECTION AGENCY**


**Product Cancellation Order for Certain Pesticide Registrations; Correction**

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Notice.

**SUMMARY:** EPA issued notices in the Federal Register of June 8, 2016, and July 5, 2017, concerning receipt of requests to voluntarily cancel certain pesticide registrations and its follow-up product cancellation order. In the notice of July 5, 2017, EPA inadvertently listed the pesticide products Dithiopyr 0.13% Plus Fertilizer (EPA Reg. No. 53883–207), Dithiopyr 0.25% Plus Fertilizer (EPA Reg. No. 53883–208), Dithiopyr 0.172% Plus Fertilizer (EPA Reg. No. 53883–209), Dithiopyr 0.107% Plus Fertilizer (EPA Reg. No. 53883–210), Dithiopyr 0.06% Plus Fertilizer (EPA Reg. No. 53883–211), Dithiopyr 0.086% Plus Fertilizer (EPA Reg. No. 53883–212), Dithiopyr 0.1% Plus Fertilizer (EPA Reg. No. 53883–213), Dithiopyr Concentrate for Fertilizer (EPA Reg. No. 53883–268) and Quali-Pro Dithiopyr 2L (EPA Reg. No. 53883–311). The registrant had responded with a letter to the Office of Pesticide Programs dated June 10, 2016 requesting that the nine products not be cancelled. The letter was never forwarded to be included in the public docket for this Federal Register notice so the products were listed in the notice of July 5, 2017, in error. Therefore, EPA is not cancelling the pesticide products Dithiopyr 0.13% Plus Fertilizer (EPA Reg. No. 53883–207), Dithiopyr 0.25% Plus Fertilizer (EPA Reg. No. 53883–208), Dithiopyr 0.172% Plus Fertilizer (EPA Reg. No. 53883–209), Dithiopyr 0.107% Plus Fertilizer (EPA Reg. No. 53883–210), Dithiopyr 0.06% Plus Fertilizer (EPA Reg. No. 53883–211), Dithiopyr 0.086% Plus Fertilizer (EPA Reg. No. 53883–212), Dithiopyr 0.1% Plus Fertilizer (EPA Reg. No. 53883–213), Dithiopyr Concentrate for Fertilizer (EPA Reg. No. 53883–268) and Quali-Pro Dithiopyr 2L (EPA Reg. No. 53883–311).
 economics, human health, and environment. As part of the registration review process, the Agency has completed comprehensive draft human health and/or ecological risk assessments for all pesticides listed in the Table in Unit III. Through this program, EPA is ensuring that each pesticide’s registration is based on current scientific and other knowledge, including its effects on human health and the environment.

DATES: Comments must be received on or before November 13, 2017.

ADDRESSES: Submit your comments, to the docket identification (ID) number for the specific pesticide of interest provided in the Table in Unit III, by one of the following methods:

• Federal eRulemaking Portal: http://www.regulations.gov. Follow the online instructions for submitting comments. Do not submit electronically any information you consider to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute.
• Mail: OPP Docket, Environmental Protection Agency Docket Center (EPA/
I. General Information

A. Does this action apply to me?

This action is directed to the public in general, and may be of interest to a wide range of stakeholders including environmental, human health, farm worker, and agricultural advocates; the chemical industry; pesticide users; and members of the public interested in the sale, distribution, or use of pesticides. The Agency has not attempted to describe all the specific entities that may be affected by this action. If you have any questions regarding the applicability of this action to a particular entity, consult the Chemical Review Manager identified in the Table in Unit III.

B. What should I consider as I prepare my comments for EPA?

1. Submitting CBI. Do not submit this information to EPA through regulations.gov or email. Clearly mark the part or all of the information that you claim to be CBI. For CBI information in a disk or CD-ROM that you mail to EPA, mark the outside of the disk or CD-ROM as CBI and then identify electronically within the disk or CD-ROM the specific information that is claimed as CBI. In addition to one complete version of the comment that includes information claimed as CBI, a copy of the comment that does not contain the information claimed as CBI must be submitted for inclusion in the public docket. Information so marked will not be disclosed except in accordance with procedures set forth in 40 CFR part 2.

2. Tips for preparing your comments. When preparing and submitting your comments, see the commenting tips at http://www.epa.gov/dockets/comments.html.

3. Environmental justice. EPA seeks to achieve environmental justice, the fair treatment and meaningful involvement of any group, including minority and/or low income populations, in the development, implementation, and enforcement of environmental laws, regulations, and policies. To help address potential environmental justice issues, the Agency seeks information on any groups or segments of the population who, as a result of their location, cultural practices, or other factors, may have atypical or disproportionately high and adverse human health impacts or environmental effects from exposure to the pesticides discussed in this document, compared to the general population.

II. Authority

EPA is conducting its registration review of the chemicals listed in the Table in Unit III pursuant to section 3(g) of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) and the Procedural Regulations for Registration Review at 40 CFR part 155, subpart C. Section 3(g) of FIFRA provides, among other things, that the registrations of pesticides are to be reviewed every 15 years. Under FIFRA, a pesticide product may be registered or remain registered only if it meets the statutory standard for registration given in FIFRA section 3(c)(5) (7 U.S.C. 136a(c)(5)). When used in accordance with widespread and commonly recognized practice, the pesticide product must perform its intended function without unreasonable adverse effects on the environment; that is, without any unreasonable risk to man or the environment, or a human dietary risk from residues that result from the use of a pesticide in or on food.

III. Registration Reviews

As directed by FIFRA section 3(g), EPA is reviewing the pesticide registration for the pesticides listed in the Table to ensure that it continues to satisfy the FIFRA standard for registration—that is, that these chemicals can still be used without unreasonable adverse effects on human health or the environment.

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**DRAFT RISK ASSESSMENTS BEING MADE AVAILABLE FOR PUBLIC COMMENT**

<table>
<thead>
<tr>
<th>Registration review case name and number</th>
<th>Docket ID No.</th>
<th>Chemical review manager and contact information</th>
</tr>
</thead>
<tbody>
<tr>
<td>EPTC, Case Number 0064</td>
<td>EPA–HQ–OPP–2012–0720</td>
<td>Patricia Biggio, <a href="mailto:biggio.patiricia@epa.gov">biggio.patiricia@epa.gov</a> (703) 347–0547.</td>
</tr>
<tr>
<td>Etofenprox, Case Number 7407</td>
<td>EPA–HQ–OPP–2007–0804</td>
<td>Wilhelmena Livingston, <a href="mailto:livingston.wilhelmena@epa.gov">livingston.wilhelmena@epa.gov</a> (703) 308–8025.</td>
</tr>
<tr>
<td>Imidacloprid, Case Number 7605</td>
<td>EPA–HQ–OPP–2008–0844</td>
<td>Nicole Zinn, <a href="mailto:zinn.nicole@epa.gov">zinn.nicole@epa.gov</a> (703) 308–7076.</td>
</tr>
<tr>
<td>Metribuzin, Case Number 0181</td>
<td>EPA–HQ–OPP–2012–0487</td>
<td>Matthew Manupella, <a href="mailto:manupella.matthew@epa.gov">manupella.matthew@epa.gov</a> (703) 347–0411.</td>
</tr>
<tr>
<td>Nitrapyrin, Case Number 0213</td>
<td>EPA–HQ–OPP–2012–0170</td>
<td>Thomas Harty, <a href="mailto:harty.thomas@epa.gov">harty.thomas@epa.gov</a> (703) 347–0338.</td>
</tr>
<tr>
<td>Oxamyl, Case Number 0253</td>
<td>EPA–HQ–OPP–2010–0028</td>
<td>Maria Piansay, <a href="mailto:piansay.maria@epa.gov">piansay.maria@epa.gov</a> (703) 308–8063.</td>
</tr>
<tr>
<td>Pendimethalin, Case Number 0187</td>
<td>EPA–HQ–OPP–2012–0219</td>
<td>Nicole Zinn, <a href="mailto:zinn.nicole@epa.gov">zinn.nicole@epa.gov</a> (703) 308–7076.</td>
</tr>
<tr>
<td>Pyrethrins, Case Number 2580</td>
<td>EPA–HQ–OPP–2011–0885</td>
<td>Mark Baldwin, <a href="mailto:baldwin.mark@epa.gov">baldwin.mark@epa.gov</a> (703) 308–0504.</td>
</tr>
</tbody>
</table>
 Pursuant to 40 CFR 155.53(c), EPA is providing an opportunity, through this notice of availability, for interested parties to provide comments and input concerning the Agency’s draft human health and/or ecological risk assessments for the pesticides listed in the Table in Unit III. Since an ecological risk assessment for the pyrethroids, including etofenprox, gamma-cyhalothrin, lambda-cyhalothrin, permethrin, pyrethrins, and tau-fluvalinate, was previously published for comment in the Federal Register in November 2016, this Notice is announcing the availability of the human health risk assessments for these chemicals. For imidacloprid, a preliminary pollinator only risk assessment was completed in January 2016 and an aquatic species only ecological risk assessment was completed in January 2017. Both of these were previously published for comment in the Federal Register and thus this Notice is announcing the availability of the human health assessment for imidacloprid. The Agency will consider all comments received during the public comment period and make changes, as appropriate, to a draft human health and/or ecological risk assessment. EPA may then issue a revised risk assessment, explain any changes to the draft risk assessment, and respond to comments. In the Federal Register notice announcing the availability of the revised risk assessment, if the revised risk assessment indicates risks of concern, the Agency may provide a comment period for the public to submit suggestions for mitigating the risk identified in the revised risk assessment before developing a proposed registration review decision for the pesticides identified above.

1. Information submission requirements. Anyone may submit data or information in response to this document. To be considered during a pesticide’s registration review, the submitted data or information must meet the following requirements:
   • To ensure that EPA will consider data or information submitted, interested persons must submit the data or information during the comment period. The Agency may, at its discretion, consider data or information submitted at a later date.
   • The data or information submitted must be presented in a legible and useable form. For example, an English translation must accompany any material that is not in English and a written transcript must accompany any information submitted as an audiographic or videographic record. Written material may be submitted in paper or electronic form.
   • Submitters must clearly identify the source of any submitted data or information.
   • Submitters may request the Agency to reconsider data or information that the Agency rejected in a previous review. However, submitters must explain why they believe the Agency should reconsider the data or information in the pesticide’s registration review.

As provided in 40 CFR 155.58, the registration review docket for each pesticide case will remain publicly accessible through the duration of the registration review process; that is, until all actions required in the final decision on the registration review case have been completed.

Authority: 7 U.S.C. 136 et seq.


Charles Smith,
Acting Director, Pesticide Re-Evaluation Division, Office of Pesticide Programs.

[FR Doc. 2017–19463 Filed 9–12–17; 8:45 am]
BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY


Agency Information Collection Activities; Proposed Renewal of an Existing Collection; Comment Request

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: In compliance with the Paperwork Reduction Act (PRA), this document announces that EPA is planning to submit an Information Collection Request (ICR) to the Office of Management and Budget (OMB). The ICR, entitled: “Plant-Incorporated Protectants; CBI Substantiation and Adverse Effects Reporting,” and identified by EPA ICR No. 1693.09 and OMB Control No. 2070–0142, represents the renewal of an existing ICR that is scheduled to expire on May 31, 2018. Before submitting the ICR to OMB for review and approval, EPA is soliciting comments on specific aspects of the proposed information collection that is summarized in this document. The ICR and accompanying material are available in the docket for public review and comment.

DATES: Comments must be received on or before November 13, 2017.

ADDRESSES: Submit your comments, identified by docket identification (ID) number EPA–HQ–OPP–2017–0440, by one of the following methods:
• Federal eRulemaking Portal: http://www.regulations.gov. Follow the online instructions for submitting comments. Do not submit electronically any information you consider to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute.
• Mail: 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.

FOR FURTHER INFORMATION CONTACT: Ryne Yarger, Field and External Affairs Division (7506P), Office of Pesticide Programs, Environmental Protection Agency, 1200 Pennsylvania Ave. NW., Washington, DC 20460–0001; telephone number: (703) 605–1193; email address: yarger.ryne@epa.gov.

SUPPLEMENTARY INFORMATION:

1. What information is EPA particularly interested in?

Pursuant to PRA section 3506(c)(2)(A) (44 U.S.C. 3506(c)(2)(A)), EPA specifically solicits comments and information to enable it to:
• 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.

Registration review case name and number | Docket ID No. | Chemical review manager and contact information
---|---|---

DRAFT RISK ASSESSMENTS BEING MADE AVAILABLE FOR PUBLIC COMMENT—Continued
2. Evaluate the accuracy of the Agency’s estimates 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.
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. In particular, EPA is requesting comments from very small businesses (those that employ less than 25) on examples of specific additional efforts that EPA could make to reduce the paperwork burden for very small businesses affected by this collection.

II. What information collection activity or ICR does this action apply to?

Title: Plant-Incorporated Protectants; CBI Substantiation and Adverse Effects Reporting.

ICR number: EPA ICR No. 1693.09.

OMB control number: OMB Control No. 2070–0142.

ICR status: This ICR is currently scheduled to expire on May 31, 2018.

An Agency may not conduct or sponsor, and a person is not required to respond to, a collection of information, unless it displays a currently valid OMB control number. The OMB control numbers for EPA’s regulations in title 40 of the Code of Federal Regulations (CFR), after appearing in the Federal Register when approved, are listed in 40 CFR part 9, and are displayed either by publication in the Federal Register or by other appropriate means, such as on the related collection instrument or form, if applicable. The display of OMB control numbers for certain EPA regulations is consolidated in 40 CFR part 9.

Abstract: This ICR addresses the two information collection requirements described in regulations pertaining to pesticidal substances that are produced by plants (plant-incorporated protectants) and which are codified in 40 CFR part 174. A plant-incorporated protectant (PIP) is defined as “the pesticidal substance that is intended to be produced and used in a living plant and the genetic material necessary for the production of such a substance.”

Many, but not all, PIPs are exempt from registration requirements under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA). Registrants sometimes include in a submission to EPA for registration of PIPs information that they claim to be CBI. CBI is protected by FIFRA and generally cannot be released to the public. For most pesticide registration applications, the current CBI regulations at 40 CFR part 2 require that claimants substantiate their CBI claims for their own records when the claim is made, and subsequently provide the substantiation to EPA only if requested. However, under 40 CFR part 174, whenever a registrant claims that information submitted to EPA in support of a PIP registration application contains CBI, the registrant must substantiate such claims to EPA when they are made. In addition, 40 CFR part 174 also requires manufacturers of PIPs that are otherwise exempted from registration requirements to report any adverse effects of the PIP to the Agency within 30 days of when the information is first obtained. Such reporting will allow the Agency to determine whether further action is needed to prevent unreasonable adverse effects to human health or the environment.

Burden statement: The annual public reporting and recordkeeping burden for this collection of information is estimated to average 21.5 hours per CBI substantiation and 7 hours per adverse effects reporting response. Burden is defined in 5 CFR 1320.3(b).

The ICR, which is available in the docket along with other related materials, provides a detailed explanation of the collection activities and the burden estimate that is only briefly summarized here:

Respondents/Affected Entities: Entities potentially affected by this ICR include producers and importers of PIPs. The NAICS codes for respondents under this ICR include: 325320 (Pesticide and Other Agricultural Chemical Manufacturing), 325414 (Biological Products (except Diagnostic) Manufacturing), 422910 (Farm Supplies Wholesalers), 422930 (Flower, Nursery Stock, and Florist’s Supplies), 541710 (Research and Development in the Physical, Engineering, and Life Sciences), and 611310 (Colleges, Universities, and Professional Schools).

Estimated total number of potential respondents: 24.

Frequency of response: On occasion. Estimated total average number of responses for each respondent: 1.

Estimated total annual burden hours: 518 hours.

Estimated total annual costs: $41,892.

There are no non-burden hour paperwork costs, e.g., investment or maintenance and operational costs, included in this information collection.

III. Are there changes in the estimates from the last approval?

There is an increase of 86 hours in the total estimated respondent burden compared with that identified in the ICR currently approved by OMB. This increase reflects EPA’s updating of burden estimates for this collection based upon historical information on the number of CBI substantiations per year. Based upon revised estimates, the number of CBI substantiations per year has increased from 20 to 24, with a corresponding increase in the associated burden. This change is an adjustment.

IV. What is the next step in the process for this ICR?

EPA will consider the comments received and amend the ICR as appropriate. The final ICR package will then be submitted to OMB for review and approval pursuant to 5 CFR 1320.12. EPA will issue another Federal Register document pursuant to 5 CFR 1320.5(a)(1)(iv) to announce the submission of the ICR to OMB and the opportunity to submit additional comments to OMB. If you have any questions about this ICR or the approval process, please contact the person listed under FOR FURTHER INFORMATION CONTACT.

Authority: 44 U.S.C. 3501 et seq.

Dated: August 17, 2017.

Louise P. Wise, Acting Assistant Administrator, Office of Chemical Safety and Pollution Prevention.

[FR Doc. 2017–19461 Filed 9–12–17; 8:45 am]

BILLING CODE 6560–50–P

FEDERAL COMMUNICATIONS COMMISSION

[OMB 3060–0755]

Information Collection Being Reviewed by the Federal Communications Commission Under Delegated Authority

AGENCY: Federal Communications Commission.

ACTION: Notice and request for comments.

SUMMARY: As part of its continuing effort to reduce paperwork burdens, and as required by the Paperwork Reduction Act (PRA) of 1995, the Federal Communications Commission (FCC or the Commission) invites the general public and other Federal agencies to take this opportunity to comment on the following information collection.

Comments are requested concerning: Whether the proposed collection of
information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; the accuracy of the Commission’s burden estimate; ways to enhance the quality, utility, and clarity of the information collected; ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology; and ways to further reduce the information collection burden on small business concerns with fewer than 25 employees. The FCC may not conduct or sponsor a collection of information unless it displays a currently valid control number. No person shall be subject to any penalty for failing to comply with a collection of information subject to the OMB that does not display a valid Office of Management and Budget (OMB) control number.

DATES: Written PRA comments should be submitted on or before November 13, 2017. If you anticipate that you will be submitting comments, but find it difficult to do so within the period of time allowed by this notice, you should advise the contact listed below as soon as possible.

ADRESSES: Direct all PRA comments to Nicole Ongele, FCC, via email PRA@fcc.gov and to Nicole.Ongele@fcc.gov.

FOR FURTHER INFORMATION CONTACT: For additional information about the information collection, contact Nicole Ongele at (202) 418–2991.

SUPPLEMENTARY INFORMATION: As part of its continuing effort to reduce paperwork burdens, and as required by the Paperwork Reduction Act (PRA) of 1995 (44 U.S.C. 3501–3520), the Federal Communications Commission (FCC or Commission) invites the general public and other Federal agencies to take this opportunity to comment on the following information collections.

Comments are requested concerning: Whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; the accuracy of the Commission’s burden estimate; ways to enhance the quality, utility, and clarity of the information collected; ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology; and ways to further reduce the information collection burden on small business concerns with fewer than 25 employees.

OMB Control Number: 3060–0755.

Title: Sections 59.1 through 59.4. Infrastructure Sharing.

Form Number: N/A.

Type of Review: Extension of a currently approved collection.

Respondents: Business or other for-profit entities.

Number of Responses and Responses: 75 respondents; 1,125 responses.

Estimated Time Per Response: 1–2 hours.

Frequency of Response: On occasion reporting requirement and third party disclosure requirement.

Obligation to Respond: Required to obtain or retain benefits. Statutory authority for this information collection is contained in 47 U.S.C. 239 of the Communications Act of 1934, as amended.

Total Annual Burden: 2,025 hours.

Total Annual Cost: No cost.

Privacy Impact Assessment: No impact(s).

Nature and Extent of Confidentiality: The Commission is not requesting respondents to submit confidential information to the Commission. If the Commission requests respondents to submit information which respondents believe is confidential, respondents may request confidential treatment of such data under 47 CFR 0.459 of the Commission’s rules.

Needs and Uses: There are three reporting and third party disclosure requirements under section 259 of the Communications Act of 1934, as amended. They are (1) filing of tariffs, contracts or arrangements; (2) providing information concerning deployment of new services and equipment; and (3) notice upon termination of section 259 agreements. The information collections by the Commission under the requirement are (1) incumbent local exchange carriers (incumbent LECs) will file for public inspection any tariffs, contracts and agreements for infrastructure sharing with third parties (qualifying carriers); (2) incumbent LECs will provide timely information on planned deployments of new services and equipment to third parties (qualifying carriers); and incumbent LECs will furnish third parties (qualifying carriers) with 60 day notice prior to termination of a section 259 sharing agreement to protect customers from sudden changes in service.

Federal Communications Commission.

Marlene H. Dortch,
Secretary, Office of the Secretary.

[FR Doc. 2017–19388 Filed 9–12–17; 8:45 am]

BILING CODE 6712–01–P

FEDERAL COMMUNICATIONS COMMISSION

[DA 17–849]

Incentive Auction Task Force and Media Bureau Extend the Filing Deadline for the First Priority Filing Window for Eligible Full Power and Class A Television Stations—Revised Filing Deadline: September 15, 2017

AGENCY: Federal Communications Commission.

ACTION: Notice.

SUMMARY: This document extends the filing deadline for the first priority filing window for eligible full power and Class A television stations to file applications for alternate channels or expanded facilities to September 15, 2017.

DATES: September 13, 2017.


SUPPLEMENTARY INFORMATION: Technical issues briefly interrupted access to the Media Bureau’s Licensing and Management System (LMS), which stations use to file construction permit applications and reimbursement cost estimate information. Recognizing the importance of first priority filing window, the filing window will now close at 11:59 p.m. EDT on Friday, September 15, 2017.

Federal Communications Commission.

Thomas Horan, Chief of Staff, Media Bureau.

[FR Doc. 2017–19419 Filed 9–12–17; 8:45 am]

BILLING CODE 6712–01–P

FEDERAL COMMUNICATIONS COMMISSION

[OMB 3060–0430]

Information Collection Being Reviewed by the Federal Communications Commission

AGENCY: Federal Communications Commission.

ACTION: Notice and request for comments.

SUMMARY: As part of its continuing effort to reduce paperwork burdens, and as required by the Paperwork Reduction Act (PRA) of 1995, the Federal Communications Commission (FCC or the Commission) invites the general public and other Federal agencies to...
take this opportunity to comment on the following information collection.

Comments are requested concerning: Whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; the accuracy of the Commission’s burden estimate; ways to enhance the quality, utility, and clarity of the information collected; ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology; and ways to further reduce the information collection burden on small business concerns with fewer than 25 employees.

The FCC may not conduct or sponsor a collection of information unless it displays a currently valid control number. No person shall be subject to a collection of information subject to the OMB. Each collection of information is subject to the OMB’s approval under the Paperwork Reduction Act (44 U.S.C. 3506, 3507, and 3511). At the time the burden estimate is being prepared, it is expected that the OMB has approved the collection of information. Responses are requested concerning: Whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; the accuracy of the Commission’s burden estimate; ways to enhance the quality, utility, and clarity of the information collected; ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology; and ways to further reduce the information collection burden on small business concerns with fewer than 25 employees.

OMB Control Number: 0300–0430.

Title: Section 1.1206, Permit-but-Disclose Proceedings.

Form Number: N/A.

Type of Review: Extension of a currently approved collection.

Respondents: Individuals or households; Business or other for-profit; Not-for-profit institutions; Federal Government; and State, local, or tribal governments.

Number of Respondent and Responses: 11,500 respondents; 34,500 responses.

Frequency of Response: On occasion reporting requirement.

Obligation To Respond: Required to obtain benefits. Statutory authority for this collection of information is contained in sections 4(i) and (j), 303(r), and 409 of the Communications Act of 1934, as amended, 47 U.S.C. 154(i) and (j), 303(r), and 409.

Estimated Time per Response: 45 minutes (0.75 hours).

Total Annual Burden: 25,875 hours.

Total Annual Cost: No cost.

Nature and Extent of Confidentiality: Consistent with the Commission’s rules on confidential treatment of submissions, under 47 CFR 0.459, a presenter may request confidential treatment of ex parte presentations. In addition, the Commission will permit parties to remove metadata containing confidential or privileged information, and the Commission will also not require parties to file electronically ex parte notices that contain confidential information. The Commission will, however, require a redacted version to be filed electronically at the same time the paper filing is submitted, and that the redacted version must be machine-readable whenever technically possible.

Privacy Impact Assessment: No impact(s).

Needs and Uses: The Commission’s rules, under 47 CFR 1.1206, require that a public record be made of ex parte presentations (i.e., written presentations not served on all parties to the proceeding or oral presentations to which all parties have not been given notice and an opportunity to be present) to decision-making personnel in “permit-but-disclose” proceedings, such as notice-and-comment rulemakings and declaratory rule proceedings.

On February 2, 2011, the FCC released a Report and Order and Further Notice of Proposed Rulemaking, GC Docket Number 10–43, FCC 11–11, which amended and reformed the Commission’s rules on ex parte presentations (47 CFR 1.1206(b)(3)) made in the course of Commission rulemakings and other permit-but-disclose proceedings. The modifications to the existing rules adopted in this Report and Order require that parties file more descriptive summaries of their ex parte contacts, by ensuring that other parties and the public have an adequate opportunity to review and respond to information submitted ex parte, and by improving the FCC’s oversight and enforcement of the ex parte rules. The modified ex parte rules which contain information collection requirements which OMB approved on December 6, 2011, are as follows: (1) Ex parte notices will be required for all oral ex parte presentations in permit-but-disclose proceedings, not just for those presentations that involve new information or arguments not already in the record; (2) If an oral ex parte presentation is limited to material already in the written record, the notice must contain either a succinct summary of the matters discussed or a citation to the page or paragraph number in the party’s written submission(s) where the matters discussed can be found; (3) Notices for all ex parte presentations must include the name of the person(s) who made the ex parte presentation as well as a list of all persons attending or otherwise participating in the meeting at which the presentation was made; (4) Notices of ex parte presentations made outside the Sunshine period must be filed within two business days of the presentation; (5) The Sunshine period will begin on the day (including business days, weekends, and holidays) after issuance of the Sunshine notice, rather than when the Sunshine Agenda is issued (as the current rules provide); (6) If an ex parte presentation is made on the day the Sunshine notice is released, an ex parte notice must be submitted by the next business day, and any reply would be due by the following business day. If a permissible ex parte presentation is made during the Sunshine period (under an exception to the Sunshine period prohibition), the ex parte notice is due by the end of the same day on which the presentation was made, and any reply would need to be filed by the next business day. Any reply must be in writing and limited to the issues raised in the ex parte notice to which the reply is directed; (7) Commissioners and agency staff may continue to request ex parte presentations during the Sunshine period, but these presentations should be limited to the new information required by the Commission; (8) Ex parte notices must be submitted.
electronically in machine-readable format. PDF images created by scanning a paper document may not be submitted, except in cases in which a word-processing version of the document is not available. Confidential information may continue to be submitted by paper filing, but a redacted version must be filed electronically at the same time the paper filing is submitted. An exception to the electronic filing requirement will be made in cases in which the filing party claims hardship. The basis for the hardship claim must be substantiated in the ex parte filing: (9) To facilitate stricter enforcement of the ex parte rules, the Enforcement Bureau is authorized to levy forfeitures for ex parte rule violations; (10) Copies of electronically filed ex parte notices must also be sent electronically to all staff and Commissioners present at the ex parte meeting so as to enable them to review the notices for accuracy and completeness. Filers may be asked to submit corrections or further information as necessary for compliance with the rules; and (11) Parties making permissible ex parte presentations in restricted proceedings must conform and clarify rule changes when filing an ex parte notice with the Commission.

The information is used by parties to permit-but-disclose proceedings, including interested members of the public, to respond to the arguments made and data offered in the presentations. The responses may then be used by the Commission in its decision-making. The availability of the ex parte materials ensures that the Commission’s decisional processes are fair, impartial, and comport with the concept of due process in that all interested parties can know of and respond to the arguments made to the decision-making officials.

Federal Communications Commission.

Marlene H. Dortch, Secretary, Office of the Secretary.

[FR Doc. 2017–19416 Filed 9–12–17; 8:45 am]

BILLING CODE 6712–01–P

FEDERAL COMMUNICATIONS COMMISSION

[OMB 3060–1095]

Information Collection Being Reviewed by the Federal Communications Commission Under Delegated Authority

AGENCY: Federal Communications Commission.

ACTION: Notice and request for comments.

SUMMARY: As part of its continuing effort to reduce paperwork burdens, and as required by the Paperwork Reduction Act (PRA), the Federal Communications Commission (FCC or Commission) invites the general public and other Federal agencies to take this opportunity to comment on the following information collections. Comments are requested concerning: Whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; the accuracy of the Commission’s burden estimate; ways to enhance the quality, utility, and clarity of the information collected; ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology; and ways to further reduce the information collection burden on small business concerns with fewer than 25 employees.

OMB Control No.: 3060–1095.

Title: Surrenders of Authorizations for International Carrier, Space Station and Earth Station Licensees.

Form No.: N/A.

Type of Review: Extension of a currently approved collection.

Respondents: Business or other for-profit entities.

Number of Respondents: 8 respondents; 8 responses.

Estimated Time per Response: 1 hour.

Frequency of Response: On occasion reporting requirement.

Obligation to Respond: Voluntary.

The statutory authority for this information collection is contained in sections 4(i), 7(a), 11, 303(c), 303(f), 303(g), and 303(r) of the Communications Act of 1934, as amended; 47 U.S.C. 154(i), 157(a), 161, 303(c), 303(f), 303(g), and 303(r).

Total Annual Burden: 8 hours.

Annual Cost Burden: None.

Privacy Act Impact Assessment: No impact(s).

Nature and Extent of Confidentiality: In general, there is no need for confidentiality with is collection of information.

Needs and Uses: This collection will be submitted to the Office of Management and Budget (OMB) as an extension after this 60-day comment period has ended in order to obtain the full three-year clearance from OMB. There are no changes in the number of respondents, responses, annual burden hours and total annual costs.

Licensees file surrenders of authorizations with the Commission on a voluntary basis. This information is used by Commission staff to issue Public Notices to announce the surrenders of authorization to the general public. The Commission’s release of Public Notices is critical to keeping the general public abreast of the licensees’ discontinuance of telecommunications services.

Without this collection of information, licensees would be required to submit surrenders of authorizations to the Commission by letter which is more time consuming than submitting such requests to the Commission electronically. In addition, Commission staff would spend an extensive amount of time processing surrenders of authorizations received by
letter. The collection of information saves time for both licensees and Commission staff since they are received in IBFS electronically and include only the information that is essential to process the requests in a timely manner. Furthermore, the E-filing module expedites the Commission staff’s announcement of surrenders of authorizations via Public Notice.
Federal Communications Commission.

Marlene H. Dortch,
Secretary, Office of the Secretary.

[FR Doc. 2017–19387 Filed 9–12–17; 8:45 am]
BILLING CODE 6712–01–P

FEDERAL RESERVE SYSTEM

Formations of, Acquisitions by, and Mergers of Bank Holding Companies

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.) (BHC Act), Regulation Y (12 CFR part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

The applications listed below, as well as other related filings required by the Board, are available for immediate inspection at the Federal Reserve Bank indicated. The applications will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the standards enumerated in the BHC Act (12 U.S.C. 1842(c)). If the proposal also involves the acquisition of a nonbanking company, the review also includes whether the acquisition of the nonbanking company complies with the standards in section 4 of the BHC Act (12 U.S.C. 1843). Unless otherwise noted, nonbanking activities will be conducted throughout the United States.

Unless otherwise noted, comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than October 10, 2017.

A. Federal Reserve Bank of St. Louis
(David L. Hubbard, Senior Manager)
P.O. Box 442, St. Louis, Missouri 63166–2034. Comments can also be sent electronically to Comments.applications@stls.frb.org:
1. Banc Investors, L.L.C., Town and Country, Missouri; to acquire up to 49.74 percent of the voting shares of 1st Advantage Bancshares, Inc., St. Peters, Missouri, and thereby indirectly acquire shares of 1st Advantage Bank, St. Peters, Missouri.

B. Federal Reserve Bank of Kansas City
[Dennis Denney, Assistant Vice President] 1 Memorial Drive, Kansas City, Missouri 64198–0001:
1. HYS Investments, LLC, to acquire additional voting shares for a total of 26.48 percent of BOTs, Inc., and thereby indirectly acquire shares of VisionBank, all of Topeka, Kansas.


Yao-Chin Chao,
Assistant Secretary of the Board.

[FR Doc. 2017–19420 Filed 9–12–17; 8:45 am]
BILLING CODE 6712–01–P

FEDERAL RESERVE SYSTEM

Formations of, Acquisitions by, and Mergers of Bank Holding Companies

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.) (BHC Act), Regulation Y (12 CFR part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

The applications listed below, as well as other related filings required by the Board, are available for immediate inspection at the Federal Reserve Bank indicated. The applications will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the standards enumerated in the BHC Act (12 U.S.C. 1842(c)). If the proposal also involves the acquisition of a nonbanking company, the review also includes whether the acquisition of the nonbanking company complies with the standards in section 4 of the BHC Act (12 U.S.C. 1843). Unless otherwise noted, nonbanking activities will be conducted throughout the United States.

Unless otherwise noted, comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than October 10, 2017.

A. Federal Reserve Bank of St. Louis
(David L. Hubbard, Senior Manager)
P.O. Box 442, St. Louis, Missouri 63166–2034. Comments can also be sent electronically to Comments.applications@stls.frb.org:
1. Banc Investors, L.L.C., Town and Country, Missouri; to acquire up to 49.74 percent of the voting shares of 1st Advantage Bancshares, Inc., St. Peters, Missouri, and thereby indirectly acquire shares of 1st Advantage Bank, St. Peters, Missouri.

B. Federal Reserve Bank of Kansas City
[Dennis Denney, Assistant Vice President] 1 Memorial Drive, Kansas City, Missouri 64198–0001:
1. HYS Investments, LLC, to acquire additional voting shares for a total of 26.48 percent of BOTs, Inc., and thereby indirectly acquire shares of VisionBank, all of Topeka, Kansas.


Yao-Chin Chao,
Assistant Secretary of the Board.

[FR Doc. 2017–19420 Filed 9–12–17; 8:45 am]
BILLING CODE 6712–01–P

FEDERAL TRADE COMMISSION

[File No. 152 3134]

Lenovo (United States) Inc.; Analysis To Aid Public Comment

AGENCY: Federal Trade Commission.

ACTION: Proposed consent agreement.

SUMMARY: The consent agreement in this matter settles alleged violations of federal law prohibiting unfair or deceptive acts or practices. The attached Analysis to Aid Public Comment describes both the allegations in the complaint and the terms of the consent order—embodied in the consent agreement—that would settle these allegations.

DATES: Comments must be received on or before October 5, 2017.

ADDRESSES: Interested parties may file a comment online or on paper, by following the instructions in the Request for Comment part of the SUPPLEMENTARY INFORMATION section below. Write: “Lenovo (United States) Inc., Matter No. 152 3134” on your comment, and file your comment online at https://ftcpublic.commentworks.com/ftc/lenovoconsent by following the instructions on the Web-based form. If
If you prefer to file your comment on paper, write “Lenovo (United States) Inc., Matter No. 152 3134” on your comment and on the envelope, and mail your comment to the following address: Federal Trade Commission, Office of the Secretary, 600 Pennsylvania Avenue NW., Suite CC–5610 (Annex D), Washington, DC 20580, or deliver your comment to the following address: Federal Trade Commission, Office of the Secretary, Constitution Center, 400 7th Street SW., 5th Floor, Suite 5610 (Annex D), Washington, DC 20024.


SUPPLEMENTARY INFORMATION: Pursuant to Section 6(f) of the Federal Trade Commission Act, 15 U.S.C. 46(f), and FTC Rule 2.34, 16 CFR 2.34, notice is hereby given that the above-captioned consent agreement containing a consent order to cease and desist, having been filed with and accepted, subject to final approval, by the Commission, has been placed on the public record for a period of thirty (30) days. The following Analysis to Aid Public Comment describes the terms of the consent agreement, and the allegations in the complaint. An electronic copy of the full text of the consent agreement package can be obtained from the FTC Home Page (for September 5, 2017), on the World Wide Web, at https://www.ftc.gov/news-events/commission-actions.

You can file a comment online or on paper. For the Commission to consider your comment, we must receive it on or before October 5, 2017. Write “Lenovo (United States) Inc., Matter No. 152 3134” on your comment. Your comment—including your name and your state—will be placed on the public record of this proceeding, including, to the extent practicable, on the public Commission Web site, at https://www.ftc.gov/policy/public-comments.

Postal mail addressed to the Commission is subject to delay due to heightened security screening. As a result, we encourage you to submit your comments online. To make sure that the Commission considers your online comment, you must file it at https://ftcpublic.commentworks.com/ftc/lenovonconsent by following the instructions on the web-based form. If this Notice appears at http://www.regulations.gov/#home, you also may file a comment through that Web site.

The Federal Trade Commission has accepted, subject to final approval, an agreement containing a consent order from Lenovo (United States), Inc. (“Lenovo”).

The proposed consent order has been placed on the public record for thirty (30) days for receipt of comments by interested persons. Comments received during this period will become part of the public record. After thirty (30) days, the Commission again will review the agreement and the comments received and will decide whether it should withdraw from the agreement or make final the agreement’s proposed order.

This matter involves Lenovo, one of the world’s largest personal computer manufacturers, and its preinstallation of VisualDiscovery software developed by Superfish, Inc. and customized for Lenovo. Lenovo VisualDiscovery injected pop-up ads of similar-looking products sold by Superfish’s retail partners whenever a consumer’s cursor hovered over a product image while browsing on a shopping Web site. For example, when a consumer’s cursor hovered over an image of owl-shaped pendants on a shopping Web site like amazon.com, VisualDiscovery would show the user pop-up ads of similar-looking owl pendants. To do so, VisualDiscovery acted as a “man-in-the-middle” between consumers’ browsers and the Web sites they visited, including encrypted https://websites. This man-in-the-middle technique allowed VisualDiscovery to see all of a consumer’s sensitive personal information that was transmitted on the Internet, such as login credentials, Social Security numbers, financial account information, medical
consumers’ sensitive personal information. VisualDiscovery then collected, transmitted to Superfish servers, and stored a more limited subset of user information, including the Web site addresses visited by consumers, consumers’ IP addresses, and a unique identifier assigned by Superfish to each user’s laptop. Superfish had the ability to collect additional information from Lenovo users through VisualDiscovery at any time.

To facilitate its injection of pop-up ads into encrypted https://websites, VisualDiscovery installed a self-signed root certificate in the laptop’s operating system. This allowed VisualDiscovery to replace the digital certificates for https://websites with VisualDiscovery’s own certificates for those Web sites and caused consumers’ browsers to automatically trust the VisualDiscovery-signed certificates. Digital certificates are part of the Transport Layer Security (TLS) protocol that, when properly validated, serve as proof that consumers are communicating with the authentic https://website and not an imposter.

As alleged in the complaint, VisualDiscovery’s substitution of digital certificates for https://websites with its own certificates for those Web sites created two significant security vulnerabilities. First, VisualDiscovery did not adequately verify that Web sites’ digital certificates were valid before replacing them with its own certificates, which were automatically trusted by consumers’ browsers. This rendered a critical browser security function useless because browsers would no longer warn consumers that their connections were untrusted when they visited potentially spoofed or malicious Web sites with invalid digital certificates.

The complaint also alleges that VisualDiscovery created a second security vulnerability by using a self-signed root certificate with the same private encryption key and the same easy-to-crack password on every laptop rather than employing private keys unique to each laptop. This violated basic encryption key management principles because attackers who cracked the simple password on one consumer’s laptop could then target every affected Lenovo user with man-in-the-middle attacks that could intercept consumers’ electronic communications with any Web site, including those for financial institutions and medical providers. Such attacks would provide attackers with unauthorized access to consumers’ sensitive personal information, such as Social Security numbers, financial account numbers, login credentials, medical information, and email communications. This vulnerability also made it easier for attackers to deceive consumers into downloading malware onto any affected Lenovo laptop. The risk that this vulnerability would be exploited increased after February 19, 2015, when news of these vulnerabilities became public and bloggers posted instructions on how the vulnerabilities could be exploited.

The complaint alleges that Lenovo failed to discover these significant security vulnerabilities because it failed to take reasonable measures to assess and address security risks created by third-party software it preinstalled on its laptops. Specifically, Lenovo allegedly:

- Failed to adopt and implement written data security policies applicable to third-party preinstalled software;
- Failed to adequately assess the data security risks of third-party software prior to preinstallation;
- Failed to request or review any information prior to preinstallation about Superfish’s data security policies, procedures or practices;
- Failed to require Superfish by contract to adopt and implement reasonable data security measures; and
- Failed to provide adequate data security training for employees responsible for testing third-party software.

The complaint alleges that Lenovo’s failure was an unfair act that caused or was likely to cause substantial consumer injury that consumers could not reasonably avoid, and that there were no countervailing benefits to consumers or competition.

The Commission’s complaint also alleges that Lenovo failed to make adequate disclosures about VisualDiscovery to consumers. Lenovo did not disclose to consumers that it had preinstalled VisualDiscovery prior to purchase, and the software had limited visibility on the consumer’s laptop. Lenovo only disclosed VisualDiscovery through a one-time pop-up window the first time consumers visited a shopping Web site that stated, "Explore shopping with VisualDiscovery: Your browser is enabled with VisualDiscovery which lets you discover visually similar products and best prices while you shop."

The pop-up window contained a small opt-out link at the bottom of the pop-up that was easy for consumers to miss. If a consumer clicked on the pop-up’s ‘x’ close button, or anywhere else on the screen, the consumer was opted in to the software.

The complaint alleges that this pop-up window’s disclosures were inadequate and violated Section 5 of the FTC Act by failing to disclose, or failing to disclose adequately, that VisualDiscovery would act as a man-in-the-middle between consumers and all the Web sites they visited, including encrypted https://websites, and collect and transmit certain consumer Internet browsing data to Superfish. These facts would be material to consumers’ decisions whether or not to use VisualDiscovery.

The complaint also alleges that Lenovo’s preinstallation of the ad-injecting software that, without adequate notice or informed consent, acted as a man-in-the-middle between consumers and all the Web sites they visited, including encrypted https://websites, and collected and transmitted certain consumer Internet browsing data to Superfish was an unfair act that caused or was likely to cause substantial injury to consumers, and that was not offset by countervailing benefits to consumers or competition and was not reasonably avoidable by consumers.

The proposed consent order contains provisions designed to prevent Lenovo from engaging in similar acts and practices in the future.

Part I of the proposed order prohibits Lenovo from making any misrepresentations about certain preinstalled software on its personal computers.

Part II of the proposed order requires Lenovo to obtain a consumer’s affirmative express consent, with certain limited exceptions, prior to any preinstalled software a) injecting advertisements into a consumer’s Internet browsing session, or b) transmitting, or causing to transmit, the consumer’s personal information to any person or entity other than the consumer. Lenovo must also provide instructions for how consumers can revoke their consent to the software’s operation by providing a reasonable and effective means for consumers to opt out, disable or remove the software.

Parts III and IV of the proposed order require Lenovo to implement a mandated software security program that is reasonably designed to address security risks in software preinstalled on its personal computers, and undergo biennial software security assessments of its mandated software security program by a third party.

Parts V through IX of the proposed order are standard reporting and
compliance provisions. Part V requires dissemination of the order now and in the future to all current and future principals, officers, directors, and managers, and to persons with managerial or supervisory responsibilities relating to Parts I–IV of the order. Part VI mandates that Lenovo submit a compliance report to the FTC one year after issuance, and then notices, as the order specifies, thereafter. Parts VII and VIII requires Lenovo to retain documents relating to its compliance with the order for a five-year period, and to provide such additional information or documents necessary for the Commission to monitor compliance. Part IX states that the Order will remain in effect for 20 years.

The purpose of this analysis is to aid public comment on the proposed order. It is not intended to constitute an official interpretation of the complaint or proposed order, or to modify in any way the proposed order’s terms.

By direction of the Commission.

Donald S. Clark,
Secretary.


I support this important case and the strong settlement. I write separately to caution against an over broad application of our failure to disclose (sometimes called “deceptive omission”) authority. We should hew to longstanding case law and avoid circumventing congressionally-established limits on our authority. I therefore respectfully disagree with my colleague’s position that we should expand Count I to allege additional failures to disclose.

Most FTC deception cases involve an express misrepresentation (“This sugar pill cures cancer”) or an express statement that gives rise to an implied claim that is false or misleading (“Many people who take this sugar pill don’t die of cancer”).

Although the FTC and the courts have also recognized that a failure to disclose can be deceptive, this has limits. For every product there is a potentially enormous amount of information that at least some consumers might wish to know when deciding whether to purchase or use it. Copious disclosures would be both impractical and unhelpful, and the law sensibly does not require sellers to disclose all information that a consumer might find important.

Thus, the FTC has generally found a failure to disclose to be deceptive in two categories of cases. First, the FTC has found “half-truths” to be deceptive, where a seller makes a truthful statement that creates a material misleading impression that the seller does not correct. Most of the FTC’s failure to disclose cases are half-truth cases, and many could be restyled as cases of implied false or misleading claims. For example, a complaint addressing the claim that “Many people who take this sugar pill don’t die of cancer” could allege an implied false claim that the pill cures cancer, or could allege a deceptive failure to disclose that the pill does not reduce the chances of dying from cancer.

Second, and less frequently, the FTC has found a seller’s silence to be deceptive “under circumstances that constitute an implied but false representation.” Such implied false representations can arise from “ordinary consumer expectations as to the irreducible minimum performance standards of a particular class of good.” Stated differently, offering a product for sale implies that the product is “reasonably fit for [its] intended uses,” and that it is “free of gross safety hazards.” If the product does not meet ordinary consumer expectations of minimum performance, or if the product is not reasonably fit for its intended uses, the seller must disclose that. For example, it would be deceptive for an auto dealer to sell, without a disclosure, a normal-looking car with a maximum speed of 35 miles per hour. Consumers expect cars to be able to reach highway speeds, and thus the dealer must disclose to the buyer that the car does not meet that ordinary expectation. In such cases, an omission is misleading under the FTC Act if the consumers’ ordinary fundamental expectations about the product were violated. Mere annoyances that leave consumers, and thus VisualDiscovery unfit for its intended use do not meet this threshold. Thus, a dealer’s failure to disclose that some might find a car’s seatbelt warning to be annoyingly loud would not be a deceptive omission because consumers have no ordinary expectations about car seatbelt warnings that would mislead them absent a disclosure.

As International Harvester sets out at length, a deceptive omission is distinct from an unfair failure to warn or other forms of unfair omissions. The FTC has brought such cases under its unfairness authority where it has met the statutorily mandated higher burden of showing that the conduct causes or is likely to cause substantial consumer injury that is not reasonably avoidable by the consumer and is not outweighed by benefits to consumers or competition.

Turning to the case at hand, the complaint alleges that VisualDiscovery advertising software on Lenovo laptops acted as a man-in-the-middle between consumers and the Web sites they visited. As such, the software had access to all secure and insecure consumer Web site communications and rendered useless a critical security feature of the laptops’ web browsers. Such practices introduced gross hazards inconsistent with ordinary consumer expectations about the minimum performance standards of software. As a result, the man-in-the-middle functionality and the problems it generated made VisualDiscovery unfit for its intended use as software. Thus, Count I properly alleges that Lenovo failed to disclose, or disclose adequately, that VisualDiscovery acted as a man-in-the-middle.

Although Commissioner McSweeny and I both support Count I, she would add allegations that Lenovo failed to disclose that VisualDiscovery injected ads into shopping Web sites and slowed web browsing. She argues that the injected ads and slowed web browsing altered the internet experience of consumers, and thus VisualDiscovery failed to meet “ordinary consumer expectations as to the irreducible minimum performance standards of [that] particular class of good.”

1 International Harvester Co., 104 FTC at 1059 (explaining why the FTC does not treat pure omissions as deceptive).
2 Id. at 1057–58.
3 Id. at 1058.
4 Id. at 1058–59.
5 Id. at n.29.
6 Id. at 1056; Deception Statement at n.4 (“Not all omissions are deceptive, even if providing the
disclose that some might find a car’s seatbelt warning to be annoyingly loud would not be a deceptive omission because consumers have no ordinary expectations about car seatbelt warnings that would mislead them absent a disclosure.

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5 Id. at 1058–59.
6 Id. at n.29.
7 Id. at 1056; Deception Statement at n.4 (“Not all omissions are deceptive, even if providing the

...) information would benefit consumers . . . Failure to disclose that the product is not fit constitutes a deceptive omission.”)

Id. at 1051 (“It is important to distinguish between the circumstances under which omissions are deceptive . . . and the circumstances under which they amount to an unfair practice.”).


Count I of the complaint is pled in the form of a half-truth, but could also be pled as a failure to correct a false representation implied from circumstances, and so I address Commissioner McSweeney’s argument as framed.

Statement of Commissioner Terrell McSweeney at 1 (citing International Harvester, 104 FTC at 1058).
I respectfully disagree. Lenovo failed to disclose that VisualDiscovery would act as a man-in-the-middle. However, Lenovo did disclose that the software would introduce advertising into consumers’ web browsing, although its disclosure could have been better. Furthermore, to the extent ordinary consumers expect anything from advertising software, they likely expect it to affect their web browsing and to be intrusive, as the popularity of ad blocking technology shows. In addition, unlike the man-in-the-middle technique, VisualDiscovery’s ad placement and web browsing effects did not introduce gross hazards obviously outside of consumers’ ordinary expectations for advertising software. In short, although VisualDiscovery’s ad placement and effect on web browsing may have been irritating to many, those features did not make VisualDiscovery unfit for its intended use. Therefore, I do not find Lenovo’s silence about those features to be a deceptive omission.

Fortunately, the outcome in this case does not depend on resolving our disagreement on the application of deceptive omission to advertising software. My goal in writing separately is to maintain the clear distinction set forth in International Harvester between deceptive failures to disclose and unfair omissions. When evaluating the legality of a party’s silence, we must be careful not to circumvent unfairness’s higher evidentiary burden by simply restyling an unfair omission as a deceptive omission.

**Statement of Commissioner Terrell McSweeny in the Matter of Lenovo, Inc.**

I support the Commission’s complaint against Lenovo, but I am troubled by conduct in this case that the Commission fails to challenge. According to the complaint, Lenovo, Inc. preinstalled software on computers that was designed to serve advertisements to consumers while they were browsing Web sites. The software, called VisualDiscovery, acted as a “man-in-the-middle” between the consumers and all of the Web sites with which they communicated. It allegedly actively contravened the security posture of consumers’ computers, leaving them vulnerable both to attack from cyber-criminals and to transmitting personal information across the web to Superfish, Inc. servers. These unfair practices violate the Federal Trade Commission Act and are appropriately challenged by the FTC in Counts II and III of the complaint.

But Lenovo’s unlawful conduct went beyond the data security failings alleged in the complaint. The complaint also describes how the software it preinstalled on computers would: (1) Inject pop-up ads every time consumers visited a shopping Web site; and (2) disrupt web browsing by reducing download speeds by almost 25 percent and upload speeds by 125 percent. These facts were not disclosed to consumers and these omissions were deceptive.

Moreover, the FTC alleges that the VisualDiscovery software was designed to be difficult to discover. Consumers were initially made aware of the existence of the VisualDiscovery software via a pop-up window the first time they visited an ecommerce site. But clicking to close that window opt ed consumers into the program. The initial pop-up window failed to disclose that VisualDiscovery would follow the consumers from shopping site to shopping site; slow the performance and functionality of the Web sites they visited; and compromise their security and privacy throughout each online browsing session.

Under Section 5 of the FTC Act, the failure to disclose information necessary to prevent the creation of a false impression is a deceptive practice. A seller’s silence may make an implied representation “based on ordinary consumer expectations as to the irreducible minimum performance standards of a particular class of goods.” In this case, Lenovo deceptively omitted that VisualDiscovery would alter the very internet experience for which most consumers buy a computer. I believe that if consumers were fully aware of what VisualDiscovery was, how it compromised their system, and how they could have opted out, most would have decided to keep VisualDiscovery inactive.

This is an exceptionally strong case and clearly articulates how the Commission uses its unfairness tools to protect the data security and privacy of consumers. I support Count I, but believe the FTC should have included additional deceptive conduct alleged in the complaint within the count. The FTC should not turn a blind eye to deceptive disclosures and opt-ins, particularly when consumers’ privacy and security are at stake.

**FEDERAL TRADE COMMISSION**

**Granting of Requests for Early Termination of the Waiting Period Under the Premerger Notification Rules**

Section 7A of the Clayton Act, 15 U.S.C. 18a, as added by Title II of the Hart-Scott-Rodino Antitrust Improvements Act of 1976, requires persons contemplating certain mergers or acquisitions to give the Federal Trade Commission and the Assistant Attorney General advance notice and to wait designated periods before consummation of such plans. Section 7A(b)(2) of the Act permits the agencies, in individual cases, to terminate this waiting period prior to its expiration and requires that notice of this action be published in the Federal Register.

The following transactions were granted early termination—on the dates indicated—of the waiting period provided by law and the premerger notification rules. The listing for each transaction includes the transaction number and the parties to the transaction. The grants were made by the Federal Trade Commission and the Assistant Attorney General for the Antitrust Division of the Department of Justice. Neither agency intends to take any action with respect to these proposed acquisitions during the applicable waiting period.

**EARLY TERMINATIONS GRANTED**

**JULY 1, 2017 THROUGH JULY 31, 2017**

| 07/03/2017 |
|-------------------|-------------------|
| 20171409 ..... | G | Quest Diagnostics Incorporated; Med Fusion, LLC; Quest Diagnostics Incorporated. |
| 20171459 ..... | G | Synnex Corporation; Datatec Limited; Synnex Corporation. |
| 20171460 ..... | G | Datatec Limited; Synnex Corporation; Datatec Limited. |

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13 International Harvester, 104 FTC at 1051.


## EARLY TERMINATIONS GRANTED—Continued

**JULY 1, 2017 THROUGH JULY 31, 2017**

<table>
<thead>
<tr>
<th>Registration Number</th>
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<th>Parties</th>
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<tbody>
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<td>Caerus Operating, LLC; Encana Corporation; Caerus Operating, LLC.</td>
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<td>20171480 ..........</td>
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<td>Enerflex Ltd.; Mesa Compression, LLC; Enerflex Ltd.</td>
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<td>John C. Malone; Liberty Interactive Corporation; John C. Malone.</td>
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<td>20171504 ..........</td>
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<td>20171532 ..........</td>
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<td>Xinghai Zhang; Ronald Perelman; Xinghai Zhang.</td>
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<td>20171525 ..........</td>
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<td>True Wind Capital, L.P.; ARI Network Services, Inc.; True Wind Capital, L.P.</td>
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<td>AK Steel Holding Corporation; PPHC Holdings, LLC; AK Steel Holding Corporation.</td>
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<td>20171542 ..........</td>
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<td>Massimo Scaglariani; Industrial Opportunity Partners, L.P.; Massimo Scaglariani.</td>
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<td>Arsenal Capital Partners IV, LP; PolyOne Corporation; Arsenal Capital Partners IV, LP.</td>
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<td>Enel S.P.A.; EnerNOC, Inc.; Enel S.P.A.</td>
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<td>Mason Wells Buyout Fund IV, LP; King Juice Company, Inc.; Mason Wells Buyout Fund IV, LP.</td>
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<td>07/17/2017</td>
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<td>Glenview Capital Partners (Cayman), Ltd.; The Dow Chemical Company; Glenview Capital Partners (Cayman), Ltd.</td>
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<td>20171488 ..........</td>
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<td>Larry Robbins; The Dow Chemical Company; Larry Robbins.</td>
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<td>20171490 ..........</td>
<td>G</td>
<td>Glenview Institutional Partners, L.P.; The Dow Chemical Company; Glenview Institutional Partners, L.P.</td>
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<tr>
<td>20171491 ..........</td>
<td>G</td>
<td>Glenview Offshore Opportunity Fund, Ltd.; The Dow Chemical Company; Glenview Offshore Opportunity Fund, Ltd.</td>
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<tr>
<td>20171492 ..........</td>
<td>G</td>
<td>GCM Equity Partners LP; The Dow Chemical Company; GCM Equity Partners LP.</td>
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<td>20171553 ..........</td>
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<td>Warburg Pincus Private Equity XII, L.P.; Sterling Investment Partners II, L.P.; Warburg Pincus Private Equity XII, L.P.</td>
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### EARLY TERMINATIONS GRANTED—Continued

**JULY 1, 2017 THROUGH JULY 31, 2017**

#### 07/18/2017

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<th>Date</th>
<th>Group/Company</th>
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<td>20171498</td>
<td>G Fairholme Funds, Inc.; The St. Joe Company; Fairholme Funds, Inc.</td>
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<td>20171527</td>
<td>G Letterone Investment Holdings S.A.; Parexel International Corporation; Letterone Investment Holdings S.A.</td>
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<td>20171536</td>
<td>G EQT Corporation; Rice Energy Inc.; EQT Corporation.</td>
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<td>20171540</td>
<td>G Macquarie Group Limited; Cargill Incorporated; Macquarie Group Limited.</td>
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<td>20171563</td>
<td>G Odyssey Investment Partners Fund V, L.P.; CPI International Holding LLC; Odyssey Investment Partners Fund V, L.P.</td>
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#### 07/19/2017

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<th>Group/Company</th>
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<td>20171522</td>
<td>G Third Point Partners Qualified L.P.; Nestle S.A.; Third Point Partners Qualified L.P.</td>
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<td>G Olympus Growth Fund V, L.P.; Southern Imperial, Inc., Employee Stock Ownership Trust; Olympus Growth Fund V, L.P.</td>
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#### 07/20/2017

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<td>20170539</td>
<td>S Baxter International Inc.; Mr. Arjun Handa; Baxter International Inc.</td>
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<td>20171541</td>
<td>G ScanSource, Inc.; Kent B. Stryker; ScanSource, Inc.</td>
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<td>20171551</td>
<td>G Teekay Corporation; Tanker Investments Ltd.; Teekay Corporation.</td>
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<td>G TPG Growth III DE AIV II, L.P.; Old Ironside Energy Fund II–A, LP; TPG Growth III DE AIV II, L.P.</td>
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<td>G Littlejohn Fund V, L.P.; H.I.G. BBC Holdings, LLC; Littlejohn Fund V, L.P.</td>
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#### 07/21/2017

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<td>G Snow Phipps III, L.P.; Industrial Growth Partners IV, L.P.; Snow Phipps III, L.P.</td>
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<td>S 3i Group plc; Century Park Capital Partners II, L.P.; 3i Group plc.</td>
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<td>G Solar Capital Ltd.; NEF Holdings, LLC; Solar Capital Ltd.</td>
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#### 07/25/2017

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#### 07/26/2017

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<td>G Cedars-Sinai Health System; Torrance Health Association; Cedars-Sinai Health System.</td>
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<td>G Sycamore Partners II, L.P.; Staples, Inc.; Sycamore Partners II, L.P.</td>
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#### 07/27/2017

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#### 07/28/2017

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<td>G Larry Robbins; DowDuPont Inc.; Larry Robbins.</td>
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<td>G Glenview Offshore Opportunity Fund, Ltd.; DowDuPont Inc.; Glenview Offshore Opportunity Fund, Ltd.</td>
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FOR FURTHER INFORMATION CONTACT:

By direction of the Commission.
Donald S. Clark,
Secretary.

[FR Doc. 2017–19426 Filed 9–12–17; 8:45 am]
BILLING CODE 6750–01–P

FEDERAL TRADE COMMISSION
[File No. 1623184]

CSGOLotto, Inc.; Analysis To Aid Public Comment

AGENCY: Federal Trade Commission.

ACTION: Proposed consent agreement.

SUMMARY: The consent agreement in this matter settles alleged violations of federal law prohibiting unfair or deceptive acts or practices. The attached Analysis to Aid Public Comment describes both the allegations in the complaint and the terms of the consent order—embodied in the consent agreement—that would settle these allegations.

DATES: Comments must be received on or before October 10, 2017.

ADDRESSES: Interested parties may file a comment online or on paper, by following the instructions in the Request for Comment part of the SUPPLEMENTARY INFORMATION section below. Write “In the Matter of CSGO Lotto, Inc., File No. 1623184” on your comment, and file your comment online at https://ftcpublic.commentworks.com/ftc/csgolottoconsent by following the instructions on the web-based form. If you prefer to file your comment on paper, write “In the Matter of CSGO Lotto, Inc., File No. 1623184” on your comment and on the envelope, and mail your comment to the following address: Federal Trade Commission, Office of the Secretary, Constitution Center, 400 7th Street SW., 5th Floor, Suite 5610 (Annex D), Washington, DC 20024.

FOR FURTHER INFORMATION CONTACT:

SUPPLEMENTARY INFORMATION: Pursuant to section 6(f) of the Federal Trade Commission Act, 15 U.S.C. 46(f), and FTC Rule 2.34, 16 CFR 2.34, notice is hereby given that the above-captioned consent agreement containing a consent order to cease and desist, having been filed with and accepted, subject to final approval, by the Commission, has been placed on the public record for a period of thirty (30) days. The following Analysis to Aid Public Comment describes the terms of the consent agreement, and the allegations in the complaint. An electronic copy of the full text of the consent agreement package can be obtained from the FTC Home Page (for September 7, 2017), on the World Wide Web, at https://www.ftc.gov/news-events/commission-actions.

You can file a comment online or on paper. For the Commission to consider your comment, we must receive it on or before October 10, 2017. Write “In the Matter of CSGO Lotto, Inc., File No. 1623184” on your comment. Your comment—including your name and your state—will be placed on the public record of this proceeding, including, to the extent practicable, on the public Commission Web site, at https://www.ftc.gov/policy/public-comments.

Postal mail addressed to the Commission is subject to delay due to heightened security screening. As a result, we encourage you to submit your comments online. To make sure that the Commission considers your online comment, you must file it at https://ftcpublic.commentworks.com/ftc/csgolottoconsent by following the instructions on the web-based form. If this Notice appears at http://www.regulations.gov/#/home, you also may file a comment through that Web site.

If you prefer to file your comment on paper, write “In the Matter of CSGO Lotto, Inc., File No. 1623184” on your comment and on the envelope, and mail your comment to the following address: Federal Trade Commission, Office of the Secretary, Constitution Center, 400 7th Street SW., 5th Floor, Suite 5610 (Annex D), Washington, DC 20024. If possible, submit your paper comment to the Commission by courier or overnight service.

Because your comment will be placed on the publicly accessible FTC Web site at https://www.ftc.gov, you are solely responsible for making sure that your comment does not include any sensitive or confidential information. In particular, your comment should not include any sensitive personal information, such as your or anyone else’s Social Security number; date of birth; driver’s license number or other state identification number, or foreign country equivalent; passport number; financial account number; or credit or debit card number. You are also solely responsible for making sure that your comment does not include any sensitive health information, such as medical records or other individually identifiable health information. In addition, your comment should not include any “‘trade secret or any commercial or financial information which . . . is privileged or confidential’”—as provided by section 6(f) of the FTC Act, 15 U.S.C. 46(f), and FTC Rule 4.10(a)(2), 16 CFR 4.10(a)(2)—including in particular competitively sensitive information such as costs, sales statistics, inventories, formulas, patterns, devices, manufacturing processes, or customer names.

Comments containing material for which confidential treatment is requested must be filed in paper form, must be clearly labeled “Confidential,” and must comply with FTC Rule 4.10(c). In particular, the written request for confidential treatment that accompanies
the comment must include the factual and legal basis for the request, and must identify the specific portions of the comment to be withheld from the public record. See FTC Rule 4.9(c). Your comment will be kept confidential only if the General Counsel grants your request in accordance with the law and the public interest. Once your comment has been posted on the public FTC Web site—as legally required by FTC Rule 4.9(b)—we cannot redact or remove your comment from the FTC Web site, unless you submit a confidentiality request that meets the requirements for such treatment under FTC Rule 4.9(c), and the General Counsel grants that request.

Visit the FTC Web site at http://www.ftc.gov to read this Notice and the news release describing it. The FTC Act and other laws that the Commission administers permit the collection of public comments to consider and use in this proceeding, as appropriate. The Commission will consider all timely and responsive public comments that it receives on or before October 10, 2017. For information on the Commission’s privacy policy, including routine uses permitted by the Privacy Act, see https://www.ftc.gov/site-information/privacy-policy.

Analysis of Agreement Containing Consent Order To Aid Public Comment

The Federal Trade Commission (“FTC” or “Commission”) has accepted, subject to final approval, an agreement containing a consent order from CSGO Lotto, Inc., Trevor Martin (“Martin”), and Thomas Cassell (“Cassell”) (collectively “respondents”).

The proposed consent order (“order”) has been placed on the public record for 30 days for receipt of comments by interested persons. Comments received during this period will become part of the public record. After 30 days, the Commission will again review the agreement and the comments received, and will decide whether it should withdraw from the agreement or make the final the agreement’s order.

This matter involves respondents’ advertising for their Web site, www.csgolotto.com (“CSGO Lotto”), which offered consumers the opportunity to gamble using what is in effect a virtual currency. The complaint alleges that respondents violated section 5(a) of the FTC Act by misrepresenting that videos of Martin, Cassell, and other influencers gambling on CSGO Lotto and their social media posts about CSGO Lotto reflected the independent opinions of impartial users of the service. According to the complaint, Martin is the President, Cassell is the Vice President, and both are owners of the company operating CSGO Lotto, and the other influencers were paid to promote CSGO Lotto and were prohibited from impairing its reputation. The complaint further alleges that respondents deceptively failed to disclose that Martin and Cassell were owners and officers of the company operating CSGO Lotto and that other influencers received compensation, including monetary payment, to promote CSGO Lotto.

The order includes injunctive relief to address these alleged violations and fences in similar and related violations.

Provision I prohibits respondents, in connection with the sale of any product or service, from misrepresenting that any endorser of such product or service is an independent user or ordinary consumer of the product or service.

Provision II prohibits respondents from making any representation about any consumer or other endorser of a product or service without disclosing, clearly and conspicuously, and in close proximity to that representation, any unexpected material connection between the consumer or endorser and (1) any respondent, (2) any other individual or entity affiliated with the product or service, or (3) the product or service (“relevant material connections”). The order defines “clearly and conspicuously” as the term applies to the required disclosures.

Provision III sets out certain monitoring and compliance obligations to ensure that when respondents advertise or promote any product or service through endorsers with relevant material connections, the endorsers comply with Provisions I and II of the order. These obligations include: Obtaining signed acknowledgements from such endorsers that they will disclose their relevant material connections; monitoring the endorsers’ representations and disclosures; maintaining records of monitoring efforts; and, under certain circumstances, terminating and ceasing payment to endorsers who misrepresent their independence or fail to properly disclose a relevant material connection.

Provision IV mandates that respondents acknowledge receipt of the order, distribute the order to principals, officers, and certain employees and agents, and obtain signed acknowledgments from them.

Provision V requires that respondents submit compliance reports to the FTC one year after the order’s issuance and submit notifications when certain events occur.

Provision VI requires that for ten years respondents must create and retain certain records.

Provision VII provides for the FTC’s continued compliance monitoring of respondent’s activity during the order’s effective dates.

Provision VIII provides the effective dates of the order, including that, with exceptions, the order will terminate in 20 years.

The purpose of this analysis is to facilitate public comment on the order, and it is not intended to constitute an official interpretation of the complaint or order, or to modify the order’s terms in any way.

By direction of the Commission.

Donald S. Clark.
Secretary.

[FR Doc. 2017–19390 Filed 9–12–17; 8:45 am]
BILLING CODE 6750–01–P

GENERAL SERVICES ADMINISTRATION

[OMB Control No. 3090–0300; Docket No. 2017–0001; Sequence 9]

Information Collection; General Services Administration Acquisition Regulation; Implementation of Information Technology Security Provision

AGENCY: Office of Acquisition Policy, General Services Administration (GSA).

ACTION: Notice of request for comments regarding an extension to an existing OMB information collection.

SUMMARY: Under the provisions of the Paperwork Reduction Act of 1995, the Regulatory Secretariat Division will be submitting to the Office of Management and Budget (OMB) a request to review and approve a renewal of the currently approved information collection requirement regarding Implementation of Information Technology Security Provision.

DATES: Submit comments on or before November 13, 2017.

ADDRESSES: Submit comments identified by Information Collection 3090–0300, Implementation of Information Technology Security Provision, by any of the following methods:

• Regulations.gov: http://www.regulations.gov. Submit comments via the Federal eRulemaking portal by searching the OMB control number 3090–0300. Select the link “Comment Now” that corresponds with “Information Collection 3090–0300, Implementation of Information
Technology Security Provision”. Follow the instructions provided on the screen. Please include your name, company name (if any), and “Information Collection 3090–0300, Implementation of Information Technology Security Provision” on your attached document.

- **Mail:** General Services Administration, Regulatory Secretariat Division (MVCB), 1800 F Street NW., Washington, DC 20405. ATTN: Mr. Poe/IC 3090–0300.

**Instructions:** Please submit comments only and cite Information Collection 3090–0300, Implementation of Information Technology Security Provision, in all correspondence related to this collection. Comments received generally will be posted without change to http://www.regulations.gov, including any personal and/or business confidential information provided. To confirm receipt of your comment(s), please check www.regulations.gov, approximately two to three days after submission to verify posting (except allow 30 days for posting of comments submitted by mail).

**FOR FURTHER INFORMATION CONTACT:** Mr. Kevin Funk, Program Analyst, Office of Acquisition Policy, at 202–357–5805 or via email at kevin.funk@gsa.gov.

**SUPPLEMENTARY INFORMATION:**

**A. Purpose**

Clause 552.239–71 requires contractors, within 30 days after contract award, to submit an IT Security Plan to the Contracting Officer and Contacting Officer’s Representative that describes the processes and procedures that will be followed to ensure appropriate security of IT resources that are developed, processed, or used under the contract. The clause will also require that contractors submit written proof of IT security authorization six months after contract award, and verify that the IT Security Plan remains valid annually.

**B. Annual Reporting Burden**

**Respondents:** 160.

**Responses per Respondent:** 2.

**Total Annual Responses:** 320.

**Hours per Response:** 5.

**Total Burden Hours:** 1,600.

**C. Public Comments**

Public comments are particularly invited on: Whether this collection of information is necessary for the proper performance of functions of the GSAR, and whether it will have practical utility; whether our estimate of the public burden of this collection of information is accurate, and based on valid assumptions and methodology; ways to enhance the quality, utility, and clarity of the information to be collected; and ways in which we can minimize the burden of the collection of information on those who are to respond, through the use of appropriate technological collection techniques or other forms of information technology.

**Obtaining Copies of Proposals:**

Requesters may obtain a copy of the information collection documents from the General Services Administration, Regulatory Secretariat Division (MVCB), 1800 F Street NW., Washington, DC 20405, telephone 202–501–4755. Please citeOMB Control No. 3090–0300, Implementation of Information Technology Security Provision, in all correspondence.

Jeffrey A. Koses,
Director, Office of Acquisition Policy, Office of Government-wide Policy.

[FR Doc. 2017–19349 Filed 9–12–17; 8:45 am]

**BILLING CODE 6820–61–P**

**DEPARTMENT OF DEFENSE**

**GENERAL SERVICES ADMINISTRATION**

**NATIONAL AERONAUTICS AND SPACE ADMINISTRATION**

**[OMB Control No. 9000–0013; Docket 2017–0053; Sequence 7]**

**Information Collection; Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data**

**AGENCY:** Department of Defense (DOD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

**ACTION:** Notice of request for public comments regarding an extension to an existing OMB information collection.

**SUMMARY:** Under the provisions of the Paperwork Reduction Act of 1995, the Regulatory Secretariat Division will be submitting to the Office of Management and Budget (OMB) a request to review and approve an extension of a previously approved information collection requirement concerning Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data.

**DATES:** Submit comments on or before November 13, 2017.

**ADDRESSES:** Submit comments identified by Information Collection 9000–0013, Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data, by any of the following methods:
- Regulations.gov: http://www.regulations.gov. Submit comments via the Federal eRulemaking portal by searching the OMB control number 9000–0013. Select the link that corresponds with “Information Collection 9000–0013, Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data”. Follow the instructions provided on the screen. Please include your name, company name (if any), and “Information Collection 9000–0013, Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data”, on your attached document.
- Mail: General Services Administration, Regulatory Secretariat Division (MVCB), 1800 F Street NW., Washington, DC 20405. ATTN: Mr. Poe/IC 9000–0013, Certified Cost or Pricing Data and Data Other Than Certified Cost or Pricing Data.

**FOR FURTHER INFORMATION CONTACT:** Mr. Michael O. Jackson, Procurement Analyst, Federal Acquisition Policy Division, GSA, 202–208–4949 or michaelo.jackson@gsa.gov.

**SUPPLEMENTARY INFORMATION:**

**A. Purpose**

The Truth in Negotiations Act requires the Government to obtain certified cost or pricing data under certain circumstances. Contractors may request an exemption from this requirement under certain conditions and provide other information instead.

**B. Annual Reporting Burden**

Fiscal year 2016 data was obtained from the Federal Procurement Data System to estimate burdens for the provisions and clauses addressed in this information collection notice. This update does not include the requirements at FAR 42.7, Indirect Cost Rates, as this requirement is covered under OMB Control Number 9000–0069. The data for 52.215–20 is for new contract awards in FY 2016. The data for modifications and orders executed in FY 2016 applies to new contract awards as well as to prior multiple year contracts that continue to be active. The following is a summary of the FY 2016 data:

1. **Subcontractor C&P Data-Mods (FAR 52.214–28)**

   **Respondents:** 8.
DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

Board of Scientific Counselors,
National Center for Environmental Health/Agency for Toxic Substances and Disease Registry (BSC, NCEH/ATSDR); Cancellation of Meeting

Notice is hereby given of a change in the meeting of the Board of Scientific Counselors, National Center for Environmental Health/Agency for Toxic Substances and Disease Registry (BSC, NCEH/ATSDR), September 13, 2017 8:30 a.m.–4:30 p.m., EST; and September 14, 2017 8:30 a.m.–11:30 a.m., EST, which was published in the Federal Register on July 26, 2017, at 83 FR 34674.

This meeting is being canceled in its entirety and this notice is being published on less than 15 days prior to the meeting date due to Hurricane Irma.

For further information contact Amanda Malasky, BS, ORISE Fellow, CDC, 4770 Buford Highway, Atlanta, Georgia 30341–3717, telephone 770–488–7699; yoo@cdc.gov.

The Director, Management Analysis and Services Office, has been delegated the authority to sign Federal Register notices pertaining to announcements of meetings and other committee management activities, for both the Centers for Disease Control and Prevention and the Agency for Toxic Substances and Disease Registry.

Elaine L. Baker,
Director, Management Analysis and Services Office, Centers for Disease Control and Prevention.

[FR Doc. 2017–19340 Filed 9–12–17; 8:45 am]
BILLING CODE 4820–EP–P
a final rule, advice on the scientific validity and quality of dose estimation and reconstruction efforts being performed for purposes of the compensation program, and advice on petitions to add classes of workers to the Special Exposure Cohort (SEC). In December 2000, the President delegated responsibility for funding, staffing, and operating the Advisory Board to HHS, which subsequently delegated this authority to the CDC. NIOSH implements this responsibility for CDC. The charter was issued on August 3, 2001, renewed at appropriate intervals, rechartered on March 22, 2016 pursuant to Executive Order 13708, and will expire on September 30, 2017.

Purpose: This Advisory Board is charged with (a) providing advice to the Secretary, HHS, on the development of guidelines under Executive Order 13179; (b) providing advice to the Secretary, HHS, on the scientific validity and quality of dose reconstruction efforts performed for this program; and (c) upon request by the Secretary, HHS, advising the Secretary on whether there is a class of employees at any Department of Energy facility who were exposed to radiation but for whom it is not feasible to estimate their radiation dose, and on whether there is reasonable likelihood that such radiation doses may have endangered the health of members of this class.

Matters To Be Considered: The agenda will include discussions on: Final Vote Counts from the August ABRWH Meeting for Feeds Material Production Center SEC petition (Fernald, OH), Idaho National Laboratory SEC petition (Scoville, ID), and Grand Junction Facilities SEC petition (Grand Junction, CO); Savannah River Site SEC Petition (Aiken, SC); Work Group and Subcommittee Reports; Update on the Status of SEC Petitions; Plans for the December 2017 Advisory Board Meeting; and Advisory Board Correspondence. Agenda items are subject to change as priorities dictate.

The Director, Management Analysis and Services Office, has been delegated the authority to sign Federal Register notices pertaining to announcements of meetings and other committee management activities, for both the Centers for Disease Control and Prevention and the Agency for Toxic Substances and Disease Registry.

Claudette Grant,
Acting Director, Management Analysis and Services Office, Centers for Disease Control and Prevention

[FR Doc. 2017–19443 Filed 9–12–17; 8:45 am]

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

National Center for Health Statistics (NCHS), ICD–10 Coordination and Maintenance (C&M) Committee Meeting

AGENCY: Centers for Disease Control and Prevention (CDC), Department of Health and Human Services (HHS).

ACTION: Notice of meeting.

SUMMARY: The Centers for Disease Control and Prevention, National Center for Health Statistics (NCHS), Classifications and Public Health Data Standards Staff, announces the following meeting of the ICD–10 Coordination and Maintenance (C&M) Committee meeting. This meeting is open to the public, limited only by the space available. The meeting room accommodates approximately 240 people. We will be broadcasting the meeting live via Webcast at http://www.cms.gov/live/.

DATES: The meeting will be held on September 12, 2017, 8:00 a.m. to 5:00 p.m. EDT and September 13, 2017, 8:00 a.m. to 5:00 p.m. EDT.


FOR FURTHER INFORMATION CONTACT: Traci Ramirez, CCA, Program Specialist, CDC, National Center for Health Statistics (NCHS), Classifications and Public Health Data Standards Staff (CPHDDS), 3311 Toledo Rd., Hyattsville, Maryland 20715, telephone (301) 458–4454, tf4@cdc.gov.

SUPPLEMENTARY INFORMATION:

Pane: The ICD–10 Coordination and Maintenance (C&M) Committee is a public forum for the presentation of proposed modifications to the International Classification of Diseases, Tenth Revision, Clinical Modification and ICD–10 Procedure Coding System.

Matters To Be Considered: The agenda will include discussions on:

ICD–10–PCS Topics
Irreversible Electroporation (IRE)
Shunt Ligation/Occlusion
Spinal Fusion with Interbody Fusion Device
Bypass Descending Thoracic Aorta to Abdominal Artery

ICD–10–CM Diagnosis Topics
Anemia due to Myelosuppressive Antineoplastic Chemotherapy
Cyclic Vomiting

Ecstasy Classification
Elevated Lipoprotein(a)
Factitious Disorder
Incontinence-Associated Dermatitis (IAD)
Intracranial Hypotension
Muscular Dystrophy
Neonatal Metabolic Disturbances
Other Doubling of Uterus
Primary Sclerosing Cholangitis
Tarlov Perineural Cysts
Williams Syndrome
Zika related newborn conditions

ICD–10–CM Addendum

Agenda items are subject to change as priorities dictate.

Security Considerations: Due to increased security requirements CMS has instituted stringent procedures for entrance into the building by non-government employees. Attendees will need to present valid government-issued picture identification, and sign-in at the security desk upon entering the building. Attendees who wish to attend the September 12–13, 2017, ICD–10–CM C&M meeting must submit their name and organization by September 8, 2017, for inclusion on the visitor list. This visitor list will be maintained at the front desk of the CMS building and used by the guards to admit visitors to the meeting.

Participants who attended previous Coordination and Maintenance meetings will no longer be automatically added to the visitor list. You must request inclusion of your name prior to each meeting you wish attend.

Please register to attend the meeting on-line at: http://www.cms.hhs.gov/apps/events/.

Please contact Mady Hue (410–786–4510 or Marilu.hue@cms.hhs.gov), for questions about the registration process.

Note: CMS and NCHS no longer provide paper copies of handouts for the meeting. Electronic copies of all meeting materials will be posted on the CMS and NCHS Web sites prior to the meeting at http://www.cms.hhs.gov/ICD9ProviderDiagnosticCodes/03_meetings.asp#TopOfPage and https://www.cdc.gov/nchs/icd/icd10cm_maintenance.htm.

The Director, Management Analysis and Services Office, has been delegated the authority to sign Federal Register notices pertaining to announcements of meetings and other committee management activities, for both the Centers for Disease Control and
Title: Case Plan Requirement, Title IV–E of the Social Security Act.
OMB No.: 0970–0428.
Respondents: State and Tribe title IV–B and title IV–E agencies.
Description: Under section 471(a)(16) of title IV–E of the Social Security Act (the Act), to be eligible for payments, states and tribes must have an approved title IV–E plan that provides for the development of a case plan for each child for whom the State or Tribe receives foster care maintenance payments and that provides a case review system that meets the requirements in section 475(5) and 475(6) of the Act.

The case review system assures that each child has a case plan designed to achieve placement in a safe setting that is the least restrictive (most family-like) setting available and in close proximity to the child’s parental home, consistent with the best interest and special needs of the child. Through these requirements, States and Tribes also comply, in part, with title IV–B section 422(b) of the Act, which assures certain protections for children in foster care.

The case plan is a written document that provides a narrative description of the child-specific program of care. Federal regulations at 45 CFR 1356.21(g) and section 475(1) of the Act delineate the specific information that should be addressed in the case plan. The Administration for Children and Families (ACF) does not specify a recordkeeping format for the case plan or does ACF require submission of the document to the Federal government. Case plan information is recorded in a format developed and maintained by the State or Tribal child welfare agency.

ANNUAL BURDEN ESTIMATES

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<th>Instrument</th>
<th>Number of respondents</th>
<th>Number of responses per respondent</th>
<th>Average burden hours per response</th>
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<td>4.80</td>
<td>2,626,436</td>
</tr>
</tbody>
</table>

Estimated Total Annual Burden Hours: 2,626,436.

In compliance with the requirements of the Paperwork Reduction Act of 1995 (Pub. L. 104–13, 44 U.S.C. Chap 35), 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 may be obtained and comments may be forwarded by writing to the Administration for Children and Families, Office of Planning, Research and Evaluation, 330 C Street SW., Washington, DC 20201. Attn: 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 Sargs, Reports Clearance Officer. [FR Doc. 2017–19367 Filed 9–12–17; 8:45 am]

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration
[Docket No. FDA–2017–D–5297]

Microdose Radiopharmaceutical Diagnostic Drugs: Nonclinical Study Recommendations; Draft Guidance for Industry; Availability

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice of availability.

SUMMARY: The Food and Drug Administration (FDA or Agency) is announcing the availability of a draft guidance for industry entitled “Microdose Radiopharmaceutical Diagnostic Drugs: Nonclinical Study Recommendations.” This draft guidance is intended to assist developers of microdose radiopharmaceutical diagnostic drugs on the nonclinical studies recommended to support human clinical trials and marketing authorization. The draft guidance discusses how to refine nonclinical study recommendations for this class of drug given its unique characteristics. This draft guidance is intended to provide recommendations for a pathway to full drug development (marketing authorization) for microdose radiopharmaceutical diagnostic drugs.

DATES: Submit either electronic or written comments on the draft guidance by November 13, 2017 to ensure that the Agency considers your comment on this draft guidance before it begins work on the final version of the guidance.

ADDRESSES: You may submit comments on any guidance at any time as follows:

Electronic Submissions
Submit electronic comments in the following way:

• Federal eRulemaking Portal: https://www.regulations.gov. Follow the instructions for submitting comments. Comments submitted electronically, including attachments, to https://www.regulations.gov will be posted to the docket unchanged. Because your comment will be made public, you are solely responsible for ensuring that your comment does not include any confidential information that you or a third party may not wish to be posted, such as medical information, your or anyone else’s Social Security number, or confidential business information, such as a manufacturing process. Please note that if you include your name, contact information, or other information that
identifies you in the body of your comments, that information will be posted on https://www.regulations.gov.  
• If you want to submit a comment with confidential information that you do not wish to be made available to the public, submit the comment as a written/paper submission and in the manner detailed (see “Written/Paper Submissions” and “Instructions”).

Written/Paper Submissions
Submit written/paper submissions as follows:
• Mail/Hand delivery/Courier (for written/paper submissions): Dockets Management Staff (HFA–305), Food and Drug Administration, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852.
• For written/paper comments submitted to the Dockets Management Staff, FDA will post your comment, as well as any attachments, except for information submitted, marked and identified, as confidential, if submitted as detailed in “Instructions.”

Instructions: All submissions received must include the Docket No. FDA–2017–D–5297 for “Microdose Radiopharmaceutical Diagnostic Drugs: Nonclinical Study Recommendations; Draft Guidance for Industry; Availability.” Received comments will be placed in the docket and, except for those submitted as “Confidential Submissions,” publicly viewable at https://www.regulations.gov or at the Dockets Management Staff between 9 a.m. and 4 p.m., Monday through Friday.

Confidential Submissions—To submit a comment with confidential information that you do not wish to be made publicly available, submit your comments only as a written/paper submission. You should submit two copies total. One copy will include the information you claim to be confidential with a heading or cover note that states “THIS DOCUMENT CONTAINS CONFIDENTIAL INFORMATION.” The Agency will review this copy, including the claimed confidential information, in its consideration of comments. The second copy, which will have the claimed confidential information redacted/blacked out, will be available for public viewing and posted on https://www.regulations.gov. Submit both copies to the Dockets Management Staff. If you do not wish your name and contact information to be made publicly available, you can provide this information on the cover sheet and not in the body of your comments and you must identify this information as “confidential.” Any information marked as “confidential” will not be disclosed except in accordance with 21 CFR 10.20 and other applicable disclosure law. For more information about FDA’s posting of comments to public dockets, see 80 FR 56469, September 18, 2015, or access the information at: https://www.gpo.gov/fdsys/pkg/FR-2015-09-18/pdf/2015-23389.pdf.

Docket: For access to the docket to read background documents or the electronic and written/paper comments received, go to https://www.regulations.gov and insert the docket number, found in brackets in the heading of this document, into the “Search” box and follow the prompts and/or go to the Dockets Management Staff, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852.

You may submit comments on any guidance at any time (see 21 CFR 10.115(g)(5)). Submit written requests for single copies of the draft guidance to the Division of Drug Information, Center for Drug Evaluation and Research, Food and Drug Administration, 10001 New Hampshire Ave., Hillandale Building, 4th Floor, Silver Spring, MD 20993–0002. Send one self-addressed adhesive label to assist that office in processing your requests. See the SUPPLEMENTARY INFORMATION section for electronic access to the draft guidance document.

FOR FURTHER INFORMATION CONTACT:
Adebayo Laniyonu, Center for Drug Evaluation and Research, Food and Drug Administration, 10903 New Hampshire Ave., Bldg. 22, Rm. 5400, Silver Spring, MD 20993–0002, 301–796–1392.

SUPPLEMENTARY INFORMATION:
I. Background
FDA is announcing the availability of a draft guidance for industry entitled “Microdose Radiopharmaceutical Diagnostic Drugs: Nonclinical Study Recommendations.” This draft guidance is intended to assist developers of microdose radiopharmaceutical diagnostic drugs on the nonclinical studies recommended to support human clinical trials and marketing authorization. The draft guidance discusses how to refine nonclinical study recommendations for this class of drug given its unique characteristics. This draft guidance is intended to provide recommendations for a pathway to full drug development (marketing authorization) for microdose radiopharmaceutical diagnostic drugs.

This draft guidance is being issued consistent with FDA’s good guidance practices regulation (21 CFR 10.115). The draft guidance, when finalized, will represent the current thinking of FDA on nonclinical studies recommended for microdose radiopharmaceutical diagnostic drugs. It does not establish any rights for any person and is not binding on FDA or the public. You can use an alternative approach if it satisfies the requirements of the applicable statutes and regulations. This guidance is not subject to Executive Order 12866.

II. The Paperwork Reduction Act of 1995
This guidance refers to previously approved collections of information that are subject to review by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520). The collections of information in 21 CFR parts 312 and 314 have been approved under OMB control numbers 0910–0014 and 0910–0001, respectively. The collection of information for radioactive drug research committees in 21 CFR 361.1 has been approved under OMB control number 0910–0053. The collection of information for the regulations on in vivo radiopharmaceuticals used for diagnosis and monitoring in 21 CFR 315.4, 315.5, and 315.6 has been approved under OMB control number 0910–0409.

II. Electronic Access
Persons with access to the internet may obtain the draft guidance at either https://www.fda.gov/Drugs/GuidanceComplianceRegulatoryInformation/Guidances/default.htm or https://www.regulations.gov.

Leslie Kux,  
Associate Commissioner for Policy.

[FR Doc. 2017–19435 Filed 9–12–17; 8:45 am]
BILLING CODE 4164–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Government-Owned Inventions; Availability for Licensing

AGENCY: National Institutes of Health, Department of Health and Human Services.

ACTION: Notice.

SUMMARY: Government owned intellectual property covering HIV-1 reverse transcriptase inhibitors available for licensing and commercialization.

FOR FURTHER INFORMATION CONTACT: Licensing information and copies of the patent applications listed below may be obtained by emailing the indicated licensing contact at the National Heart, Lung, and Blood, Office of Technology Transfer and Development Office of
Pyrophosphate Analog HIV-1 Reverse Transcriptase Inhibitors

**Description of Technology:**
The invention relates to compounds that inhibit HIV-1 DNA synthesis mediated by reverse transcriptase (RT). HIV-1 DNA synthesis by RT utilizes deoxynucleoside 5′-triphosphate (dNTP) as substrate and like many other enzymes, the reaction is reversible. Pyrophosphate analogs like imidodiphosphate strongly promote reverse reaction dNTP products containing the imidodiphosphate group instead of the naturally occurring pyrophosphate group. This imidodiphosphate-containing dNTP was found to be a potent inhibitor of the forward RT reaction. Whereas pyrophosphorylation is limited by a nonchemical step, replacing the bridging oxygen of pyrophosphate with an imido group resulted in a change in the rate-limiting step, so that the pyrophosphate-dependent reverse reaction was limited by chemistry. There exists, then, the potential to use pyrophosphate analogs therapeutically.

**Potential Commercial Applications:**
- Anti-microbial
- HIV therapeutic

**Development Stage:**
- In vitro data available

**Inventors:**
- Samuel Wilson, William Beard
- David Dion Shock (all of NIEHS)

**Intellectual Property:**
- U.S. Provisional Patent Application 62/542,600 filed August 8, 2017

**Licensing Contact:**
- Michael Shmilovich, Esq. CLP; 301–435–5019; shmilovm@nih.gov

**Collaborative Research Opportunity:**
The National Institute of Environmental Health Sciences seeks statements of capability or interest from parties interested in collaborative research to further develop and evaluate, please contact Sally E. Tilotta, Ph.D., Director, Office of Technology Transfer, National Institute of Environmental Health Sciences, Phone: (919) 316–4526; sally.tilotta@nih.gov.


Michael Shmilovich,
Senior Licensing and Patenting Manager,
National Heart, Lung, and Blood Institute,
Office of Technology Transfer and Development.

[FR Doc. 2017–19315 Filed 9–12–17; 8:45 am]

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, 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 Lympathics in Health and Disease in the Digestive System, Kidney and Urinary Tract.

**Date:**
- October 4, 2017.

**Time:**
- 2:00 p.m. to 3:30 p.m.

**Agenda:**
- To review and evaluate grant applications.

**Place:**
- Washington Plaza Hotel, 10 Thomas Circle, NW., Washington, DC 20005.

**Contact Person:**
- Tasmeen Weik, DRPH, MPH, Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 3141, Bethesda, MD 20892, 301–827–6480, weiks@mail.nih.gov

**Name of Committee:**
- Center for Scientific Review Special Emphasis Panel Molecular, Cellular and Developmental Neuroscience Integrated Review Group Neurogenesis and Coll Fate Study Section.

**Date:**
- October 5, 2017.

**Time:**
- 8:00 a.m. to 6:30 p.m.

**Agenda:**
- To review and evaluate grant applications.

**Place:**
- Hyatt Regency Crystal City, 2799 Jefferson Davis Highway, Arlington, VA 22202.

**Contact Person:**
- Joanne T Fujii, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 2156, Bethesda, MD 20892, 301–827–4417, jianxinhu@csr.nih.gov

**Name of Committee:**
- Molecular, Cellular and Developmental Neuroscience Integrated Review Group Neurogenesis and Cell Fate Study Section.

**Date:**
- October 5–6, 2017.

**Time:**
- 9:00 a.m. to 6:00 p.m.

**Agenda:**
- To review and evaluate grant applications.

**Place:**
- Embassy Suites Alexandria Old Town, 1900 Diagonal Road, Alexandria, VA 22314.

**Contact Person:**
- Sharon K Gubanich, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4154, MSC 7806, Bethesda, MD 20892, (301) 435–2037, mackj2@csr.nih.gov

**Name of Committee:**
- Interdisciplinary Molecular Sciences and Training Integrated Review Group Enabling Bioanalytical and Imaging Technologies Study Section.

**Date:**
- October 3–6, 2017.
Name of Committee: Molecular Oncogenesis Study Section.

Contact Person: Kenneth Ryan, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 3218, MSC 7717, Bethesda, MD 20892, 301–435–0229, kenneth.ryan@nih.hhs.gov.

Name of Committee: Oncology 1-Basic Translation Integrated Review Group Molecular Oncogenesis Study Section.

Date: October 5–6, 2017.
Time: 8:00 a.m. to 6:00 p.m.
Agenda: To review and evaluate grant applications.

Place: Renaissance Washington, DC
Meditation Circle Hotel, 1143 New Hampshire Ave NW, Washington, DC 20037.

Contact Person: Kenneth Ryan, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 3218, MSC 7717, Bethesda, MD 20892, 301–435–0229, kenneth.ryan@nih.hhs.gov.

Name of Committee: Molecular Oncogenesis Study Section.

Contact Person: Unja Hayes, Ph.D., Scientific Review Officer, National Institutes of Health, Center for Scientific Review, 6701 Rockledge Drive, Bethesda, MD 20892, 301–827–6830, unja.hayes@nih.gov.

Name of Committee: Musculoskeletal, Oral and Skin Sciences Integrated Review Group Skeletal Biology Structure and Regeneration Study Section.

Date: October 5–6, 2017.
Time: 8:00 a.m. to 6:00 p.m.
Agenda: To review and evaluate grant applications.

Place: Four Seasons Hotel Baltimore, 209 Light Street, Baltimore, MD 21202.

Agenda:

Name of Committee: Molecular, Cellular and Developmental Neuroscience Integrated Review Group Biophysics of Neural Systems Study Section.

Date: October 5, 2017.
Time: 8:00 a.m. to 7:00 p.m.
Agenda: To review and evaluate grant applications.

Place: Lorig Hotel & Spa, 1600 King Street, Alexandria, VA 22314.

Contact Person: Nywana Sizemore, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 3028, MSC 7850, Bethesda, MD 20892, 301–435–1718, nsizemore@csr.nih.gov.

Name of Committee: Molecular, Cellular and Developmental Neuroscience Integrated Review Group Biophysics of Neural Systems Study Section.

Date: October 5, 2017.
Time: 8:00 a.m. to 6:00 p.m.
Agenda: To review and evaluate grant applications.

Place: Hotel Monaco Baltimore, 2 North Charles Street, Baltimore, MD 21201.

Contact Person: Geoffrey G Schofield, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4040–A, MSC 7850, Bethesda, MD 20892, 301–435–1235, geoffreys@csr.nih.gov.

Name of Committee: Population Sciences and Epidemiology Integrated Review Group Behavioral Genetics and Epidemiology Study Section.

Date: October 5, 2017.
Time: 8:00 a.m. to 6:00 p.m.
Agenda: To review and evaluate grant applications.

Place: Washington Plaza Hotel, 10 Thomas Circle, NW., Washington, DC 20005.

Contact Person: George Vogler, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 3140, MSC 7770, Bethesda, MD 20892, (301) 237–2693, voglergp@csr.nih.gov.

Name of Committee: Risk, Prevention and Health Behavior Integrated Review Group Psychosocial Development, Risk and Prevention Study Section.

Date: October 5–6, 2017.
Time: 8:00 a.m. to 6:00 p.m.
Agenda: To review and evaluate grant applications.

Place: The Fairmont Washington, DC, 2401 M Street, NW., Washington, DC 20037.

Contact Person: Anna L Riley, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 3114, MSC 7759, Bethesda, MD 20892, 301–435–2889, rileyanr@csr.nih.gov.

Name of Committee: Biobehavioral and Behavioral Processes Integrated Review Group Biobehavioral Regulation, Learning and Ethology Study Section.

Date: October 5–6, 2017.
Time: 8:00 a.m. to 6:00 p.m.
Agenda: To review and evaluate grant applications.

Place: Pier 2620 Hotel Fisherman’s Wharf, 2620 Jones Street, San Francisco, CA 94133.

Contact Person: Unja Hayes, Ph.D., Scientific Review Officer, National Institutes of Health, Center for Scientific Review, 6701 Rockledge Drive, Bethesda, MD 20892, 301–827–6830, unja.hayes@nih.gov.

Name of Committee: Musculoskeletal, Oral and Skin Sciences Integrated Review Group Skeletal Biology Structure and Regeneration Study Section.

Date: October 5–6, 2017.
Time: 8:00 a.m. to 6:00 p.m.
Agenda: To review and evaluate grant applications.

Place: Sheraton BWI (Baltimore), 1100 Old Eldridge Landing Road, Baltimore, MD 21090.

Contact Person: Yanning Bi, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4214, MSC 7814, Bethesda, MD 20892, 301–451–0996, ybi@csr.nih.gov.

Name of Committee: Digestive, Kidney and Urological Systems Integrated Review Group Clinical, Integrative and Molecular Gastroenterology Study Section.

Date: October 5, 2017.
Time: 8:00 a.m. to 6:00 p.m.
Agenda: To review and evaluate grant applications.

Place: Mayflower Park Hotel, 405 Olive Way, Seattle, WA 98101.

Contact Person: Jonathan K Ivins, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 2190, MSC 7850, Bethesda, MD 20892, (301) 594–1245, ivinsj@csr.nih.gov.

Name of Committee: Biological Chemistry and Macromolecular Biophysics Integrated Review Group Macromolecular Structure and Function C Study Section.

Date: October 5–6, 2017.
Time: 8:00 a.m. to 5:00 p.m.
Agenda: To review and evaluate grant applications.

Place: Residence Inn Bethesda, 7335 Wisconsin Avenue, Bethesda, MD 20814.

Contact Person: William A Greenberg, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4168, MSC 7806, Bethesda, MD 20892, (301) 435–1726, greenbergwa@csr.nih.gov.

Name of Committee: Genes, Genomes, and Genetics Integrated Review Group Prokaryotic Cell and Molecular Biology Study Section.

Date: October 5–6, 2017.
Time: 8:00 a.m. to 6:00 p.m.
Agenda: To review and evaluate grant applications.

Place: Kinzie Hotel, 20 West Kinzie Street, Chicago, IL 60654.

Contact Person: Dominique Lorang-Leins, Ph.D., Scientific Review Officer, National Institutes of Health, Center for Scientific Review, 6701 Rockledge Drive, Room 5108, MSC 7766, Bethesda, MD 20892, 301.326.9721, Lorangd@mail.nih.gov.

Name of Committee: Immunology Integrated Review Group, Cellular and Molecular Immunology—A Study Section.

Date: October 5–6, 2017.
Time: 8:30 a.m. to 5:00 p.m.
Agenda: To review and evaluate grant applications.

Place: Courtyard by Marriott, 5520 Wisconsin Avenue, Chevy Chase, MD 20815.

Contact Person: David B Winter, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4204, MSC 7812, Bethesda, MD 20892, 301–435–1152, dwinter@mail.nih.gov.

Name of Committee: Center for Scientific Review Special Emphasis Panel; PAR15–326: Imaging—Science Track Award for Research Transition (I/START).

Date: October 5, 2017.
Time: 12:00 p.m. to 2:30 p.m.
Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892
(Phone Conference Call).

Contact Person: Yvonne Bennett, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5199, MSC 7846, Bethesda, MD 20892, 301–379–3793, bennety@csr.nih.gov.


Date: September 7, 2017.

David Clary,
Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2017–19361 Filed 9–12–17; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Heart, Lung, and Blood Institute; Notice of Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended, notice is hereby given of a meeting of the Board of Scientific Counselors, NHLBI.

The meeting will be closed to the public as indicated below in accordance with the provisions set forth in section 552b(c)(6), Title 5 U.S.C., as amended for the review, discussion, and evaluation of individual intramural programs and projects conducted by the National Heart, Lung and Blood Institute, including consideration of personnel qualifications and
performance, and the competence of individual investigators, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: Board of Scientific Counselors, NHLBI.
Date: October 23–24, 2017.
Time: October 23, 2017, 8:00 a.m. to 6:00 p.m.
Agenda: To review and evaluate personal qualifications and performance, and competence of individual investigators.
Place: National Institutes of Health Building 10, 10 Center Drive, 6th Floor, Room 6S233, Bethesda, MD 20892.
Time: October 24, 2017, 8:00 a.m. to 6:00 p.m.
Agenda: To review and evaluate personal qualifications and performance, and competence of individual investigators.
Place: National Institutes of Health Building 10, 10 Center Drive, 6th Floor, Room 6S233, Bethesda, MD 20892.
Contact Person: Robert S Balaban, Ph.D., Scientific Director, Division of Intramural Research, National Heart, Lung, and Blood Institute, National Institutes of Health, Building 10, 10 Center Drive, 6th Floor, Room 6S233, Bethesda, MD 20892.

Name of Committee: National Center for Advancing Translational Sciences Special Emphasis Panel; CTSA Collaborative Innovation Award Review.
Date: November 7–8, 2017.
Time: 8:00 a.m. to 5:00 p.m.
Agenda: To review and evaluate grant applications.
Place: National Institutes of Health, One Democracy Plaza, Room 1068, 6701 Democracy Boulevard, Bethesda, MD 20892 (Virtual Meeting).
Contact Person: M. Lourdes Ponce, Ph.D., Scientific Review Officer, Office of Scientific Review, National Center for Advancing Translational Sciences (NCATS), National Institutes of Health, 6701 Democracy Blvd., Democracy 1, Room 1073 Bethesda, MD 20892, 301–435–0810, lourdes.ponce@nih.gov.

(Catalogue of Federal Domestic Assistance Program Nos. 93.859, Pharmacology, Physiology, and Biological Chemistry Research; 93.350, B—Cooperative Agreements; 93.859, Biomedical Research and Research Training, National Institutes of Health, HHS)

David Clary,
Program Analyst, Office of Federal Advisory Committee Policy.
[FR Doc. 2017–19362 Filed 9–12–17; 8:45 am]
BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Center for Advancing Translational Sciences; Notice of Closed Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended, notice is hereby given of the following meeting.
The meeting will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: Center for Scientific Review Special Emphasis Panel, Psychosocial Risk and Disease Prevention.
Date: September 26, 2017.
Time: 8:00 a.m. to 12:00 p.m.
Agenda: To review and evaluate grant applications.
Place: Embassy Suites at the Chevy Chase Pavilion, 4300 Military Road NW., Washington, DC 20015.
Contact Person: Marc Boulay, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 3110, MSC 7808, Bethesda, MD 20892, (301) 300–6541, boulaymg@csr.nih.gov.
This notice is being published less than 15 days prior to the meeting due to the timing limitations imposed by the review and funding cycles.

Dated: September 8, 2017.
Anna Snouffer,
Deputy Director, Office of Federal Advisory Committee Policy.
[FR Doc. 2017–19411 Filed 9–12–17; 8:45 am]
BILLING CODE 4140–01–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency


Proposed Flood Hazard Determinations

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: Comments are requested on proposed flood hazard determinations, which may include additions or modifications of any Base Flood Elevation (BFE), base flood depth, Special Flood Hazard Area (SFHA) boundary or zone designation, or regulatory floodway on the Flood Insurance Rate Maps (FIRMs), and where applicable, in the supporting Flood Insurance Study (FIS) reports for the communities listed in the table below. The purpose of this notice is to seek general information and comment regarding the preliminary FIRM, and where applicable, the FIS report that the Federal Emergency Management Agency (FEMA) has provided to the affected communities. The FIRM and FIS report are the basis of the floodplain management measures that the community is required either to adopt or to show evidence of having in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP). In addition, the FIRM and FIS report, once effective, will be used by insurance agents and others to calculate appropriate flood insurance premium rates for new buildings and the contents of those buildings.
DATES: Comments are to be submitted on or before December 12, 2017.

ADDRESSES: The Preliminary FIRM, and where applicable, the FIS report for each community are available for inspection at both the online location and the respective Community Map Repository address listed in the tables below. Additionally, the current effective FIRM and FIS report for each community are accessible online through the FEMA Map Service Center at www.msc.fema.gov for comparison.

You may submit comments, identified by Docket No. FEMA–B–1742, to Rick Sachbit, Chief, Engineering Services Branch, Federal Insurance and Mitigation Administration, FEMA, 400 C Street SW., Washington, DC 20472 (202) 646–7659, or (email) patrick.sachbit@fema.dhs.gov.

FOR FURTHER INFORMATION CONTACT: Rick Sachbit, Chief, Engineering Services Branch, Federal Insurance and Mitigation Administration, FEMA, 400 C Street SW., Washington, DC 20472 (202) 646–7659, or (email) patrick.sachbit@fema.dhs.gov; or visit the FEMA Map Information eXchange (FMIX) online at http://www.floodmaps.fema.gov/fhm/fmx_main.html.

SUPPLEMENTARY INFORMATION: FEMA proposes to make flood hazard determinations for each community listed below, in accordance with section 110 of the Flood Disaster Protection Act of 1973, 42 U.S.C. 4104, and 44 CFR 67.4(a).

These proposed flood hazard determinations, together with the floodplain management criteria required by 44 CFR 60.3, are the minimum that are required. They should not be construed to mean that the community must change any existing ordinances that are more stringent in their floodplain management requirements. The community may at any time enact stricter requirements of its own or pursuant to policies established by other Federal, State, or regional entities. These flood hazard determinations are used to meet the floodplain management requirements of the NFIP and also are used to calculate the appropriate flood insurance premium rates for new buildings built after the FIRM and FIS report become effective.

The communities affected by the flood hazard determinations are provided in the tables below. Any request for reconsideration of the revised flood hazard information shown on the Preliminary FIRM and FIS report that satisfies the data requirements outlined in 44 CFR 67.6(b) is considered an appeal. Comments unrelated to the flood hazard determinations also will be considered before the FIRM and FIS report become effective.

Use of a Scientific Resolution Panel (SRP) is available to communities in support of the appeal resolution process. SRPs are independent panels of experts in hydrology, hydraulics, and other pertinent sciences established to review conflicting scientific and technical data and provide recommendations for resolution. Use of the SRP may only be exercised after FEMA and local communities have been engaged in a collaborative consultation process for at least 60 days without a mutually acceptable resolution of an appeal. Additional information regarding the SRP process can be found online at http://floodsrp.org/pdfs/srp_fact_sheet.pdf.

The watersheds and/or communities affected are listed in the tables below. The Preliminary FIRM, and where applicable, FIS report for each community are available for inspection at both the online location and the respective Community Map Repository address listed in the tables. For communities with multiple ongoing Preliminary studies, the studies can be identified by the unique project number and Preliminary FIRM date listed in the tables. Additionally, the current effective FIRM and FIS report for each community are accessible online through the FEMA Map Service Center at www.msc.fema.gov for comparison. (Catalog of Federal Domestic Assistance No. 97.022, “Flood Insurance.”)


Roy E. Wright,

I. Non-watershed-based studies:

<table>
<thead>
<tr>
<th>Community</th>
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<tbody>
<tr>
<td>San Diego County, California and Incorporated Areas</td>
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</table>

Maps Available for Inspection Online at: http://www.fema.gov/preliminaryfloodhazarddata

**Project: 12–09–1327S Preliminary Date: February 3, 2017**

<table>
<thead>
<tr>
<th>Community</th>
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<tbody>
<tr>
<td>City of Carlsbad</td>
<td>Building and Development Department, 1635 Faraday Avenue, Carlsbad, CA 92008. City Hall, 276 4th Avenue, Chula Vista, CA 91910.</td>
</tr>
<tr>
<td>City of Chula Vista</td>
<td>City Hall, 1825 Strand Way, Coronado, CA 92118. City Hall, 210 Jimmy Durante Boulevard, Suite 120, Del Mar, CA 92014.</td>
</tr>
<tr>
<td>City of Coronado</td>
<td>City Hall, 505 South Vulcan Avenue, Encinitas, CA 92024. City Hall, 825 Imperial Beach Boulevard, Imperial Beach, CA 91932.</td>
</tr>
<tr>
<td>City of Del Mar</td>
<td>City Hall, 1243 National City Boulevard, National City, CA 91950. City Hall, 300 North Coast Highway, Oceanside, CA 92054.</td>
</tr>
<tr>
<td>City of Encinitas</td>
<td>Engineering Branch, 525 B Street, Suite 750, MS 908A, San Diego, CA 92101.</td>
</tr>
<tr>
<td>City of Imperial Beach</td>
<td>City Hall, 635 South Highway 101, Solana Beach, CA 92075.</td>
</tr>
<tr>
<td>City of National City</td>
<td>Department of Public Works, 5510 Overland Avenue, Suite 410, MS 0326, San Diego, CA 92123.</td>
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<tr>
<td>City of Oceanside</td>
<td></td>
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<td>City of San Diego</td>
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DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

Proposed Flood Hazard Determinations

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: Comments are requested on proposed flood hazard determinations, which may include additions or modifications of any Base Flood Elevation (BFE), base flood depth, Special Flood Hazard Area (SFHA) boundary or zone designation, or regulatory floodway on the Flood Insurance Rate Maps (FIRMs), and where applicable, in the supporting Flood Insurance Study (FIS) reports for the communities listed in the table below. The purpose of this notice is to seek general information and comment regarding the preliminary FIRM, and where applicable, the FIS report that the Federal Emergency Management Agency (FEMA) has provided to the affected communities. The FIRM and FIS report are the basis of the floodplain management measures that the community is required either to adopt or to show evidence of having in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP). In addition, the FIRM and FIS report, once effective, will be used by insurance agents and others to calculate appropriate flood insurance premium rates for new buildings and the contents of those buildings.

DATES: Comments are to be submitted on or before December 12, 2017.

ADDRESSES: The Preliminary FIRM, and where applicable, the FIS report for each community are available for inspection at both the online location and the respective Community Map Repository address listed in the tables below. Additionally, the current effective FIRM and FIS report for each community are accessible online through the FEMA Map Service Center at www.msc.fema.gov for comparison. You may submit comments, identified by Docket No. FEMA–B–1741, to Rick Sachbit, Chief, Engineering Services Branch, Federal Insurance and Mitigation Administration, FEMA, 400 C Street SW., Washington, DC 20472, (202) 646–7659, or (email) patrick.sacbibit@fema.dhs.gov.

FOR FURTHER INFORMATION CONTACT: Rick Sachbit, Chief, Engineering Services Branch, Federal Insurance and Mitigation Administration, FEMA, 400 C Street SW., Washington, DC 20472, (202) 646–7659, or (email) patrick.sacbibit@fema.dhs.gov; or visit the FEMA Map Information eXchange (FMIX) online at www.floodmaps.fema.gov/fhm/fmx_main.html.

SUPPLEMENTARY INFORMATION: FEMA proposes to make flood hazard determinations for each community listed below, in accordance with section 110 of the Flood Disaster Protection Act of 1973, 42 U.S.C. 4104, and 44 CFR 67.4(a).

These proposed flood hazard determinations, together with the floodplain management criteria required by 44 CFR 60.3, are the minimum that are required. They should not be construed to mean that the community must change any existing ordinances that are more stringent in their floodplain management requirements. The community may at any time enact stricter requirements of its own or pursuant to policies established by other Federal, State, or regional entities. These flood hazard determinations are used to meet the floodplain management requirements of the NFIP and also are used to calculate the appropriate flood insurance premium rates for new buildings built after the FIRM and FIS report become effective.

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The watersheds and/or communities affected are listed in the tables below. The Preliminary FIRM, and where applicable, FIS report for each community are available for inspection at both the online location and the respective Community Map Repository address listed in the tables. For communities with multiple ongoing Preliminary studies, the studies can be identified by the unique project number and Preliminary FIRM date listed in the tables. Additionally, the current effective FIRM and FIS report for each community are accessible online through the FEMA Map Service Center at www.msc.fema.gov for comparison.

(Catalog of Federal Domestic Assistance No. 97.022, “Flood Insurance.”)


Roy E. Wright,

<table>
<thead>
<tr>
<th>Community</th>
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<tbody>
<tr>
<td>Bayou Meto Watershed</td>
<td></td>
</tr>
<tr>
<td>Lonoke County, Arkansas and Incorporated Areas</td>
<td></td>
</tr>
<tr>
<td>City of Cabot</td>
<td>City Hall, 101 North 2nd Street, Cabot, AR 72023. Lonoke County Courthouse Annex, 210 North Center Street, Lonoke, AR 72086.</td>
</tr>
<tr>
<td>Unincorporated Areas of Lonoke County</td>
<td></td>
</tr>
</tbody>
</table>
You are authorized to make changes to this declaration for the approved assistance to the extent allowable under the Stafford Act.

The Federal Emergency Management Agency (FEMA) hereby gives notice that pursuant to the authority vested in the Administrator, under Executive Order 12148, as amended, Michael L. Parker, of FEMA is appointed to act as the Federal Coordinating Officer for this major disaster.

The following areas of the State of Iowa have been designated as adversely affected by this major disaster:

- Allamakee, Bremer, Buchanan, Chickasaw, Clayton, Fayette, and Mitchell Counties for Public Assistance.
- All areas within the State of Iowa are eligible for assistance under the Hazard Mitigation Grant Program.

The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 97.030, Community Disaster Loans; 97.031, Coral Brown Fund; 97.032, Crisis Counseling; 97.033, Disaster Legal Services; 97.034, Disaster Unemployment Assistance (DUA); 97.046, Fire Management Assistance Grant; 97.048, Disaster Housing Assistance to Individuals and Households in Presidentially Declared Disaster Areas; 97.049, Presidentially Declared Disaster Assistance—Disaster Housing Operations for Individuals and Households; 97.050, Presidentially Declared Disaster Assistance to Individuals and Households—Other Needs; 97.036, Disaster Grants—Public Assistance (Presidentially Declared Disasters); 97.039, Hazard Mitigation Grant.

Brook Long,
Administrator, Federal Emergency Management Agency.

[FR Doc. 2017–19415 Filed 9–12–17; 8:45 am]
BILLING CODE 9110–12–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Docket ID FEMA–2017–0001]

SUMMARY: This is a notice of the Presidential declaration of a major disaster for the State of Iowa (FEMA–4334–DR), dated August 27, 2017, and related determinations.

DATES: The declaration was issued August 27, 2017.

FOR FURTHER INFORMATION CONTACT:

SUPPLEMENTARY INFORMATION: Notice is hereby given that, in a letter dated August 27, 2017, the President issued a major disaster declaration under the authority of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 et seq. (the “Stafford Act”), as follows:

I have determined that the damage in certain areas of the State of Iowa resulting from severe storms, tornadoes, straight-line winds, and flooding during the period of July 19–23, 2017, is of sufficient severity and magnitude to warrant a major disaster declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 et seq. (the “Stafford Act”). Therefore, I declare that such a major disaster exists in the State of Iowa.

In order to provide Federal assistance, you are hereby authorized to allocate from funds available for these purposes such amounts as you find necessary for Federal disaster assistance and administrative expenses.

Further, you are authorized to make changes to this declaration for the approved assistance to the extent allowable under the Stafford Act.

The Federal Emergency Management Agency (FEMA) hereby gives notice that pursuant to the authority vested in the Administrator, under Executive Order 12148, as amended, Michael L. Parker, of FEMA is appointed to act as the Federal Coordinating Officer for this major disaster.

The following areas of the State of Iowa have been designated as adversely affected by this major disaster:

- Allamakee, Bremer, Buchanan, Chickasaw, Clayton, Fayette, and Mitchell Counties for Public Assistance.
- All areas within the State of Iowa are eligible for assistance under the Hazard Mitigation Grant Program.

The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 97.030, Community Disaster Loans; 97.031, Coral Brown Fund; 97.032, Crisis Counseling; 97.033, Disaster Legal Services; 97.034, Disaster Unemployment Assistance (DUA); 97.046, Fire Management Assistance Grant; 97.048, Disaster Housing Assistance to Individuals and Households in Presidentially Declared Disaster Areas; 97.049, Presidentially Declared Disaster Assistance—Disaster Housing Operations for Individuals and Households; 97.050, Presidentially Declared Disaster Assistance to Individuals and Households—Other Needs; 97.036, Disaster Grants—Public Assistance (Presidentially Declared Disasters); 97.039, Hazard Mitigation Grant.

Brook Long,
Administrator, Federal Emergency Management Agency.

[FR Doc. 2017–19415 Filed 9–12–17; 8:45 am]
BILLING CODE 9110–12–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Docket ID FEMA–2017–0001]

SUMMARY: This is a notice of the Presidential declaration of a major disaster for the State of Iowa (FEMA–4334–DR), dated August 27, 2017, and related determinations.

DATES: The declaration was issued August 27, 2017.

FOR FURTHER INFORMATION CONTACT:

SUPPLEMENTARY INFORMATION: Notice is hereby given that, in a letter dated August 27, 2017, the President issued a major disaster declaration under the authority of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 et seq. (the “Stafford Act”), as follows:

I have determined that the damage in certain areas of the State of Iowa resulting from severe storms, tornadoes, straight-line winds, and flooding during the period of July 19–23, 2017, is of sufficient severity and magnitude to warrant a major disaster declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 et seq. (the “Stafford Act”). Therefore, I declare that such a major disaster exists in the State of Iowa.

In order to provide Federal assistance, you are hereby authorized to allocate from funds available for these purposes such amounts as you find necessary for Federal disaster assistance and administrative expenses.

You are authorized to provide Public Assistance in the designated areas and Hazard Mitigation throughout the State. Consistent with the requirement that Federal assistance be supplemental, any Federal funds provided under the Stafford Act for Hazard Mitigation will be limited to 75 percent of the total eligible costs. Federal funds provided under the Stafford Act for Public Assistance also will be limited to 75 percent of the total eligible costs, with the exception of projects that meet the eligibility criteria for a higher Federal cost-sharing percentage under the Public Assistance Alternative Procedures Pilot Program for Debris Removal implemented pursuant to section 429 of the Stafford Act.

Further, you are authorized to make changes to this declaration for the approved assistance to the extent allowable under the Stafford Act.

The Federal Emergency Management Agency (FEMA) hereby gives notice that pursuant to the authority vested in the Administrator, under Executive Order 12148, as amended, Michael L. Parker, of FEMA is appointed to act as the Federal Coordinating Officer for this major disaster.

The following areas of the State of Iowa have been designated as adversely affected by this major disaster:

- Allamakee, Bremer, Buchanan, Chickasaw, Clayton, Fayette, and Mitchell Counties for Public Assistance.
- All areas within the State of Iowa are eligible for assistance under the Hazard Mitigation Grant Program.

The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 97.030, Community Disaster Loans; 97.031, Coral Brown Fund; 97.032, Crisis Counseling; 97.033, Disaster Legal Services; 97.034, Disaster Unemployment Assistance (DUA); 97.046, Fire Management Assistance Grant; 97.048, Disaster Housing Assistance to Individuals and Households in Presidentially Declared Disaster Areas; 97.049, Presidentially Declared Disaster Assistance—Disaster Housing Operations for Individuals and Households; 97.050, Presidentially Declared Disaster Assistance to Individuals and Households—Other Needs; 97.036, Disaster Grants—Public Assistance (Presidentially Declared Disasters); 97.039, Hazard Mitigation Grant.

Brook Long,
Administrator, Federal Emergency Management Agency.

[FR Doc. 2017–19415 Filed 9–12–17; 8:45 am]
BILLING CODE 9110–12–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Docket ID FEMA–2017–0001]

SUMMARY: This is a notice of the Presidential declaration of a major disaster for the State of Iowa (FEMA–4334–DR), dated August 27, 2017, and related determinations.

DATES: The declaration was issued August 27, 2017.

FOR FURTHER INFORMATION CONTACT:

SUPPLEMENTARY INFORMATION: Notice is hereby given that, in a letter dated August 27, 2017, the President issued a major disaster declaration under the authority of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 et seq. (the “Stafford Act”), as follows:

I have determined that the damage in certain areas of the State of Iowa resulting from severe storms, tornadoes, straight-line winds, and flooding during the period of July 19–23, 2017, is of sufficient severity and magnitude to warrant a major disaster declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 et seq. (the “Stafford Act”). Therefore, I declare that such a major disaster exists in the State of Iowa.

In order to provide Federal assistance, you are hereby authorized to allocate from funds available for these purposes such amounts as you find necessary for Federal disaster assistance and administrative expenses.

You are authorized to provide Public Assistance in the designated areas and Hazard Mitigation throughout the State. Consistent with the requirement that Federal assistance be supplemental, any Federal funds provided under the Stafford Act for Hazard Mitigation will be limited to 75 percent of the total eligible costs. Federal funds provided under the Stafford Act for Public Assistance also will be limited to 75 percent of the total eligible costs, with the exception of projects that meet the eligibility criteria for a higher Federal cost-sharing percentage under the Public Assistance Alternative Procedures Pilot Program for Debris Removal implemented pursuant to section 429 of the Stafford Act.
DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Internal Agency Docket No. FEMA–4332–DR; Docket ID FEMA–2017–0001]

Texas; Amendment No. 3 to Notice of a Major Disaster Declaration

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: This notice amends the notice of a major disaster declaration for the State of Texas (FEMA–4332–DR), dated August 25, 2017, and related determinations.

DATES: This amendment was issued September 1, 2017.


SUPPLEMENTARY INFORMATION: The notice of a major disaster declaration for the State of Texas is hereby amended to include the following areas among those areas determined to have been adversely affected by the event declared a major disaster by the President in his declaration of August 25, 2017.

Polk, Tyler, and Walker Counties for Individual Assistance and assistance for debris removal and emergency protective measures [Categories A and B], including direct federal assistance, under the Public Assistance program.

The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 97.030, Community Disaster Loans; 97.031, Cora Brown Fund; 97.032, Crisis Counseling; 97.033, Disaster Legal Services; 97.034, Disaster Unemployment Assistance (DUA); 97.046, Fire Management Assistance Grant; 97.048, Disaster Housing Assistance to Individuals and Households In Presidentialy Declared Disaster Areas; 97.049, Presidentially Declared Disaster Assistance—Disaster Housing Operations for Individuals and Households—Other Needs; 97.036, Disaster Grants—Public Assistance

(Presidentially Declared Disasters); 97.039, Hazard Mitigation Grant.

Brock Long,
Administrator, Federal Emergency Management Agency.

[FR Doc. 2017–19413 Filed 9–12–17; 8:45 am]
BILLING CODE 9111–23–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

Vermont; Major Disaster and Related Determinations

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: This is a notice of the Presidential declaration of a major disaster for the State of Vermont (FEMA–4330–DR), dated August 16, 2017, and related determinations.

DATES: The declaration was issued August 16, 2017.


SUPPLEMENTARY INFORMATION: Notice is hereby given that, in a letter dated August 16, 2017, the President issued a major disaster declaration under the authority of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 et seq. (the “Stafford Act”), as follows:

I have determined that the damage in certain areas of the State of Vermont resulting from severe storms and flooding during the period of June 29 to July 1, 2017, is of sufficient severity and magnitude to warrant a major disaster declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 et seq. (the “Stafford Act”). Therefore, I declare that such a major disaster exists in the State of Vermont.

In order to provide Federal assistance, you are hereby authorized to allocate from funds available for these purposes such amounts as you find necessary for Federal disaster assistance and administrative expenses.

You are authorized to provide Public Assistance in the designated areas and Hazard Mitigation throughout the State. Consistent with the requirement that Federal assistance be supplemental, any Federal funds provided under the Stafford Act for Hazard Mitigation will be limited to 75 percent of the total eligible costs. Federal funds provided under the Stafford Act for Public Assistance also will be limited to 75 percent of the total eligible costs.
percent of the total eligible costs, with the exception of projects that meet the eligibility criteria for a higher Federal cost-sharing percentage under the Public Assistance Alternative Procedures Pilot Program for Debris Removal implemented pursuant to section 420 of the Stafford Act.

Further, you are authorized to make changes to this declaration for the approved assistance to the extent allowable under the Stafford Act.

The Federal Emergency Management Agency (FEMA) hereby gives notice that pursuant to the authority vested in the Administrator, under Executive Order 12148, as amended, Mark H. Landry, of FEMA is appointed to act as the Federal Coordinating Officer for this major disaster.

The following areas of the State of Vermont have been designated as adversely affected by this major disaster:

- Addison, Bennington, Caledonia, Orange, Rutland, Washington, and Windsor Counties for Public Assistance.
- All areas within the State of Vermont are eligible for assistance under the Hazard Mitigation Grant Program.

The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 97.030, Community Disaster Loans; 97.031, Cora Brown Fund; 97.032, Crisis Counseling; 97.033, Disaster Legal Services; 97.034, Disaster Unemployment Assistance (DUA); 97.046, Fire Management Assistance Grant; 97.048, Disaster Housing Assistance to Individuals and Households—Other Needs; 97.036, Disaster Housing Assistance to Individuals and Households—Presidentially Declared Disaster Areas; 97.049, Disaster Housing Assistance to Individuals and Households In Presidentially Declared Disaster Areas; 97.049, Presidentially Declared Disaster Assistance—Disaster Housing Operations for Individuals and Households; 97.050, Presidentially Declared Disaster Assistance to Individuals and Households—Other Needs.


SUPPLEMENTARY INFORMATION: The notice of a major disaster declaration for the State of Texas is hereby amended to include the following areas among those areas determined to have been adversely affected by the event declared a major disaster by the President in his declaration of August 25, 2017.

- Austin, Bastrop, DeWitt, Gonzales, Karnes, Lavaca, and Lee Counties for Individual Assistance and assistance for debris removal and emergency protective measures [Categories A and B], including direct federal assistance, under the Public Assistance program.
- Aransas, Brazoria, Calhoun, Chambers, Colorado, Fayette, Fort Bend, Galveston, Goliad, Hardin, Harris, Jackson, Jasper, Jefferson, Liberty, Matagorda, Montgomery, Newton, Nueces, Orange, Polk, San Jacinto, San Patricio, Tyler, Victoria, Walker, Waller, and Wharton Counties for Public Assistance [Categories C–G] (already designated for Individual Assistance and assistance for debris removal and emergency protective measures [Categories A and B], including direct federal assistance, under the Public Assistance program).

The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 97.030, Community Disaster Loans; 97.031, Cora Brown Fund; 97.032, Crisis Counseling; 97.033, Disaster Legal Services; 97.034, Disaster Unemployment Assistance (DUA); 97.046, Fire Management Assistance Grant; 97.048, Disaster Housing Assistance to Individuals and Households—Other Needs; 97.036, Disaster Housing Assistance to Individuals and Households In Presidentially Declared Disaster Areas; 97.049, Presidentially Declared Disaster Assistance—Disaster Housing Operations for Individuals and Households; 97.050, Presidentially Declared Disaster Assistance to Individuals and Households—Other Needs.


[FR Doc. 2017–19383 Filed 9–12–17; 8:45 am]

BILLING CODE 9111–23–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Texas; Amendment No. 5 to Notice of a Major Disaster Declaration]

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: This notice amends the notice of a major disaster declaration for the State of Texas (FEMA–4332–DR), dated August 25, 2017, and related determinations.

DATES: This amendment was issued September 4, 2017.

SUMMARY: This is a notice of the Presidential declaration of a major disaster for the State of West Virginia (FEMA–4331–DR), dated August 18, 2017, and related determinations.

DATES: The declaration was issued August 18, 2017.


SUPPLEMENTARY INFORMATION: Notice is hereby given that, in a letter dated August 18, 2017, the President issued a major disaster declaration under the authority of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 et seq. (the “Stafford Act”), as follows:

I have determined that the damage in certain areas of the State of West Virginia resulting from severe storms, flooding, landslides, and mudslides during the period of July 28–29, 2017, is of sufficient severity and magnitude to warrant a major disaster declaration under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 et seq. (the “Stafford Act”). Therefore, I declare that such a major disaster exists in the State of West Virginia.

In order to provide Federal assistance, you are hereby authorized to allocate from funds available for these purposes such amounts as you find necessary for Federal disaster assistance and administrative expenses.

You are authorized to provide Individual Assistance and Public Assistance in the designated areas and Hazard Mitigation throughout the State. Consistent with the requirement that Federal assistance be supplemental, any Federal funds provided under the Stafford Act for Hazard Mitigation and Other Needs Assistance will be limited to 75 percent of the total eligible costs. Federal funds provided under the Stafford Act for Public Assistance also will be limited to 75 percent of the total eligible costs, with the exception of projects that meet the eligibility criteria for a higher Federal cost-sharing percentage under the Public Assistance Alternative Procedures Pilot Program for Debris Removal implemented pursuant to section 428 of the Stafford Act.

Further, you are authorized to make changes to this declaration for the approved assistance to the extent allowable under the Stafford Act.

The time period prescribed for the implementation of section 310(a), Priority to Certain Applications for Public Facility and Public Housing Assistance, 42 U.S.C. 5153, shall be for a period not to exceed six months after the date of this declaration.

The Federal Emergency Management Agency (FEMA) hereby gives notice that pursuant to the authority vested in the Administrator, under Executive Order 12148, as amended, Steven S. Ward, of FEMA is appointed to act as the Federal Coordinating Officer for this major disaster.

The following areas of the State of West Virginia have been designated as adversely affected by this major disaster:

Harrison, Marion, Marshall, and Wetzel Counties for Individual Assistance.

Doddridge, Harrison, Marion, Marshall, Monongalia, Ohio, Preston, Randolph, Taylor, Tucker, Tyler, and Wetzel Counties for Public Assistance.

All areas within the State of West Virginia are eligible for assistance under the Hazard Mitigation Grant Program.

The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 97.030, Community Disaster Loans; 97.031, Cora Brown Fund; 97.032, Crisis Counseling; 97.033, Disaster Legal Services; 97.034, Disaster Unemployment Assistance (DUA); 97.046, Fire Management Assistance Grant; 97.048, Disaster Housing Assistance to Individuals and Households In Presidentially Declared Disaster Areas; 97.049, Presidentially Declared Disaster Assistance—Disaster Housing Operations for Individuals and Households; 97.050, Presidentially Declared Disaster Assistance to Individuals and Households—Other Needs; 97.036, Disaster Grants—Public Assistance (Presidentially Declared Disasters); 97.039, Hazard Mitigation Grant.

Brock Long,
Administrator, Federal Emergency Management Agency.

[FR Doc. 2017–19427 Filed 9–12–17; 8:45 am]

BILLING CODE 9111–23–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Docket ID FEMA–2017–0029; OMB No. 1660–0130]

Agency Information Collection Activities: Proposed Collection; Comment Request; Generic Clearance for the Collection of Qualitative Feedback on Agency Service Delivery

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice and request for comments.

SUMMARY: The Federal Emergency Management Agency, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on an extension, without change, of a currently approved information collection. In accordance with the Paperwork Reduction Act of 1995, this notice seeks comments concerning the Collection of Qualitative Feedback on Agency Service Delivery.

DATES: Comments must be submitted on or before November 13, 2017.

ADDRESSES: To avoid duplicate submissions to the docket, please use only one of the following means to submit comments:


(2) Mail. Submit written comments to Docket Manager, Office of Chief Counsel, DHS/FEMA, 500 C Street SW., 8NE, Washington, DC 20472–3100.

All submissions received must include the agency name and Docket ID. Regardless of the method used for submitting comments or material, all submissions will be posted, without change, to the Federal eRulemaking Portal at http://www.regulations.gov, and will include any personal information you provide. Therefore, submitting this information makes it public. You may wish to read the Privacy Act notice that is available via the link in the footer of www.regulations.gov.

FOR FURTHER INFORMATION CONTACT: Contact Sherina Greene, Management and Program Analyst, FEMA Office of the Chief Administrative Officer, Information Management Division, at (202) 646–4343 for further information. You may contact the Information Management Division for copies of the proposed collection of information at email address: FEMA-Information-Collections-Management@fema.dhs.gov.

SUPPLEMENTARY INFORMATION: Executive Order 12862 directs Federal agencies to provide service to the public that matches or exceeds the best service available in the private sector. In order to work continuously to ensure that our programs are effective and meet our customers’ needs, Federal Emergency management Agency (FEMA) (hereafter “the Agency”) seeks to obtain OMB approval of a generic clearance to collect qualitative feedback on our service delivery. By qualitative feedback we mean information that provides useful insights on perceptions and opinions, but are not statistical surveys that yield quantitative results that can be generalized to the population of study.

Collection of Information

Title: Generic Clearance for the Collection of Qualitative Feedback on Agency Service Delivery.
Abstract: The information collection activity will garner qualitative customer and stakeholder feedback in an efficient, timely manner, in accordance with the Administration’s commitment to improving service delivery. This feedback will provide insights into customer or stakeholder perceptions, experiences and expectations, provide an early warning of issues with service, or focus attention on areas where communication, training or changes in operations might improve delivery of products or services. These collections will allow for ongoing, collaborative and actionable communications between the Agency and its customers and stakeholders. It will also allow feedback to contribute directly to the improvement of program management. Feedback collected under this generic clearance will provide useful information, but it will not yield data that can be generalized to the overall population. This type of generic clearance for qualitative information will not be used for quantitative information collections that are designed to yield reliably actionable results, such as monitoring trends over time or documenting program performance. Such data uses require more rigorous designs that address: The target population to which generalizations will be made, the sampling frame, the sample design (including stratification and clustering), the precision requirements or power calculations that justify the proposed sample size, the expected response rate, methods for assessing potential non-response bias, the protocols for data collection, and any testing procedures that were or will be undertaken prior to fielding the study. Depending on the degree of influence the results are likely to have, such collections may still be eligible for submission for other generic collections that are designed to yield quantitative results.

Affected Public: Individuals or Households.

Number of Respondents: 1,075,000.

Number of Responses: 1,075,000.

Estimated Total Annual Burden Hours: 181,995 hours.

Estimated Total Annual Respondent Cost: $6,340,705.80.

Estimated Respondents’ Operation and Maintenance Costs: None.

Estimated Respondents’ Capital and Start-Up Costs: None.

Estimated Total Annual Cost to the Federal Government: $2,079,000.95.

Comments
Comments may be submitted as indicated in the ADDRESSES caption above. Comments are solicited to (a) evaluate whether the proposed data collection is necessary for the proper performance of the agency, including whether the information shall have practical utility; (b) evaluate the accuracy of the agency’s estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; (c) enhance the quality, utility, and clarity of the information to be collected; and (d) minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

Dated: September 6, 2017.

Tammi Hines,

[FR Doc. 2017–19370 Filed 9–12–17; 8:45 am]
BILLING CODE 9111–23–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency


Louisiana; Amendment No. 1 to Notice of an Emergency Declaration

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: This notice amends the notice of an emergency declaration for the State of Louisiana (FEMA–3382–EM), dated August 28, 2017, and related determinations.

DATES: This amendment was issued August 31, 2017.


SUPPLEMENTARY INFORMATION: The notice of an emergency declaration for the State of Louisiana is hereby amended to include the following areas among those areas determined to have been adversely affected by the event declared an emergency by the President in his declaration of August 28, 2017.

Allen, Acadia, Iberia, Natchitoches, Rapides, Sabine, and Vernon Parishes for emergency protective measures (Category B), including direct federal assistance, under the Public Assistance program.

The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds:
97.030, Community Disaster Loans; 97.031, Coral Brown Fund; 97.032, Crisis Counseling; 97.033, Disaster Legal Services; 97.034, Disaster Unemployment Assistance (DUA); 97.046, Fire Management Assistance Grant; 97.048, Disaster Housing Assistance to Individuals and Households; 97.049, Presidentially Declared Disaster Assistance—Disaster Housing Operations for Individuals and Households; 97.050 Presidentially Declared Disaster Assistance to Individuals and Households—Other Needs; 97.056, Disaster Grants—Public Assistance (Presidentially Declared Disasters); 97.039, Hazard Mitigation Grant.

Brock Long,
Administrator, Federal Emergency Management Agency.

[FR Doc. 2017–19373 Filed 9–12–17; 8:45 am]
BILLING CODE 9111–23–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Internal Agency Docket No. FEMA–4332–DR; Docket ID FEMA–2017–0001]

Texas; Amendment No. 4 to Notice of a Major Disaster Declaration

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Notice.

SUMMARY: This notice amends the notice of a major disaster for the State of Texas (FEMA–4332–DR), dated August 25, 2017, and related determinations.

DATES: This amendment was issued September 2, 2017.


SUPPLEMENTARY INFORMATION: Notice is hereby given that, in a letter dated September 2, 2017, the President amended the cost-sharing arrangements regarding Federal funds provided under the authority of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 et seq. (the “Stafford Act”), in a letter to Brock
Long, Administrator, Federal Emergency Management Agency, Department of Homeland Security, under Executive Order 12148, as follows:

I have determined that the damage in certain areas of the State of Texas resulting from Hurricane Harvey beginning on August 23, 2017, and continuing, is of sufficient severity and magnitude that special cost sharing arrangements are warranted regarding Federal funds provided under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 et seq. (the “Stafford Act”).

Therefore, I amend my declaration of August 25, 2017, to authorize a 90 percent Federal cost share for debris removal, including direct Federal assistance; and a 100 percent Federal cost share for emergency protective measures, including direct Federal assistance, for 30 days from the start of the incident period, and then a 90 percent Federal cost share thereafter.

This adjustment to State and local cost sharing applies only to Public Assistance costs and direct Federal assistance eligible for such adjustments under the law. The Robert T. Stafford Disaster Relief and Emergency Assistance Act specifically prohibits a similar adjustment for funds provided for Other Needs Assistance (section 408), and the Hazard Mitigation Grant Program (section 404). These funds will continue to be reimbursed at 75 percent of total eligible costs.

The following Catalog of Federal Domestic Assistance Numbers (CFDA) are to be used for reporting and drawing funds: 97.030, Community Disaster Loans; 97.031, Cora Brown Fund; 97.032, Crisis Counseling; 97.033, Disaster Legal Services; 97.034, Disaster Unemployment Assistance (DUA); 97.046, Fire Management Assistance Grant; 97.048, Disaster Housing Assistance to Individuals and Households In Presidentially Declared Disaster Areas—Public Assistance; 97.049, Presidentially Declared Disaster Assistance—Disaster Housing Operations for Individuals and Households; 97.050 Presidentially Declared Disaster Assistance to Individuals and Households—Other Needs; 97.036, Disaster Grants—Public Assistance (Presidentially Declared Disasters); 97.039, Hazard Mitigation Grant.

Brock Long,
Administrator, Federal Emergency Management Agency.

[FR Doc. 2017–19371 Filed 9–12–17; 8:45 am]
BILLING CODE 9111–23–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
[Docket No. FR–6001–N–33]

60-Day Notice of Proposed Information Collection: Performing Loan Servicing for the Home Equity Conversion Mortgage (HECM)

AGENCY: Office of the Assistant Secretary for Housing—Federal Housing Commissioner, HUD.

ACTION: Notice.

SUMMARY: HUD is seeking approval from the Office of Management and Budget (OMB) for the information collection described below. In accordance with the Paperwork Reduction Act, HUD is requesting comment from all interested parties on the proposed collection of information. The purpose of this notice is to allow for 60 days of public comment.

DATES: Comments Due Date: November 13, 2017.

ADDRESSES: Interested persons are invited to submit comments regarding this proposal. Comments should refer to the proposal by name and/or OMB Control Number and should be sent to: Colette Pollard, Reports Management Officer, QDM, Department of Housing and Urban Development, 451 7th Street SW., Room 4176, Washington, DC 20410–5000; telephone 202–420–3410 (this is not a toll-free number) or email at Colette.Pollard@hud.gov for a copy of the proposed forms or other available information. Persons with hearing or speech impairments may access this number through TTY by calling the toll-free Federal Relay Service at (800) 877–8339.

FOR FURTHER INFORMATION CONTACT:
Ivy W. Himes, Director, Office of Single Family Asset Management, Department of Housing and Urban Development, 451 7th Street SW., Washington, DC 20410; email Ivy.W.Himes@hud.gov or telephone 202–708–1672, option 3. This is not a toll-free number. Persons with hearing or speech impairments may access this number through TTY by calling the toll-free Federal Relay Service at (800) 877–8339.

Copies of available documents submitted to OMB may be obtained from Ms. Pollard.

SUPPLEMENTARY INFORMATION: This notice informs the public that HUD is seeking approval from OMB for the information collection described in Section A.

A. Overview of Information Collection

Title of Information Collection: Performing Loan Servicing for the Home Equity Conversion Mortgage (HECM).

OMB Approval Number: 2502–0611.

Type of Request: Revision of currently approved collection.

Form Numbers: HUD–27011, HUD–50002, HUD–50012, HUD–9519–A.

Description of the need for the information and proposed use: This information request is a comprehensive collection of requirements for mortgagees that service HECM mortgages and the HECM mortgagors, who are involved with servicing-related activities that includes collection and payment of mortgage insurance premiums, escrow account administration, providing loan information and customer service.

Respondents (i.e. affected public): Individuals or Household.

Estimated Number of Respondents: 10.

Estimated Number of Responses: 21,345,282.

Frequency of Response: On occasion.

Average Hours per Response: 0.07 (4 minutes).

Total Estimated Burdens: 1,494,170.

B. Solicitation of Public Comment

This notice is soliciting comments from members of the public and affected parties concerning the collection of information described in Section A on the following:

(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;

(3) Ways to enhance the quality, utility, and clarity of the information to be collected; and

(4) Ways to minimize the burden of the collection of information on those who are to respond; including through the use of appropriate automated collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

HUD encourages interested parties to submit comment in response to these questions.


Dana T. Wade,
General Deputy Assistant Secretary for Housing.

[FR Doc. 2017–19437 Filed 9–12–17; 8:45 am]
BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
[Docket No. FR–6002–N–01]

60-Day Notice of Proposed Information Collection: Application for Healthy Homes and Lead Hazard Control Grant Programs and Quality Assurance Plans

AGENCY: HUD Office of Lead Hazard Control and Healthy Homes, HUD.

ACTION: Notice.
SUMMARY: HUD is seeking approval from the Office of Management and Budget (OMB) for the information collection described below. In accordance with the Paperwork Reduction Act, HUD is requesting comment from all interested parties on the proposed collection of information. The purpose of this notice is to allow for 60 days of public comment.

DATES: Comments Due Date: November 13, 2017.

ADDRESSES: Interested persons are invited to submit comments regarding this proposal. Comments should refer to the proposal by name and/or OMB Control Number and should be sent to: Colette Pollard, Reports Management Officer, QDAM, Department of Housing and Urban Development, 451 7th Street SW., Room 4176, Washington, DC 20410–5000; telephone 202–402–3400 (this is not a toll-free number) or email Colette.Pollard@hud.gov for a copy of the proposed forms or other available information. Persons with hearing or speech impairments may access this number through TTY by calling the toll-free Federal Relay Service at (800) 877–8339.

FOR FURTHER INFORMATION CONTACT: Colette Pollard, Reports Management Officer, QDAM, Department of Housing and Urban Development, 451 7th Street SW., Washington, DC 20410; email Colette Pollard at Colette.Pollard@hud.gov or telephone 202–402–3400. This is not a toll-free number. Persons with hearing or speech impairments may access this number through TTY by calling the toll-free Federal Relay Service at (800) 877–8339. Copies of available documents submitted to OMB may be obtained from Ms. Pollard.

SUPPLEMENTARY INFORMATION: This notice informs the public that HUD is seeking approval from OMB for the information collection described in Section A.

A. Overview of Information Collection

Title of Information Collection: Application for Healthy Homes and Lead Hazard Control Grant Programs and Quality Assurance Plans.

OMB Approval Number: 2539–0015.

Type of Request: Renewal with some changes due to program changes.


Description of the need for the information and proposed use: Applications for lead-based paint hazard control, lead hazard reduction demonstration, healthy homes productions, healthy homes technical studies, and lead technical studies grants, and quality assurance plans for those technical studies grants.

Respondents: Cities, States and municipalities, universities, private companies.

Estimated Number of Respondents: 250.

Estimated Number of Responses: 250.

Frequency of Response: Annual.

Average Hours per Response: 60.

Total Estimated Burden: 15,000 hours, $607,500.

B. Solicitation of Public Comment

This notice is soliciting comments from members of the public and affected parties concerning the collection of information described in Section A on the following:

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;

3. Ways to enhance the quality, utility, and clarity of the information to be collected; and

4. Ways to minimize the burden of the collection of information on those who are to respond; including through the use of appropriate automated collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

HUD encourages interested parties to submit comment in response to these questions.


Dated: September 6, 2017.

Matthew Ammon, Director, Office of Lead Hazard Control and Healthy Homes.

SUPPLEMENTARY INFORMATION:

Agency Information Collection Activities; Submission for OMB Review; Comment Request; Evaluation of the American Apprenticeship Initiative.

AGENCY: Office of the Assistant Secretary for Policy, Chief Evaluation Office, Department of Labor.

ACTION: Notice of Information Collection; request for comment.

SUMMARY: The Department of Labor (DOL), as part of its continuing effort to reduce paperwork and respondent burden, conducts a preclearance consultation program to provide the general public and Federal agencies with an opportunity to comment on proposed and/or continuing collections of information in accordance with the Paperwork Reduction Act of 1995 (PRA95). This program helps to ensure that requested data can be provided in the desired format, reporting burden (time and financial resources) is minimized, collection instruments are clearly understood, and the impact of collection requirements on respondents is properly assessed.

Currently, the Department of Labor is soliciting comments concerning the collection of data on the Evaluation of the American Apprenticeship Initiative. A copy of the proposed Information Collection Request (ICR) can be obtained by contacting the office listed below in the addressee section of this notice.

DATES: Written comments must be submitted to the office listed in the addressee section below on or before November 13, 2017.

ADDRESSES: You may submit comments by either one of the following methods: Email: ChiefEvaluationOffice@dol.gov; Mail or Courier: Janet Javar, Chief Evaluation Office, OASP, U.S. Department of Labor, Room S–2312, 200 Constitution Avenue NW., Washington, DC 20210.

Instructions: Please submit one copy of your comments by only one method. All submissions received must include the agency name and OMB Control Number identified above for this information collection. Because we continue to experience delays in receiving mail in the Washington, DC area, commenters are strongly encouraged to transmit their comments electronically via email or to submit them by mail early. Comments, including any personal information provided, become a matter of public record. They will also be summarized and/or included in the request for OMB approval of the information collection request.

FOR FURTHER INFORMATION CONTACT: Janet Javar by email at ChiefEvaluationOffice@dol.gov.

SUPPLEMENTARY INFORMATION:

I. Background: The American Apprenticeship Initiative awarded funds to 46 grantees to support the expansion of quality and innovative apprenticeship training programs. The Department of Labor is sponsoring an evaluation of this initiative that includes the following four components: An implementation study to describe how grant programs develop,
operate and mature. It will examine the context in which the programs operate, the target group and recruitment strategies, employer perceptions of apprenticeship, partnerships, and training strategies.

2. An outcomes study to examine in-program and post-program outcomes of apprentices, particularly around employment, earnings, wages, and employment retention, as well as pre-intervention and post-intervention certification and credential attainment. Particular attention will be given to outcomes for underrepresented populations in apprenticeship.

3. A return on investment study to estimate the benefits and costs of apprenticeship to employers.

4. A demonstration study to examine which recruitment methods and marketing strategies most successfully encourage employers to offer apprenticeships.

This Federal Register Notice provides the opportunity to comment on proposed data collection instruments that will be used in the evaluation:

- Site visits. To support the implementation study, site visits will interview key grantee administrators, program staff, employers, training providers, and other key stakeholders using discussion guides.
- Grantee survey. To support the implementation study, an on-line survey will be administered to all 46 grantees for the purpose of systematically documenting program operations and the type of services provided across the study sites.
- Demonstration management information system (MIS). To support the demonstration study, the MIS will collect information on grantees’ marketing and outreach activities to employers.

A future information collection request will include an employer survey and participant survey.

II. Desired Focus of Comments: Currently, the Department of Labor is soliciting comments concerning the above data collection for the Evaluation of the American Apprenticeship Initiative. DOL is particularly interested in comments that do the following:

- 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.
- 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—for example, permitting electronic submission of responses.

III. Current Actions: At this time, the Department of Labor is requesting clearance for the implementation study site visits, grantee survey, and demonstration management information system (MIS).

Type of Review: New information collection request.

OMB Control Number: 1290-0NEW.

Affected Public: American Apprenticeship Initiative grantee staff and grantee partners involved in providing apprenticeship-related services through the grant.

### ESTIMATED TOTAL BURDEN HOURS

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<tr>
<th>Instrument</th>
<th>Total number respondents</th>
<th>Annual number of respondents</th>
<th>Number of responses per respondent</th>
<th>Average burden time per response (hours)</th>
<th>Annual estimated burden</th>
<th>Estimated total burden (hours)</th>
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<tr>
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<td>6</td>
<td>0.25</td>
<td>400</td>
<td>1200</td>
</tr>
</tbody>
</table>

Total: 574.66 1724

* 46 grantees with an estimated 90% response rate.
Comments submitted in response to this request will be summarized and/or included in the request for Office of Management and Budget approval of the information collection request; they will also become a matter of public record.


Molly Irwin,
Chief Evaluation Officer, U.S. Department of Labor.

[FR Doc. 2017–19423 Filed 9–12–17; 8:45 am]
BILLING CODE 4510–HX–P

DEPARTMENT OF LABOR

Occupational Safety and Health Administration

[Docket No. OSHA–2006–0028]

MET Laboratories, Inc.: Grant of Expansion of Recognition and Update to the NRTL Program’s List of Appropriate Test Standards

AGENCY: Occupational Safety and Health Administration (OSHA), Labor.

ACTION: Notice.

SUMMARY: In this notice, OSHA announces its final decision to expand the scope of recognition for MET Laboratories, Inc., as a Nationally Recognized Testing Laboratory (NRTL). Additionally, OSHA announces its final decision to add two new test standards to the NRTL Program’s List of Appropriate Test Standards.

DATES: The expansion of the scope of recognition becomes effective on September 13, 2017.

FOR FURTHER INFORMATION CONTACT: Information regarding this notice is available from the following sources:

Press inquiries: Contact Mr. Frank Meilinger, Director, OSHA Office of Communications, U.S. Department of Labor, telephone: (202) 693–1999; email: meilinger.francis2@dol.gov.

General and technical information: Contact Mr. Kevin Robinson, Director, Office of Technical Programs and Coordination Activities, Directorate of Technical Support and Emergency Management, Occupational Safety and Health Administration, U.S. Department of Labor, telephone: (202) 693–2110; email: robinson.kevin@dol.gov. OSHA’s Web page includes information about the NRTL Program (see http://www.osha.gov/dts/otpca/nrtl/index.html).

SUPPLEMENTARY INFORMATION:

I. Notice of Final Decision

OSHA hereby gives notice of the expansion of the scope of recognition of MET Laboratories, Inc. (MET) as a NRTL. MET’s expansion covers the addition of three test standards to its scope of recognition.

OSHA recognition of a NRTL signifies that the organization meets the requirements specified by 29 CFR 1910.7. Recognition is an acknowledgment that the organization can perform independent safety testing and certification of the specific products covered within its scope of recognition and is not a delegation or grant of government authority. As a result of recognition, employers may use products properly approved by the NRTL to meet OSHA standards that require testing and certification of the products.

The Agency processes applications by a NRTL for initial recognition, or for expansion or renewal of this recognition, following requirements in Appendix A to 29 CFR 1910.7. This appendix requires that the Agency publish two notices in the Federal Register in processing an application. In the first notice, OSHA announces the application and provides its preliminary finding and, in the second notice, the Agency provides its final decision on the application. These notices set forth the NRTL’s scope of recognition or modifications of that scope. OSHA maintains an informational Web page for each NRTL that details its scope of recognition. These pages are available from the Agency’s Web site at: http://www.osha.gov/dts/otpca/nrtl/index.html.

MET submitted three applications, dated October 15, 2015 (OSHA–2006–0028–0031), March 2, 2016 (OSHA–2006–0028–0032), and March 18, 2016 (OSHA–2006–0028–0033), to expand its recognition to include three additional test standards, including two test standards to be added to the NRTL Program’s List of Appropriate Test Standards. OSHA staff performed a detailed analysis of the application packets and reviewed other pertinent information. OSHA did not perform any on-site reviews in relation to these applications.

OSHA published the preliminary notice announcing MET’s expansion applications in the Federal Register on June 1, 2017 (82 FR 25338). The Agency requested comments by June 16, 2017, but it received no comments in response to this notice. OSHA now is proceeding with this final notice to grant expansion of MET’s scope of recognition.

To obtain or review copies of all public documents pertaining to MET’s application, go to: www.regulations.gov or contact the Docket Office, Occupational Safety and Health Administration, U.S. Department of Labor, 200 Constitution Avenue NW., Room N–3508, Washington, DC 20210. Docket No. OSHA–2006–0028 contains all materials in the record concerning MET’s recognition.

II. Final Decision and Order

OSHA staff examined MET’s expansion applications, its capability to meet the requirements of the test standards, and other pertinent information. Based on its review of this evidence, OSHA finds that MET meets the requirements of 29 CFR 1910.7 for expansion of its recognition, subject to the limitation and conditions listed below. OSHA, therefore, is proceeding with this final notice to grant MET’s scope of recognition. OSHA limits the expansion of MET’s recognition to testing and certification of products for demonstration of conformance to the test standards listed in Table 1 below.

Additionally, Table 2, below, lists the test standards new to the NRTL Program’s List of Appropriate Test Standards. The Agency evaluated the standards to (1) verify they represent product categories for which OSHA requires certification by a NRTL, (2) verify the documents represent end products and not components, and (3) verify the documents define safety test specifications (not installation or operational performance specifications). Based on this evaluation, OSHA finds that they are appropriate test standards and has added these standards to the NRTL Program’s List of Appropriate Test Standards.

### Table 1—List of Appropriate Test Standards for Inclusion in MET’s NRTL Scope of Recognition

<table>
<thead>
<tr>
<th>Test standard</th>
<th>Test standard title</th>
</tr>
</thead>
<tbody>
<tr>
<td>UL 2108</td>
<td>Standard for Low Voltage Lighting Systems.</td>
</tr>
</tbody>
</table>


OSHA’s recognition of any NRTL for a particular test standard is limited to equipment or materials for which OSHA standards require third-party testing and certification before using them in the workplace. Consequently, if a test standard also covers any products for which OSHA does not require such testing and certification, a NRTL’s scope of recognition does not include these products. (The American National Standards Institute (ANSI) may approve the test standards listed above as American National Standards. However, for convenience, we may use the designation of the standards-developing organization for the standard as opposed to the ANSI designation. Under the NRTL Program’s policy (see OSHA Instruction CPL 1–0.3, Appendix C, paragraph XIV), any NRTL recognized for a particular test standard may use either the proprietary version of the test standard or the ANSI version of that standard. Contact ANSI to determine whether a test standard is currently ANSI-approved.

### A. Conditions

In addition to those conditions already required by 29 CFR 1910.7, MET must abide by the following conditions of the recognition:

1. MET must inform OSHA as soon as possible, in writing, of any change of ownership, facilities, or key personnel, and of any major change in its operations as a NRTL, and provide details of the change(s);
2. MET must meet all the terms of its recognition and comply with all OSHA policies pertaining to this recognition; and
3. MET must continue to meet the requirements for recognition, including all previously published conditions on MET’s scope of recognition, in all areas for which it has recognition.

Pursuant to the authority in 29 CFR 1910.7, OSHA hereby expands the scope of recognition of MET, subject to the limitation and conditions specified above.

### III. Authority and Signature

Loren Sweatt, Deputy Assistant Secretary of Labor for Occupational Safety and Health, 200 Constitution Avenue NW., Washington, DC 20210, authorized the preparation of this notice. Accordingly, the Agency is issuing this notice pursuant to 29 U.S.C. 657(g)(2), Secretary of Labor’s Order No. 1–2012 (77 FR 3912, Jan. 25, 2012), and 29 CFR 1910.7.

Signed at Washington, DC, on August 30, 2017.

Loren Sweatt,
Deputy Assistant Secretary of Labor for Occupational Safety and Health

**OFFICE OF MANAGEMENT AND BUDGET**

**Proposed Designation of Databases for Treasury’s Working System Under the Do Not Pay Initiative**

**AGENCY:** Office of Management and Budget.

**ACTION:** Notice of proposed designation.

**SUMMARY:** Section 5(b)(1)(B) of the Improper Payments Elimination and Recovery Improvement Act of 2012 (IPERIA) provides that the Director of the Office of Management and Budget (OMB), in consultation with agencies, may designate additional databases for inclusion under the Do Not Pay (DNP) Initiative. IPERIA further requires OMB to provide public notice and an opportunity for comment prior to designating additional databases. In fulfillment of this requirement, OMB is publishing this Notice of Proposed Designation to designate the following six databases: (1) The Department of the Treasury’s (Treasury) Office of Foreign Assets Control’s Specially Designated Nationals List (OFAC List), (2) data from the General Services Administration’s (GSA) System for Award Management (SAM) sensitive financial data from entity registration records (including those records formerly housed in the legacy Excluded Parties List System), (3) the Internal Revenue Service’s (IRS) Automatic Revocation of Exemption List (ARL), (4) the IRS’s Exempt Organizations Select Check (EO Select Check), (5) the IRS’s e-Postcard database, and (6) the commercial database American InfoSource (AIS) Deceased Data for inclusion in the Do Not Pay Initiative. This notice has a 30-day comment period.

**DATES:** Please submit comments on or before October 13, 2017. At the conclusion of the 30-day comment period, if OMB decides to finalize the designation, OMB will publish a notice in the Federal Register to officially designate the database.

**ADDRESSES:** Comments must be submitted electronically before the comment closing date to www.regulations.gov. The public comments received by OMB will be a matter of public record and will be posted at www.regulations.gov. Accordingly, please do not include in your comments any confidential business information or information of a personal-privacy nature.

**FOR FURTHER INFORMATION CONTACT:** Brian Nichols at the OMB Office of

SUPPLEMENTARY INFORMATION: Among other things, IPERIA codified the DNP Initiative that was already underway across the Federal Government. The DNP Initiative includes multiple resources to help Federal agencies review payment eligibility for purposes of identifying and preventing improper payments. As part of the DNP Initiative, OMB designated Treasury to host Treasury’s Working System, which is the primary system through which Federal agencies can verify payment eligibility.

Pursuant to IPERIA, OMB has the authority to designate additional databases for inclusion in the DNP Initiative. OMB Memorandum M–13–20 provides guidance related to IPERIA and explains the process by which OMB will consider designating additional databases. The OMB guidance provides that OMB will only consider designating databases that are relevant and necessary to meet the objectives of section 5 of IPERIA. In addition, the guidance explains that six factors will inform OMB when considering additional databases for designation. These factors include: (1) Statutory or other limitations on the use and sharing of specific data; (2) privacy restrictions and risks associated with specific data; (3) likelihood that the data will strengthen program integrity across programs and agencies; (4) benefits of streamlining access to the data through the central DNP Initiative; (5) costs associated with expanding or centralizing access, including modifications needed to system interfaces or security capabilities in order to make data accessible; and (6) other policy and stakeholder considerations, as appropriate.

For commercial databases, the OMB guidance establishes additional requirements. The guidance requires that the commercial data meet the following general standards: (1) Information in commercial databases must not contain information that describes how any individual exercises rights guaranteed by the First Amendment, unless use of the data is expressly authorized by statute. In addition, when OMB designates commercial databases for use in Treasury’s Working System, Treasury must meet the following specific requirements: (1) Treasury shall establish rules of conduct for persons involved in the use of, or access to, commercial databases and instruct each person with respect to such rules, including penalties for noncompliance, as appropriate; and (2) Treasury shall establish appropriate administrative, technical, and physical safeguards to ensure the security and confidentiality of information in commercial databases when such information is under Treasury’s control.

Considerations for Designating the Office of Foreign Assets Control’s Specially Designated Nationals List (OFAC List)

OMB proposes to designate the Treasury OFAC List for inclusion in Treasury’s Working System. Acting under Presidential national emergency powers, the Office of Foreign Assets Control (OFAC) derives its authority from a variety of U.S. Federal laws regarding embargoes and economic sanctions such as those terrorism-related mandates found in 31 CFR parts 595–597. This database is a list of persons and entities whose assets are blocked and generally prohibited from entering into financial transactions with United States (U.S.) financial institutions and the U.S. Government. Currently, each payment-issuing agency has its own procedure for blocking or rejecting payments to persons or entities on the OFAC List. By designating the OFAC List as an additional database in Treasury’s Working System, Treasury would improve and streamline access by allowing agencies to verify payment eligibility at multiple points in the payment process.

OMB has reached the following initial determinations and is seeking public comment before finalizing the designation of the database.

1. There are no statutory or other limitations that would prevent including this public database within Treasury’s Working System for the purposes of verifying payment eligibility. Due to the broad audience of government agencies required to check OFAC’s List, this database was made accessible to agencies matching against Treasury’s Working System soon after IPERIA became effective and before the issuance of OMB Memorandum M–13–20 establishing this designation process. The database is formatted for information processing on OFAC’s Web site and requires no changes to existing processes or any additional expense for Treasury.

2. There are no prohibitive privacy restrictions or risks for Treasury to make this publicly facing database already available on OFAC’s Web site also available in Treasury’s Working System. Risk mitigation measures include maintaining a current and compliant Security Accreditation and Authorization (SA&A) package for Treasury’s Working System in accordance with OMB Circular No. A–130, Managing Information as a Strategic Resource, and complying with the Federal Information Security Modernization Act (FISMA) requirements. To reduce the likelihood of incidents triggered by unauthorized access, login to Treasury’s Working System requires public key infrastructure (PKI) or personal identity verification (PIV) credentials. All users and administrators are required to sign rules of behavior stipulating their responsibilities to minimize risks and support DNP’s mission to “Protect the integrity of the government’s payment process by assisting agencies in mitigating and eliminating improper payments in a cost-effective manner while safeguarding the privacy of individuals.” In this vein, Treasury has also dedicated resources to establish a Privacy Program based on applicable requirements, the Federal Information Practice Principles (FIPPs), and industry best practices. Treasury’s Privacy Program champions various internal controls in concert with agency leadership and counsel such as a data usage governance process charged with vetting projects that support a data driven approach to reducing improper payments for Treasury’s specific customers and government-wide.

3. Designating the OFAC List would likely strengthen program integrity. With access to the OFAC List through Treasury’s Working System, an agency will be better equipped to minimize the risk that it makes a payment to a person or entity on the list and the potentially catastrophic impact of such a payment. This would be beneficial to streamline access to the OFAC List through its inclusion as an additional database within Treasury’s Working System. IPERIA requires agencies to check the Act’s enumerated databases prior to making a payment with Federal funds. Federal regulations, such as 31 CFR parts 595–597, require paying agencies to check the OFAC List. Many of DNP’s
customers are paying agencies that are required to check the OFAC List. They will now be able to check it along with the other databases that comprise Treasury’s Working System. This will enable agencies to make more informed payment decisions, increase efficiency, and strengthen internal controls.

5. There are no additional costs associated with expanding or centralizing access to the OFAC List within Treasury’s Working System.

6. No additional stakeholder considerations were identified. Regarding policy, the designation further ensures that Treasury customers adhere to terrorism-related mandates set forth in Federal regulations, such as those found in 31 CFR parts 595–597.

**Considerations for Designating System for Award Management (SAM) Sensitive Financial Data From Entity Registration Records**

OMB proposes to designate SAM sensitive financial data from entity registration records specifically the sensitive financial data and exclusion data for use in the DNP initiative via Treasury’s Working System. SAM is the single registration point for entities seeking Federal contracts or grants (with limited exceptions defined in the Federal Acquisition Regulation (FAR) or Title 2 of the Code of Federal Regulations). As such, key data that are essential to appropriately identifying unique entities for DNP are included in the entity registration records in SAM and identified as sensitive data, meaning they are not disclosed publically. These data include information used in financial transactions.

By designating SAM sensitive financial data from entity registration records as an additional data source in DNP via Treasury’s Working System, agencies using the system will have greater confidence in results returned from the Treasury Working System and used in analysis for processing payments. This would reduce the administrative burden for agencies having to check both systems prior to finalizing pre- and post-payment analysis.

OMB has reached the following initial determinations and is seeking public comment before finalizing the designation of the database.

1. There are no statutory or other limitations that would prevent the DNP Initiative from using SAM sensitive financial data from entity registration records for the purposes of verifying payment eligibility. GSA is authorized to maintain SAM pursuant to the FAR Subparts 4.11, 9.4, 28.2, and 52.204, 2 CFR part 25, and 40 U.S.C. 121(c), and the data collection requirements from entities is governed by the FAR and Title 2 of the Code of Federal Regulations. The records in SAM sensitive financial data from entity registration records are covered by a Privacy Act system of records. Pursuant to the system of records notice’s (SORN) 4 routine use (m), GSA is permitted to disclose SAM sensitive entity registration data for the purposes of the DNP Initiative. DNP currently receives SAM sensitive financial data from entity registration records and comports with the GSA routine use when re-disclosing the data to Federal agencies ‘for the purpose of identifying, preventing, or recouping improper payments to an applicant for, or recipient of, Federal funds, including funds disbursed by a state in a state-administered, federally funded program’ (78 FR 11648, Feb. 19, 2013). Adding this data source to the DNP Initiative will not require any additional action because this database was made accessible to agencies for DNP soon after IPERIA became effective and before the issuance of OMB Memorandum M–13–20 establishing this designation process and Treasury’s Working System.

2. There are some privacy restrictions and risks associated with the DNP Initiative’s use of the SAM sensitive entity registration data. For example, SAM is a system of records, so the Privacy Act governs the DNP Initiative’s use of these records. As mentioned above with respect to the first consideration, DNP would comply with the SORN’s routine use (m), which mitigates the privacy risks with respect to the Privacy Act. Risk mitigation measures also include maintaining a current and compliant SA&A package for Treasury’s Working System in accordance with OMB Circular No. A–130 requirements. To reduce the likelihood of incidents triggered by unauthorized access, login to Treasury’s Working System requires PKI or PIV credentials. All users and administrators are required to sign rules of behavior stipulating their responsibilities to minimize risks and support DNP’s mission to “Protect the integrity of the government’s payment process by assisting agencies in mitigating and eliminating improper payments in a cost-effective manner while safeguarding the privacy of individuals.” In this vein, Treasury has also dedicated resources to establish a Privacy Program based on applicable requirements, FIPPs, and industry best practices. Treasury’s Privacy Program champions various internal controls in concert with agency leadership and counsel such as a data usage governance process charged with vetting projects that support a data driven approach to reducing improper payments for Treasury’s specific customers and government-wide.

3. Designating SAM sensitive financial data from entity registration records would strengthen program integrity. With SAM sensitive financial data from entity registration records as a data source in DNP, agencies would have more convenient access to these data, strengthening their ability to make stronger and more efficient payment determinations and reducing false positives that result in improper withholding of or late payments.

4. It would be beneficial to streamline access to SAM sensitive financial data from entity registration records as an additional database within Treasury’s Working System. Many of Treasury’s Working System users are payment-issuing agencies that are required to check SAM prior to payment. They will now be able to check SAM sensitive financial data from entity registration records alongside the other Treasury’s Working System databases. This will enable agencies to make more informed and efficient payment decisions.

5. There are no additional costs associated with expanding or centralizing access to SAM sensitive financial data from entity registration records because Treasury’s Working System already includes this data. As a result, Treasury’s Working System already has interfaces in place to allow for access to GSA’s existing SAM technology feeds.

6. No additional policy or stakeholder considerations were identified.

**Consideration for Designating the Internal Revenue Service’s (IRS) Automatic Revocation of Exemption List (ARL)**

OMB proposes to designate the IRS’s ARL, which maintains records of entities that have lost tax-exempt status due to failure to file an annual information return or notice with the IRS for three consecutive years. The Federal government administers a number of grant programs that pertain specifically to tax-exempt entities. As such, verification against ARL will assist grant-making agencies in verifying tax-exempt status prior to payment.

OMB has reached the following initial determinations and is seeking public comment before finalizing the designation of the database.

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4 SAM SORN: http://www.gsa.gov/portal/mediaid/205455/fileName/2013-03743.action
1. There are no statutory or other limitations that would prevent including this public database within Treasury’s Working System.

2. There are no prohibitive privacy restrictions or risks for Treasury to make this publicly facing database also available in Treasury’s Working System. Risk mitigation measures include maintaining a current and compliant SA&A package for Treasury’s Working System in accordance with OMB Circular No. A–130. To reduce the likelihood of incidents triggered by unauthorized access, login to Treasury’s Working System requires PKI or PIV credentials. All users and administrators are required to sign rules of behavior stipulating their responsibilities to minimize risks and support DNP’s mission to “Protect the integrity of the government’s payment process by assisting agencies in mitigating and eliminating improper payments in a cost-effective manner while safeguarding the privacy of individuals.” In this vein, Treasury has also dedicated resources to establish a Privacy Program based on applicable requirements, FIPPs, and industry best practices. This Treasury’s Privacy Program champions various internal controls in concert with agency leadership and counsel such as a data usage governance process charged with vetting projects that support foster a data driven approach to reducing improper payments for Treasury’s specific customers and government-wide.

3. Designating IRS’ ARL would likely strengthen program integrity. With access to this database through Treasury’s Working System, an agency will be better equipped to minimize the risk that it makes a payment to an entity that has not had its tax-exempt status verified.

4. It would be beneficial to streamline access to the ARL through its inclusion within Treasury’s Working System. Many of DNP’s customers are grant-issuing agencies. This will enable agencies to make more informed payment decisions, increase efficiency, and strengthen internal controls.

5. Aside from budgeted system development costs, there are no additional costs associated with expanding or centralizing access to this publicly available database within Treasury’s Working System.

6. No additional policy or stakeholder considerations were identified.

Consideration for Designating the IRS’s Exempt Organizations Select Check (EO Select Check)

OMB proposes to designate the IRS’s EO Select Check, which maintains records of organizations eligible to receive tax-deductible charitable contributions. IRS Publication 78 requires organizations with gross receipts over $50,000 to file Form 990 once every three years in order to remain eligible for tax-exempt status. The EO Select Check database is even more valuable when used in concert with ARL, and will allow agencies to verify an entity’s tax-exempt status prior to payment.

OMB has reached the following initial determinations and is seeking public comment before finalizing the designation of the database.

1. There are no statutory or other limitations that would prevent including this public database within Treasury’s Working System.

2. There are no prohibitive privacy restrictions or risks for Treasury to make this publicly facing database also available in Treasury’s Working System. Risk mitigation measures include maintaining a current and compliant SA&A package for Treasury’s Working System in accordance with OMB Circular No. A–130. To reduce the likelihood of incidents triggered by unauthorized access, login to Treasury’s Working System requires PKI or PIV credentials. All users and administrators are required to sign rules of behavior stipulating their responsibilities to minimize risks and support DNP’s mission to “Protect the integrity of the government’s payment process by assisting agencies in mitigating and eliminating improper payments in a cost-effective manner while safeguarding the privacy of individuals.” In this vein, Treasury has also dedicated resources to establish a Privacy Program based on applicable requirements, the FIPPs, and industry best practices. This Treasury’s Privacy Program champions various internal controls in concert with agency leadership and counsel such as a data usage governance process charged with vetting projects that support foster a data driven approach to reducing improper payments for Treasury’s specific customers and government-wide.

3. Designating IRS’s EO Select Check database would likely strengthen program integrity. With access to this database through Treasury’s Working System, an agency will be better equipped to minimize the risk that it makes a payment to an entity that has not had its tax-exempt status verified.

4. It would be beneficial to streamline access to the EO Select Check through its inclusion as an additional database within Treasury’s Working System. Many of DNP’s customers are grant issuing agencies. This will enable agencies to make more informed payment decisions, increase efficiency, and strengthen internal controls.

5. Aside from budgeted system development costs, there are no additional costs associated with expanding or centralizing access to this publically available database within Treasury’s Working System.

6. No additional policy or stakeholder considerations were identified.

Consideration for Designating the IRS’s e-Postcard

OMB proposes to designate the IRS’s e-Postcard database, which maintains records of small entities eligible to receive tax-deductible charitable contributions. Entities within e-Postcard are considered both small businesses and tax-exempt, with gross receipts under $50,000. These organizations are required to file a Form 990–N once every three years in order to remain eligible for tax-exempt status. As with the EO Select Check database, e-Postcard will allow agencies to verify tax-exempt status before making a payment.

OMB has reached the following initial determinations and is seeking public comment before finalizing the designation of the database.

1. There are no statutory or other limitations that would prevent including this public database within Treasury’s Working System.

2. There are no prohibitive privacy restrictions or risks for Treasury to make this publicly facing database also available in Treasury’s Working System. Risk mitigation measures include maintaining a current and compliant SA&A package for Treasury’s Working System in accordance with OMB Circular No. A–130. To reduce the likelihood of incidents triggered by unauthorized access, login to Treasury’s Working System requires PKI or PIV credentials. All users and administrators are required to sign rules of behavior stipulating their responsibilities to minimize risks and support DNP’s mission to “Protect the integrity of the government’s payment process by assisting agencies in mitigating and eliminating improper payments in a cost-effective manner while safeguarding the privacy of individuals.” In this vein, Treasury has also dedicated resources to establish a Privacy Program based on applicable requirements, the FIPPs, and industry best practices. This Treasury’s Privacy Program champions various internal controls in concert with agency leadership and counsel such as a data usage governance process charged with vetting projects that support foster a data driven approach to reducing improper payments for Treasury’s specific customers and government-wide.

3. Designating IRS’s EO Select Check database would likely strengthen program integrity. With access to this database through Treasury’s Working System, an agency will be better equipped to minimize the risk that it makes a payment to an entity that has not had its tax-exempt status verified.
Privacy Program based on applicable requirements, the FIPPs, and industry best practices. This Treasury’s Privacy Program champions various internal controls in concert with agency leadership and counsel such as a data usage governance process charged with vetting projects that support foster a data driven approach to reducing improper payments for Treasury’s specific customers and government-wide.

3. Designating IRS’ e-Postcard database would likely strengthen program integrity. With access to this database through Treasury’s Working System, an agency will be better equipped to minimize the risk that it makes a payment to an entity that has not had its tax-exempt status verified.

4. It would be beneficial to streamline access to the e-Postcard through its inclusion as additional database within Treasury’s Working System. Many of DNP’s customers are grant issuing agencies. This will enable agencies to make more informed payment decisions, increase efficiency, and strengthen internal controls.

5. Aside from budgeted system development costs, there are no additional costs associated with expanding or centralizing access to this publicly available database within Treasury’s Working System.

6. No additional policy or stakeholder considerations were identified.

Considerations for Designating American InfoSource (AIS) Deceased Data

OMB has considered Treasury’s recommendation and assessment of the suitability of AIS Deceased Data for designation within Treasury’s Working System. OMB proposes to designate AIS Deceased Data for inclusion in Treasury’s Working System. Treasury’s suitability assessment, which evaluates the suitability of AIS Deceased Data, is attached.

Highlights of Treasury’s assessment on AIS Deceased Data against the considerations and factors outlined in Section 5(b) of OMB Memorandum M–13–20 include:

1. There are no statutory or other limitations that would prevent Treasury from using or sharing AIS Deceased Data through Treasury’s Working System.

2. Treasury assessed privacy restrictions and risks by reviewing AIS’ responses to a questionnaire based on Federal Trade Commission (FTC) vendor management guidance and conducting a data source profile. The information AIS provided regarding data restrictions and risks helped inform Treasury’s decision to request this OMB designation of AIS.

The questionnaire includes sections on Products and Services, Breach Notification, Consumer Access and Redress, and Legal Action/Complaints/Inquiries. AIS’ response indicated that there are no consumer access or redress procedures in place because their data is not directly acquired from the consumer. AIS data is gathered through public records and additional data sources. AIS maintains that policies, practices and procedures relating to the monitoring, auditing, or evaluation of the accuracy of personally identifiable information may be customized and approved by Treasury as its customer.

Treasury evaluated AIS Deceased Data in various areas, including a data quality assessment at the attribute level, and at the level of the source as a whole. Per-data element measures include quantifications of accuracy, coverage, and conformity. Whole-source measures include assessments of the freshness, completeness, and uniqueness of all records. These six assessments factors, some of which are multi-part, reduce to six quantitative scores, and these six scores are combined into an overall data source quality benchmark. The quality assessment was performed on a snapshot of the data source from July 14, 2014, for December and January deaths and from March 28, 2014, for November deaths.

3. Designating AIS Deceased Data will strengthen program integrity. Treasury performed an analysis, in which it was conservatively estimated, that the program’s use of just three months of AIS Deceased Data would have resulted in the identification of 226 additional improper payments, with a corresponding reduction of roughly $450,000 in improper payments to deceased persons. Please see sections IV(A)(5) and IV(B)(2) of the AIS Deceased Data suitability assessment for more detail on the results of this analysis.

4. Streamlining Federal officials’ access to AIS Deceased Data as an additional database within Treasury’s Working System supports the Administration’s objectives to reduce duplication and costs to taxpayers. Adding in this needed data source without streamlining through Treasury would require each agency to purchase the data set separately, resulting in delays to access and redundant.

5. There will be some additional costs associated with expanding or centralizing access to AIS Deceased Data. However, Treasury has performed a trial assessment with respect to AIS Deceased Data, and has determined that the return on investment (ROI) is positive and outweighs the costs. Please see sections IV(A)(5) and IV(B)(2) of the AIS Deceased Data suitability assessment for more detail on how this analysis was performed and the results.

6. No additional policy or stakeholder considerations were identified.

We invite public comments on the proposed designation of each of the six databases described in this notice.

Mark Reger,
Deputy Controller.

Do Not Pay: Written Assessment of the Suitability of the AIS Deceased Data Commercial Database

The Office of Management and Budget (OMB) Memorandum M–13–20 requires the Department of the Treasury to prepare and submit to OMB a written assessment to document the suitability of any commercial database proposed for use in Treasury’s Working System. Section 11(d) of M–13–20 requires the assessment to address four topics:

(i) The need to use or access the data; and
(ii) how the data will be used or accessed; and
(iii) a description of the data, including each data element that will be used or accessed; and

(iv) how the database meets all applicable requirements of M–13–20.

Treasury has completed its assessment of the suitability of American InfoSource (AIS) Deceased Data for inclusion as a database in Treasury’s Working System. Based on its assessment, Treasury recommends that OMB propose the inclusion of AIS Deceased Data into Treasury’s Working System. Below are Treasury’s evaluations and conclusions regarding the Section 11(d) topics.

I. Explanation of the Need To Use or Access the Data

Decedent persons are ineligible to receive payments with few exceptions, such as to payments to survivors under the deceased name or payments to an estate for work completed before death. As such, the deceased are ineligible for most benefits, grants, or awards. There is a business need for the government to use the most complete, timely, and accurate data to ensure an improper payment is not made to these persons. Currently, government sources of death data include the Social Security Administration’s (SSA) Death Master File (DMF), the Centers for Disease Control and Prevention’s (CDC) National Vital Statistics System, and data maintained by the Internal Revenue Service (IRS) derived from Table 2000CM of tax returns.
The AIS Deceased Data database includes information about deceased persons from all 50 states. AIS Deceased Data provides death data from states currently unavailable to Treasury customers through SSA’s DMF. Treasury’s Working System currently uses the public version of SSA’s DMF. There is also a restricted version of DMF (known as the “public plus state” DMF), which is more comprehensive and contains more data reported from states than the public version. The Social Security Act limits the disclosure of death records contained in the “public plus state” DMF to only benefit paying agencies. SSA has determined that Treasury’s Working System does not meet the requirements for access to the “public plus state” DMF. Therefore, Treasury evaluated the coverage of AIS Deceased Data by state “public plus state” DMF and found that AIS does have significant coverage in many states above and beyond public DMF which are not contained within “public plus state” DMF. In addition to inputs from SSA’s public DMF, AIS gathers information from probate court records and published obituaries. Obituaries are obtained by AIS from over 3,000 funeral homes and thousands of newspapers, and probate records are collected from the county courts. These sources are not currently available to agencies accessing Treasury’s Working System. Out of 600,000 records Treasury received from AIS when assessing the suitability of the database, approximately 230,000 came from sources (obituaries and probationary records) other than the public version of DMF. The positive return on investment (ROI) analysis (Section IV) removed DMF files from its calculations further supporting that including records from AIS in Treasury’s Working System will create value to Federal agencies that require this additional death data to make payment decisions.

II. Explanation of How the Data Will Be Used or Accessed

Generally, when payment-issuing agencies identify a business need to match against a specific type of database, Treasury will work with the payment-issuing agency to complete an Initial Questionnaire. An Initial Questionnaire is the form that Treasury must approve for each payment-issuing agency to initiate the onboarding process, and begin the process of accessing the requested databases. The objectives of the onboarding process are to:

- Allow the payment-issuing agency to gain access to Treasury’s Working System;
- Outline business needs and legal authorities for the payment-issuing agency to access Treasury’s Working System; and
- Ensure that payment-issuing agency files are ready for use in Treasury’s Working System.

During the onboarding process, if an agency determines it has a business need to access death data like AIS Deceased Data—typically, to assist the agency in making eligibility determinations for payments or awards, customers will also identify the method by which their agency will search, or be disclosed, AIS Deceased Data (via online single search, batch matching, continuous monitoring, DNP Analytics, or a combination of these services). To access the batch matching and continuous monitoring matching functions, customers must establish a secure file transfer process with Treasury. Treasury then works with customers to provision access credentials and obtain supplementary information necessary to access Treasury’s Working System. Each customer must certify and agree to Rules of Behavior for Treasury’s Working System and certify and execute several legal agreements. Customers will then identify AIS Deceased Data as the specific database relevant to their matching needs.

Upon obtaining access to use Treasury’s Working System, a comparison between AIS data and agency payment data could be made, resulting in the return of positive matches. Users may either use Treasury’s online portal to view automated match results on a regular basis, or request analytical services to be performed in order to gain additional insight. It is then the customer’s responsibility to review the information received and make a determination, or request additional services.

III. Description of the Data (Including Each Data Element That Will Be Used or Accessed)

DATA ELEMENT DEFINITIONS

<table>
<thead>
<tr>
<th>Header</th>
<th>Description of data</th>
<th>Related fields in DMF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Last Name</td>
<td>The last name of the deceased individual</td>
<td>lastname.</td>
</tr>
<tr>
<td>First Name</td>
<td>The first name of the deceased individual</td>
<td>firstname.</td>
</tr>
<tr>
<td>Middle Name</td>
<td>The middle name of the deceased individual</td>
<td>middlename.</td>
</tr>
<tr>
<td>City</td>
<td>The city of residence for the deceased individual</td>
<td></td>
</tr>
<tr>
<td>State</td>
<td>The state of residence for the deceased individual</td>
<td></td>
</tr>
<tr>
<td>Social Security Number (SSN)</td>
<td>A 9-digit identification number used by the SSA. It is exclusively issued by SSA and is predominantly used for the individual classification.</td>
<td>ssn.</td>
</tr>
<tr>
<td>Date of Death (DOD)</td>
<td>The date of death for the deceased individual, used to determine if payment date is before or after death date.</td>
<td>dateofdeath.</td>
</tr>
<tr>
<td>Date of birth (DOB)</td>
<td>The date of birth for the deceased individual, which is a supplemental matching element, may use as an additional unique identifier to increase confidence in match accuracy.</td>
<td>dateofbirth.</td>
</tr>
<tr>
<td>Acquired 5</td>
<td>Identifies when the data was first acquired by AIS</td>
<td>verifyproof_cd.</td>
</tr>
<tr>
<td>Age</td>
<td>Identifies the number of days between the acquired date and the date of death.</td>
<td></td>
</tr>
<tr>
<td>Confidence</td>
<td>Level of confidence in the data within the record, determined by the source of the death report (DMF, probate court, obituary, and/or independent verification by AIS).</td>
<td></td>
</tr>
<tr>
<td>Source count</td>
<td>The number of death sources in which the record was found</td>
<td></td>
</tr>
<tr>
<td>Source</td>
<td>The source from which the record was first acquired</td>
<td></td>
</tr>
</tbody>
</table>

5The Acquired and Age data elements reflect the timeliness of the data, and document when AIS compiled the specific death record.
IV. Explanation of How the Database Meets All the Applicable Requirements of OMB M–13–20

M–13–20 outlines three distinct sets of requirements for including additional databases in Treasury’s Working System.

A. M–13–20 Section 5(b)—Considerations for Designation of Additional Databases

M–13–20 section 5(b) requires that when considering additional databases for designation, OMB will consider:

1. Statutory or other limitations on the use and sharing of specific data;
2. Privacy restrictions and risks associated with specific data;
3. Likelihood that the data will strengthen program integrity across programs and agencies;
4. Benefits of streamlining access to the data through the central DNP Initiative;
5. Costs associated with expanding or centralizing access, including modifications needed to system interfaces or other capabilities in order to make data accessible; and
6. Other policy and stakeholder considerations, as appropriate.

Treasury has assessed AIS Deceased Data against the considerations and factors outlined in Section 5(b) of M–13–20. Treasury has determined that:

1. There are no statutory or other limitations that would prevent Treasury from using or sharing AIS Deceased Data through Treasury’s Working System.
2. Treasury assessed privacy restrictions and risks by reviewing AIS’ responses to a questionnaire based on Federal Trade Commission (FTC) vendor management guidance and conducting a data source profile. These inputs that considered data restrictions and risks informed Treasury’s decision to request this designation request.

The questionnaire includes sections on Products and Services, Breach Notification, Consumer Access and Redress, and Legal Action/Complaints/Inquiries. AIS’ response indicated that there are no consumer access or redress procedures in place because their data is not directly acquired from the consumer. AIS data is gathered through public records and additional data sources. AIS maintains that policies, practices, and procedures relating to the monitoring, auditing, or evaluation of the accuracy of personally identifiable information may be customized and approved by the Treasury as its customer.

Treasury evaluated AIS Deceased Data in various areas, including a data quality assessment at the attribute level, and at the level of the source as a whole. Per-data element measures include quantifications of accuracy, coverage, and conformity. Whole-source measures include assessments of the freshness, completeness, and uniqueness of all records. These six assessments factors, some of which are multi-part, reduce to six quantitative scores, and these six scores are combined into an overall data source quality benchmark. The quality assessment was performed on a snapshot of the data source, from July 14, 2014 for December and January deaths and from March 28, 2014 for November deaths.

3. Designating AIS Deceased Data will strengthen program integrity. Treasury performed an analysis in which it was conservatively estimated that the program’s use of just three months of AIS Deceased Data would have resulted in the identification of 226 additional improper payments, with a corresponding reduction of roughly $450,000 in improper payments to deceased persons. Please see section IV(A)(5) and IV(B)(2) for more detail on how this analysis was performed and the results.

4. It is beneficial to the Federal government and to taxpayers to streamline access to AIS Deceased Data as an additional database within Treasury’s Working System. Currently, in order to access AIS Deceased Data, agencies must each procure the data themselves. This process can take up to six months to complete and is costly and duplicative. With over 140 programs currently accessing Treasury’s Working System, the amount of time saved with a single procurement will have a positive ROI.

5. There will be some additional costs associated with expanding or centralizing access to AIS Deceased Data. However, Treasury has performed a trial assessment with respect to AIS Deceased Data, and it has determined that the ROI is positive and outweighs the costs. Specifically, the trial assessment compared three months of AIS data to current and historical payment data in order to determine which payments would result in matches. Agency-specific business rules identified in Treasury’s current processes were then applied to reduce false positives. ROI was 400%. Recurring payments were then eliminated to simulate an agency stopping the first payment, thus nullifying benefit from future payments. ROI was found to be 315%.

6. No additional policy or stakeholder considerations were identified.

B. M–13–20 Section 11(b)—General Standards for the Use or Access to Commercial Databases

M–13–20 Section 11(b) provides that Treasury may use or access a commercial database for Treasury’s Working System only if OMB has officially, previously designated such database for inclusion following a period of public notice and comment, as described in section 5(b) of this Memorandum. Because commercial databases used or accessed for purposes of the DNP Initiative will be used to help agencies make determinations about persons, it is important that agencies apply safeguards that are similarly rigorous to those that apply to systems of records under the Privacy Act. Thus, commercial data may only be used or accessed for the DNP Initiative when the commercial data in question would meet the following general standards:

1. Information in commercial databases must be relevant and necessary to meet the objectives described in section 5 of IPERIA.
2. Information in commercial databases must be sufficiently accurate, up-to-date, relevant, and complete to ensure fairness to the individual record subjects.
3. Information in commercial databases must not contain information that describes how any individual exercises rights guaranteed by the First Amendment, unless use of the data is expressly authorized by statute.

Treasury has assessed AIS Deceased Data against the considerations and factors outlined in Section 11(b) of M–13–20. Treasury has determined that:

1. AIS Deceased Data is relevant and necessary to meet objectives set out in the Improper Payments Elimination and Recovery Improvement Act of 2012 (IPERIA). IPERIA requires payment-issuing agencies to verify eligibility of payments and awards by reviewing the SSA DMF, as appropriate. Treasury has access to the public DMF, but does not currently have access to the “public plus state” DMF or probate court records and obituaries. AIS Deceased Data provides the latter two categories, creating value for payment-issuing agencies in this additional death data. Additionally, AIS Deceased Data includes records from states, including 18 states that do not report deaths to SSA via the Internet Electronic Death Registration (I–EDR), and would not be included in the “public plus state” DMF anyway. AIS Deceased Data will supplement the existing data provided by SSA in the public DMF and further...
inform the payment decisions of Treasury customers.

2. In its trial assessment, Treasury determined that AIS Deceased Data is sufficiently accurate, up-to-date, relevant, and complete to ensure fairness. Treasury compared the AIS Deceased Data city and state data to other databases that are considered "gold standards" and over 99 percent of these data were accurate. Treasury also assessed AIS Deceased Data social security number (SSN), date of death, and date of birth data elements and determined that: over 99 percent of the SSN data are accurate; all records contain a date of death; and 89 percent of the data contain a date of birth, which is sufficiently accurate for a supplemental matching element. The data elements that AIS will provide to Treasury’s Working System all directly relate to confirming the identification of a person’s status as deceased and would be fully refreshed on a quarterly basis. Extraneous fields are not included to ensure that data minimization standards (see M–13–20 section 5(c)) are applied. In addition, Treasury only receives records from AIS, which contain a SSN, first name, and last name. These practices and the data elements will ensure fewer false positives and fairness to the record subjects.

3. AIS Deceased Data does not contain information that describes how an individual exercises rights guaranteed by the First Amendment.

C. M–13–20 Section 11(c)—Specific Requirements for Use or Access to Commercial Databases

M–13–20 Section 11(c) provides that in addition to the general standards provided above, Treasury shall meet the following specific requirements whenever agencies use or access a commercial database as part of Treasury’s Working System:

1. Treasury shall establish rules of conduct for persons involved in the use of or access to commercial databases and instruct each person with respect to such rules, including penalties for noncompliance, as appropriate.

2. Treasury shall establish appropriate administrative, technical, and physical safeguards to ensure the security and confidentiality of information in commercial databases when such information is under Treasury’s control.

Treasury has assessed AIS Deceased Data against the considerations and factors outlined in Section 11(c) of M–13–20. Treasury has determined that it has fulfilled the requirements of Section 11(c) because:

1. Treasury has established rules of conduct for users of the Treasury’s Working System. Users must agree to the following:
   - To use information to perform job duties and to only access data necessary to perform said duties;
   - To not use data for fraud;
   - To not browse or access data without authorization;
   - To make no changes to data delivered;
   - To not use data for personal gain;
   - To report conflicts of interest immediately;
   - To terminate access when access is no longer required for job duties; and
   - To not disclose information to unauthorized persons.

   Terms and conditions which must be accepted each time a customer accesses the Treasury’s Working System include a description of penalties for misuse of data. These include:
   - Criminal and civil penalties;
   - disciplinary actions and other consequences including the loss of system access.

2. Treasury has strong safeguards to protect the security and confidentiality of information. Access to the Treasury’s Working System is available only by authorized persons on a need-to-know basis. External access logs to Treasury’s Working System are reviewed to ensure compliance with the Rules of Behavior agreed to by credentialed users. Internal access log control measures are reviewed to ensure compliance with security guidelines governing access to Privacy Act data. Audit logs allow system managers to monitor external and internal user actions and address any misuse or violation of access privileges. Access to computerized records is limited through the use of internal mechanisms available to only those whose official duties require access. Facilities where records are physically located are secured by various means, such as security guards, locked doors with key entry, and equipment requiring a physical token to gain access. The Bureau of the Fiscal Service may agree to additional safeguards for some data through a written agreement with the entity supplying the data.

Treasury’s Working System recently completed its Security Assessment and Authorization (SA&A), which is reviewed at the Bureau of the Fiscal Service level. The SA&A adheres to the processes outlined in the National Institute of Standards and Technology (NIST) Special Publication (SP) 800 series. More specifically, NIST SP 800–115; NIST SP 800–53, Rev. 3; NIST SP–800–53A, Rev. 1; NIST SP 800–37, Rev. 1; and NIST SP 800–30. Treasury’s Working System also complies with the Federal Information Security Management Act (FISMA). For example, detailed SA&A information is currently safeguarded within the Treasury FISMA Information Management System; in the event of an audit, this documentation may be made available. [FR Doc. 2017–19433 Filed 9–12–17; 8:45 am]

BILLING CODE 3110–01–P

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[Notice: (17–063)]

Aerospace Safety Advisory Panel; Charter Renewal

AGENCY: National Aeronautics and Space Administration (NASA).

ACTION: Notice of renewal of charter of the Aerospace Safety Advisory Panel.

SUMMARY: Pursuant to sections 14(b)(1) and 9(c) of the Federal Advisory Committee Act (Pub. L. 92–463), and after consultation with the Committee Management Secretariat, U.S. General Services Administration, the NASA Acting Administrator has determined that renewal of the Aerospace Safety Advisory Panel (ASAP) is in the public interest in connection with the performance of duties imposed on NASA by law. The renewed charter is for a two-year period ending on August 15, 2019.

FOR FURTHER INFORMATION CONTACT: Ms. Carol Hamilton, Designated Federal Officer, Office of International and Interagency Relations, NASA Headquarters, Washington, DC 20546; phone (202) 358–1857; email carol.j.hamilton@nasa.gov.

Patricia D. Rausch, Advisory Committee Management Officer, National Aeronautics and Space Administration.

[FR Doc. 2017–19406 Filed 9–12–17; 8:45 am]

BILLING CODE 7510–13–P

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[Notice: 17–061]

International Space Station Advisory Committee; Charter Renewal

AGENCY: National Aeronautics and Space Administration (NASA).

ACTION: Notice of renewal of charter of the International Space Station Advisory Committee.

SUMMARY: Pursuant to sections 14(b)(1) and 9(c) of the Federal Advisory Committee Act, and after consultation
with the Committee Management Secretariat, U.S. General Services Administration, the NASA Acting Administrator has determined that renewal of the International Space Station Advisory Committee is in the public interest in connection with the performance of duties imposed on NASA by law. The renewed charter is for a one-year period ending on September 30, 2018.

FOR FURTHER INFORMATION CONTACT: Mr. Patrick Finley, Designated Federal Officer, Office of International and Interagency Relations, NASA Headquarters, Washington, DC 20546; phone (202) 358–5684; email patrick.f.finley@nasa.gov.

Patricia D. Rausch, Advisory Committee Management Officer, National Aeronautics and Space Administration.

[FR Doc. 2017–19405 Filed 9–12–17; 8:45 am]

BILLING CODE 7510–13–P

NUCLEAR REGULATORY COMMISSION

[NRC–2016–0223]

Information Collection: Grant and Cooperative Agreement Provisions

AGENCY: Nuclear Regulatory Commission.

ACTION: Notice of submission to the Office of Management and Budget; request for comment.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) has recently submitted a request for renewal of an existing collection of information to the Office of Management and Budget (OMB) for review. The information collection is entitled, “Grant and Cooperative Agreement Provisions.”

DATES: Submit comments by October 13, 2017.

ADDRESSES: Submit comments directly to the OMB reviewer at: Aaron Szabo, Desk Officer, Office of Information and Regulatory Affairs (3150–0107), NEOB–10202, Office of Management and Budget, Washington, DC 20503; telephone: 202–395–3621; email: oira_submission@omb.eop.gov.


SUPPLEMENTARY INFORMATION:

I. Obtaining Information and Submitting Comments

A. Obtaining Information

Please refer to Docket ID NRC–2016–0223 when contacting the NRC about the availability of information for this action. You may obtain publicly-available information related to this action by any of the following methods:


2. 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 supporting statement is available in ADAMS under Accession No. ML17241A042.

3. 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.

4. NRC’s Clearance Officer: A copy of the collection of information and related instructions may be obtained without charge by contacting the NRC’s Clearance Officer, David Cullison, Office of the Chief Information Officer, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001; telephone: 301–415–2084; email: Infocollects.Resource@nrc.gov.

B. Submitting Comments

The NRC cautions you not to include identifying or contact information in comment submissions that you do not want to be publicly disclosed in your comment submission. All comment submissions are posted at http://www.regulations.gov and entered into ADAMS. Comment submissions are not routinely edited to remove identifying or contact information.

If you are requesting or aggregating comments from other persons for submission to the OMB, then you should inform those persons not to include identifying or contact information that they do not want to be publicly disclosed in their comment submission. Your request should state that comment submissions are not routinely edited to remove such information before making the comment submissions available to the public or entering the comment into ADAMS.

II. Background

Under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the NRC recently submitted a request for renewal of an existing collection of information to OMB for review entitled, “Grant and Cooperative Agreement Provisions.” The NRC hereby informs potential respondents that an agency may not conduct or sponsor, and that a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

The NRC published a Federal Register notice with a 60-day comment period on this information collection on June 21, 2017, 82 FR 28362.

1. The title of the information collection: Grant and Cooperative Agreement Provisions.

2. OMB approval number: 3150–0107.

3. Type of submission: Extension.

4. The form number if applicable: Not applicable.

5. How often the collection is required or requested: Technical Performance reports are required every 6 months; other information is submitted on occasion as needed.

6. Who will be required or asked to respond: Grant and Cooperative Agreement recipients.

7. The estimated number of annual responses: 548 (370 responses plus 178 record keepers).

8. The estimated number of annual respondents: 178.

9. An estimate of the total number of hours needed annually to comply with the information collection requirement or request: 4,173. (3,894 reporting hours plus 279 record keeping hours).

10. Abstract: The Acquisition Management Division is responsible for awarding grants and cooperative agreements (financial assistance) for the NRC. The Acquisition Management Division collects information from assistance recipients in accordance with grant and cooperative agreement provisions in order to administer the NRC’s financial assistance program. The information collected under the provisions ensures that the Government’s rights are protected, the agency adheres to public laws, the work proceeds on schedule, and that disputes between the Government and the recipient are settled.

Dated at Rockville, Maryland, this 7th day of September, 2017.
I. Obtaining Information and Submitting Comments

A. Obtaining Information

Please refer to Docket ID NRC–2016–0264 when contacting the NRC about the availability of information for this action. You may obtain publicly-available information related to this action by any of the following methods:

- 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 supporting statement is available in ADAMS under Accession No. ML17205A471.
- 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.
- NRC’s Clearance Officer: A copy of the collection of information and related instructions may be obtained without charge by contacting the NRC’s Clearance Officer, David Cullison, Office of the Chief Information Officer, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001; telephone: 301–415–2084; email: Infocollects.Resource@nrc.gov.

B. Submitting Comments

The NRC cautions you not to include identifying or contact information in comment submissions that you do not want to be publicly disclosed in your comment submission. All comment submissions are posted at http://www.regulations.gov and entered into ADAMS. Comment submissions are not routinely edited to remove identifying or contact information. If you are requesting or aggregating comments from other persons for submission to the OMB, then you should inform those persons not to include identifying or contact information that they do not want to be publicly disclosed in their comment submission. Your request should state that comment submissions are not routinely edited to remove such information before making the comment submissions available to the public or entering the comment into ADAMS.

II. Background

Under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the NRC recently submitted a request for renewal of an existing collection of information to OMB for review entitled, “Disposal of High-Level Radioactive Wastes in a Geologic Repository at Yucca Mountain, Nevada.” The NRC hereby informs potential respondents that an agency may not conduct or sponsor, and that a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

The NRC published a Federal Register notice with a 60-day comment period on this information collection on May 31, 2017 (82 FR 25015).

2. OMB approval number: OMB approval number 3150–0199.
3. Type of submission: Extension.
4. The form number if applicable: Not applicable.
5. How often the collection is required or requested: One time.
6. Who will be required or asked to respond: The State of Nevada, local governments, or affected Indian tribes, or their representatives, requesting consultation with the NRC staff regarding review of the potential high level waste geologic repository site, or wishing to participate in a license application review for the potential geologic repository.
7. The estimated number of annual respondents: 12.
8. The estimated number of annual responses: 12.
9. An estimate of the total number of hours needed annually to comply with the information collection requirement or request: 1,452.
10. Abstract: Part 63 of title 10 of the Code of Federal Regulations, requires the State of Nevada, local governments, or affected Indian tribes to submit information to the NRC that describes their request for any consultation with the NRC staff concerning review of the potential repository site or NRC’s facilitation for their participation in a license application review for the potential repository. Representatives of the State of Nevada, local governments, or affected Indian tribes must submit a statement of their authority to act in such a representative capacity. The information submitted by the State of Nevada, local governments, or affected Indian tribes is used by the Director of the Office of Nuclear Material Safety and Safeguards as a basis for decisions about the commitment of the NRC staff resources to the consultation and participation efforts.

Dated at Rockville, Maryland, this 8th day of September 2017.
For the Nuclear Regulatory Commission.

David Cullison,
NRC Clearance Officer, Office of the Chief Information Officer.
NUCLEAR REGULATORY COMMISSION

[NRC–2016–0265]

Information Collection: U.S. Nuclear Regulatory Commission Acquisition Regulation (NRCAR)

AGENCY: Nuclear Regulatory Commission.

ACTION: Renewal of existing information collection; request for comment.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) invites public comment on the Office of Management and Budget’s (OMB) approval for renewal of an existing information collection. The document details clauses and provisions that affect NRC contractors. The NRCAR implements and supplements the government-wide Federal Acquisition Regulation (FAR) and ensures that the policies governing the procurement of goods and services within the NRC satisfy the needs of the agency. The information collection is entitled, “Nuclear Regulatory Commission Acquisition Regulation.”

DATES: Submit comments by November 13, 2017. Comments received after this date will be considered if it is practical to do so, but the Commission is able to ensure consideration only for comments received on or before this date.

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

- Federal Rulemaking Web site: Go to http://www.regulations.gov and search for Docket ID NRC–2016–0265. Address questions about NRC dockets to Carol Gallagher; telephone: 301–415–3463; email: Carol.Gallagher@nrc.gov. For technical questions, contact the individual listed in the FOR FURTHER INFORMATION CONTACT section of this document.
- Mail comments to: David Cullison, Office of the Chief Information Officer, Mail Stop: T–2 F43, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001. For additional direction on obtaining information and submitting comments, see “Obtaining Information and Submitting Comments” in the SUPPLEMENTARY INFORMATION section of this document.


SUPPLEMENTARY INFORMATION:

I. Obtaining Information and Submitting Comments

A. Obtaining Information

Please refer to Docket ID NRC–2016–0265 when contacting the NRC about the availability of information for this action. You may obtain publicly-available information related to this action by any of the following methods:

- 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 supporting statement is available in ADAMS under Accession No. ML17074A579.
- 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.
- NRC’s Clearance Officer: A copy of the collection of information and related instructions may be obtained without charge by contacting the NRC’s Clearance Officer, David Cullison, Office of the Chief Information Officer, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001; telephone: 301–415–2084; email: Infocollects.Resource@nrc.gov.

B. Submitting Comments

Please include Docket ID NRC–2016–0265 in the subject line of your comment submission, in order to ensure that the NRC is able to make your comment submission available to the public in this docket.

The NRC cautions you not to include identifying or contact information in comment submissions that you do not want to be publicly disclosed in your comment submission. Your request should state that comment submissions are not routinely edited to remove such information before making the comment submissions available to the public or entering the comment into ADAMS.

II. Background

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35), the NRC is requesting public comment on its intention to request the OMB’s approval for the information collection summarized below.

2. OMB approval number: 3150–0169.
3. Type of submission: Extension.
4. The form number, if applicable: N/ A.
5. How often the collection is required or requested: On occasion, one time.
6. Who will be required or asked to respond: NRC contractors and potential contractors.
7. The estimated number of annual responses: 5,613.
8. The estimated number of annual respondents: 4,985.
9. The estimated number of hours needed annually to comply with the information collection requirement or request: 37,337 (34,393 reporting + 2,944 recordkeeping).
10. Abstract: The mandatory requirements of the NRCAR implement and supplement the government-wide Federal Acquisition Regulation (FAR), and ensure that the regulations governing the procurement of goods and services with the NRC satisfy the particular needs of the agency. Because of differing statutory authorities among Federal agencies, the FAR permits agencies to issue a regulation to implement FAR policies and procedures internally to satisfy the specific need of the agency.

III. Specific Requests for Comments

The NRC is seeking comments that address the following questions:

1. Is the proposed collection of information necessary for the NRC to properly perform its functions? Does the information have practical utility?
2. Is the estimate of the burden of the information collection accurate?
3. Is there a way to enhance the quality, utility, and clarity of the information to be collected?
4. How can the burden of the information collection on respondents be minimized, including the use of automated collection techniques or other forms of information technology?
Dated at Rockville, Maryland, this 7th day of September, 2017.

For the Nuclear Regulatory Commission.

David Cullison,
NRC Clearance Officer, Office of the Chief
Information Officer.

[FR Doc. 2017–19368 Filed 9–12–17; 8:45 am]
BILLING CODE 7590–01–P

RAILROAD RETIREMENT BOARD

Agency Forms Submitted for OMB Review, Request for Comments

Summary: In accordance with the Paperwork Reduction Act of 1995, the Railroad Retirement Board (RRB) is forwarding an Information Collection Request (ICR) to the Office of Information and Regulatory Affairs (OIRA), Office of Management and Budget (OMB). Our ICR describes the information we seek to collect from the public. Review and approval by OIRA ensures that we impose appropriate paperwork burdens.

The RRB invites comments on the proposed collections of information to determine (1) the practical utility of the collections; (2) the accuracy of the estimated burden of the collections; (3) ways to enhance the quality, utility, and clarity of the information that is the subject of collection; and (4) ways to minimize the burden of collections on respondents, including the use of automated collection techniques or other forms of information technology. Comments to the RRB or OIRA must contain the OMB control number of the ICR. For proper consideration of your comments, it is best if the RRB and OIRA receive them within 30 days of the publication date.

1. Title and purpose of information collection: Supplemental Information on Accident and Insurance; OMB 3220–0036.

Under Section 12(o) of the Railroad Unemployment Insurance Act (RUIA), the Railroad Retirement Board (RRB) is entitled to reimbursement of the sickness benefits paid to a railroad employee if the employee receives a sum or damages for the same infirmary for which the benefits are paid. Section 2(f) of the RUIA requires employers to reimburse the RRB for days in which salary, wages, pay for time lost or other remuneration is later determined to be payable. Reimbursements under section 2(f) generally result from the award of pay for time lost or the payment of guaranteed wages. The RUIA prescribes that the amount of benefits paid be deducted and held by the employer in a special fund for reimbursement to the RRB.

The RRB currently utilizes Forms SI–1c, Supplemental Information on Accident and Insurance; SI–5, Report of Payments to Employee Claiming Sickness Benefits Under the RUIA; ID–3s and ID–3s (Internet), Request for Lien Information—Report of Settlement; ID–3s–1, Lien Information Under Section 12(o) of the RUIA; ID–3u and ID–3u (Internet), Request for Section 2(f) Information; ID–30k, Notice to Request Supplemental Information on Injury or Illness; and ID–30k–1, Notice to Request Supplemental Information on Injury or Illness; to obtain the necessary information from claimants and railroad employers. Completion is required to obtain benefits. One response is requested of each respondent.

Previous Requests for Comments: The RRB has already published the initial 60-day notice (82 FR 31108 on July 5, 2017) required by 44 U.S.C. 3506(c)(2). That request elicited no comments.

Information Collection Request (ICR)

Title: Supplemental Information on Accident and Insurance.

OMB Control Number: 3220–0036.

Form(s) submitted: SI–1c, SI–5, ID–3s, ID–3s (Internet), ID–3s–1, ID–3u, ID–3u (Internet), ID–30k, and ID–30k–1.

Type of request: Extension without change of a currently approved collection.

Affected public: Individuals or Households.

Abstract: The Railroad Unemployment Insurance Act provides for the recovery of sickness benefits paid if an employee receives a settlement for the same injury for which benefits were paid. The collection obtains information that is needed to determine the amount of the RRB’s reimbursement from the person or company responsible for such payments.

Changes proposed: The RRB proposes no changes to the forms in the collection.

The burden estimate for the ICR is as follows:

<table>
<thead>
<tr>
<th>Form No.</th>
<th>Annual responses</th>
<th>Time (minutes)</th>
<th>Burden (hours)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SI–1c</td>
<td>475</td>
<td>5</td>
<td>40</td>
</tr>
<tr>
<td>SI–5</td>
<td>7</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>ID–3s (Paper &amp; Telephone)</td>
<td>4,000</td>
<td>3</td>
<td>200</td>
</tr>
<tr>
<td>ID–3s (Internet)</td>
<td>2,000</td>
<td>3</td>
<td>100</td>
</tr>
<tr>
<td>ID–3s–1 (Paper &amp; Telephone)</td>
<td>3,000</td>
<td>3</td>
<td>150</td>
</tr>
<tr>
<td>ID–3u (Paper &amp; Telephone)</td>
<td>400</td>
<td>3</td>
<td>20</td>
</tr>
<tr>
<td>ID–3u (Internet)</td>
<td>200</td>
<td>3</td>
<td>10</td>
</tr>
<tr>
<td>ID–30k</td>
<td>55</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>ID–30k–1</td>
<td>65</td>
<td>5</td>
<td>5</td>
</tr>
</tbody>
</table>

Total | 10,202 | | 531 |

2. Title and Purpose of information collection: Pension Plan Reports; OMB 3220–0089. Under Section 2(b) of the Railroad Retirement Act (RRA), the Railroad Retirement Board (RRB) pays supplemental annuities to qualified RRB employee annuitants. A supplemental annuity, which is computed according to Section 3(e) of the RRA, can be paid at age 60 if the employee has at least 30 years of creditable railroad service or at age 65 if the employee has 25–29 years of railroad service. In addition to 25 years of service, a “current connection” with the railroad industry is required. Eligibility is further limited to employees who had at least 1 month of rail service before October 1981 and were awarded regular annuities after June 1966. Further, an employee’s 65th birthday was prior to September 2, 1981, he or she must not have worked in rail service after certain closing dates (generally the last day of the month following the month in which age 65 is attained). Under Section 2(b)(2) of the RRA, the amount of the supplemental annuity is reduced if the employee receives monthly pension payments, or a lump-sum pension payment from a
The RRB requires the following information from railroad employers to calculate supplemental annuities: (a) the current status of railroad employer pension plans and whether such plans require a reduction to supplemental annuity; (b) whether the employee receives monthly payments from a private railroad employer pension, elected to receive a lump sum in lieu of monthly pension payments from such a plan, or was required to receive a lump sum from such a plan due to the plan’s small benefit provision; and (c) the amount of the payments attributable to the railroad employer’s contributions.

The requirement that railroad employers furnish pension information to the RRB is contained in 20 CFR 209.2.

The RRB currently utilizes Form G–88p and G–88r (Internet), Employer’s Supplemental Pension Report, and Form G–88r, Request for Information About New or Revised Employer Pension Plan, to obtain the necessary information from railroad employers. One response is requested of each respondent. Completion is mandatory.

Previous Requests for Comments: The RRB has already published the initial 60-day notice (82 FR 31108 on July 5, 2017) required by 44 U.S.C. 3506(c)(2). That request elicited no comments.

Information Collection Request (ICR)

Title: Pension Plan Reports.
OMB Control Number: 3220–0089.
Type of request: Revision of a currently approved collection of information.
Affected public: Businesses or other for-profits.
Abstract: The Railroad Retirement Act provides for payment of a supplemental annuity to a qualified railroad retirement annuitant. The collection obtains information from the annuitant’s employer to determine (a) the existence of railroad employer pension plans and whether such plans, if they exist, require a reduction to supplemental annuities paid to the employer’s former employees and (b) the amount of supplemental annuities due railroad employees.

Changes proposed: The RRB proposes to revise Forms G–88p and G–88r (Internet) to acquire more accurate employee pension information by asking the employer whether the employee is currently eligible for a pension and instructing the employer to indicate whether the employee filed for the pension or instead elected to defer distribution from the pension account in Items 11a and 11b (paper) and Items 10a and 10b (Internet). The RRB also proposes to make other editorial changes. The RRB proposes no changes to Form G–88r.

The burden estimate for the ICR is as follows:

<table>
<thead>
<tr>
<th>Form No.</th>
<th>Annual responses</th>
<th>Time (minutes)</th>
<th>Burden (hours)</th>
</tr>
</thead>
<tbody>
<tr>
<td>G–88p</td>
<td>100</td>
<td>8</td>
<td>13</td>
</tr>
<tr>
<td>G–88p (Internet)</td>
<td>200</td>
<td>6</td>
<td>20</td>
</tr>
<tr>
<td>G–88r</td>
<td>10</td>
<td>8</td>
<td>1</td>
</tr>
<tr>
<td>Total</td>
<td>310</td>
<td></td>
<td>34</td>
</tr>
</tbody>
</table>

3. Title and Purpose of information collection: Statement Regarding Contributions and Support; OMB 3220–0099.

Under Section 2 of the Railroad Retirement Act, dependency on an employee for one-half support at the time of the employee’s death can affect (1) entitlement to a survivor annuity when the survivor is a parent of the deceased employee; (2) the amount of spouse and survivor annuities; and (3) the Tier II restored amount payable to a widow(er) whose annuity was reduced for receipt of an employee annuity, and who was dependent on the railroad employee in the year prior to the employee’s death. One-half support may also negate the public service pension offset in Tier I for a spouse or widow(er). The Railroad Retirement Board (RRB) utilizes Form G–134, Statement Regarding Contributions and Support, to secure information needed to adequately determine if the applicant meets the one-half support requirement. One response is completed by each respondent. Completion is required to obtain benefits.

Previous Requests for Comments: The RRB has already published the initial 60-day notice (82 FR 31109 on July 5, 2017) required by 44 U.S.C. 3506(c)(2). That request elicited no comments.

Information Collection Request (ICR)

Title: Statement Regarding Contributions and Support.
OMB Control Number: 3220–0099.
Form(s) submitted: G–134.

Type of request: Extension without change of a currently approved collection.

Affected public: Individuals or Households.

Abstract: Dependency on the employee for one-half support at the time of the employee’s death can be a condition affecting eligibility for a survivor annuity provided for under Section 2 of the Railroad Retirement Act. One-half support is also a condition which may negate the public service pension offset in Tier I for a spouse or widow(er).

Changes proposed: The RRB proposes no changes to Form G–134.

The burden estimate for the ICR is as follows:

<table>
<thead>
<tr>
<th>Form No.</th>
<th>Annual responses</th>
<th>Time (minutes)</th>
<th>Burden (hours)</th>
</tr>
</thead>
<tbody>
<tr>
<td>G–134:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>With Assistance</td>
<td>75</td>
<td>147</td>
<td>184</td>
</tr>
<tr>
<td>Without assistance</td>
<td>25</td>
<td>180</td>
<td>75</td>
</tr>
<tr>
<td>Total</td>
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<td>259</td>
</tr>
</tbody>
</table>
SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations; National Securities Clearing Corporation; Notice of No Objection to an Advance Notice To Expand the Application of the Family-Issued Securities Charge


I. Description of the Advance Notice

The Advance Notice is a proposal by NSCC to further address specific wrong-way risk5 that is present when NSCC acts as central counterparty to a transaction with an NSCC member (“Member”) where the underlying securities are securities issued by such Member or an affiliate of such Member (“family-issued securities”).6 Currently, NSCC applies a targeted margin charge to address the specific wrong-way risk of family-issued securities transactions (“FIS Charge”) where the Member is on NSCC’s Watch List.7 NSCC believes that Members on the Watch List present a higher credit risk (i.e., a greater risk of defaulting on their settlement obligations), compared to Members not on the Watch List. As such, the family-issued securities of Members on the Watch List currently receive a FIS Charge because of the increased credit risk presented by such Members. As described in detail below, NSCC proposes in the Advance Notice to expand the application of the FIS Charge to all Members, regardless of a Member’s Watch List status, but still maintain a higher FIS Charge for Members that present a greater credit risk to NSCC, such as Members on the Watch List.

Currently, in calculating a Watch List Member’s overall margin charge (i.e., a Watch List Member’s required deposit to NSCC’s clearing fund), NSCC (July 25, 2017), 82 FR 35563 (July 31, 2017) (SR–NSCC–2017–010). The Commission did not receive any comments on that proposal.

Specific wrong-way risk is the risk that an exposure to a counterparty is highly likely to increase when the creditworthiness of that counterparty is deteriorating. See Principles for financial market infrastructures, issued by the Committee on Payment and Settlement Systems and the Technical Committee of the International Organization of Securities Commissions 47 n.65 (April 2012), available at http://www.bis.org/publ/cpsico10a.pdf.

6 As part of this proposal, NSCC proposes to define in its rules that, for a given Member, a family-issued security is a security that was issued by such Member or an affiliate of such Member. As part of its ongoing monitoring of its membership, NSCC utilizes an internal credit risk rating matrix to rate its risk exposures to its Members based on a scale from 1 (the strongest) to 7 (the weakest). Members that fall within the weakest three rating categories (i.e., 5, 6, and 7) are placed on NSCC’s “Watch List” and, as provided under NSCC’s Rules and Procedures (“Rules”), may be subject to enhanced surveillance or additional margin charges. See Section 4 of Rule 2B and Section II(B)(I) of Procedure XV of NSCC’s Rules, available at http://dtcc.com/-/media/Files/Downloads/legal/rules/nscc_rules.pdf.

7 As part of this proposal, NSCC proposes to define in its rules that, for a given Member, a family-issued security is a security that was issued by such Member or an affiliate of such Member. As part of its ongoing monitoring of its membership, NSCC utilizes an internal credit risk rating matrix to rate its risk exposures to its Members based on a scale from 1 (the strongest) to 7 (the weakest). Members that fall within the weakest three rating categories (i.e., 5, 6, and 7) are placed on NSCC’s “Watch List” and, as provided under NSCC’s Rules and Procedures (“Rules”), may be subject to enhanced surveillance or additional margin charges. See Section 4 of Rule 2B and Section II(B)(I) of Procedure XV of NSCC’s Rules, available at http://dtcc.com/-/media/Files/Downloads/legal/rules/nscc_rules.pdf.

8 More specifically, fixed-income securities that are family-issued securities are charged a rate of no less than 80 percent for firms that are rated 6 or 7 on the credit risk rating matrix, and no less than 40 percent for firms that are rated 5 on the credit risk rating matrix. Equity securities that are family-issued securities are charged a rate of 100 percent for firms that are rated 6 or 7 on the credit risk rating matrix, and no less than 50 percent for firms that are rated 5 on the credit risk rating matrix.

9 In a default scenario, NSCC would receive the family-issued securities from a Member’s guaranteed long transactions and would have to liquidate the holding to unwind NSCC’s position.
II. Discussion and Commission Findings

Although the Clearing Supervision Act does not specify a standard of review for an advance notice, its stated purpose is instructive: To mitigate systemic risk in the financial system and promote financial stability by, among other things, promoting uniform risk management standards for systemically important financial market utilities and strengthening the liquidity of systemically important financial market utilities.\(^{11}\) Section 805(a)(2) of the Clearing Supervision Act\(^{12}\) authorizes the Commission to prescribe risk management standards for the payment, clearing, and settlement activities of designated clearing entities engaged in designated activities for which the Commission is the supervisory agency. Section 805(b) of the Clearing Supervision Act\(^{13}\) provides the following objectives and principles for the Commission’s risk management standards prescribed under Section 805(a):

- Promote robust risk management;
- promote safety and soundness;
- reduce systemic risks; and
- support the stability of the broader financial system.

The Commission has adopted risk management standards under Section 805(a)(2) of the Clearing Supervision Act\(^{14}\) and Section 17A of the Exchange Act (“Rule 17Ad–22”).\(^{15}\) Rule 17Ad–22 requires registered clearing agencies to establish, implement, maintain, and enforce written policies and procedures that are reasonably designed to meet certain minimum requirements for their operations and risk management practices on an ongoing basis.\(^{16}\) Therefore, it is appropriate for the Commission to review proposed changes in advance notices against the objectives and principles of these risk management standards as described in Section 805(b) of the Clearing Supervision Act\(^{17}\) and against Rule 17Ad–22.\(^{18}\)

The Commission believes the proposal in the Advance Notice is consistent with the objectives and principles described in Section 805(b) of the Act,\(^{19}\) and Rule 17Ad–22, in particular Rule 17Ad–22(e)(4)(i)\(^{20}\) and Rule 17Ad–22(e)(6)(i) and (v)\(^{21}\) under the Exchange Act, as described in detail below.

A. Consistency With Section 805(b) of the Clearing Supervision Act

As discussed below, the Commission believes that the changes proposed in the Advance Notice are consistent with Section 805(b) of the Clearing Supervision Act because they: (i) Are designed to reduce systemic risk; (ii) are designed to support the stability of the financial system; (iii) are designed to promote robust risk management; and (iv) are consistent with promoting safety and soundness.

The Commission believes that the proposal is designed to help promote robust risk management. As described above, the FIS Charge is calculated and collected to help mitigate NSCC’s loss exposure to specific wrong-way risk that NSCC may face when liquidating family-issued security positions that are deprecating in value in response to a Member’s default. By expanding the FIS Charge to family-issued security transactions presented to NSCC by all Members, the proposal would assist NSCC in collecting margin and maintaining a clearing fund amount that more accurately reflects NSCC’s overall risk exposure to its Members. Therefore, the proposal is designed to help better promote robust risk management at NSCC by reducing NSCC’s loss exposure to the specific wrong-way risk that NSCC faces from Member transactions in family-issued securities.

The Commission also believes that the proposal is designed to promote safety and soundness, as well as support the stability of the financial system, and reduce systemic risk. By providing for the collection by NSCC of margin amounts that contemplate and help address the specific wrong-way risk presented by all Members, the proposal would assist NSCC in helping to ensure that it maintains sufficient margin in the event that a Member holding family-issued securities defaults and such positions significantly decrease in value. Without this increased margin, NSCC is at a greater risk of not having enough margin to offset potential losses from the reduced value of family-issued securities in a default scenario. Such losses could threaten NSCC’s ability to continue operations of its critical clearance and settlement services. Because the proposal would generally increase the level of financial resources available to NSCC, better enabling NSCC to continue operating in default scenarios, the proposal would help NSCC operate more safely and soundly and reduce the systemic risk associated with NSCC not providing critical clearance and settlement services in the event of a Member default. Therefore, the Commission believes that the changes proposed in the Advance Notice are consistent with Section 805(b) of the Clearing Supervision Act.\(^{22}\)

B. Consistency With Rule 17Ad–22(e)(4)(i)

The Commission believes that the changes proposed in the Advance Notice are consistent with Rule 17Ad–22(e)(4)(i) under the Exchange Act, which requires, in part, that NSCC establish, implement, maintain and enforce written policies and procedures reasonably designed to effectively identify, measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes, including by maintaining sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence.\(^{23}\)

As described above, NSCC is exposed to specific wrong-way risk where it acts as central counterparty for its Members for transactions in family-issued securities. The expanded application of the FIS Charge to all Members would help further mitigate NSCC’s loss exposure to this risk. The charge is calculated and imposed based on the value and type of family-issued securities in each Member’s portfolio and in consideration of the Members’ credit rating, as calculated by NSCC’s internal credit risk matrix. Although the FIS Charge may not fully reflect the recovery rate on a family-issued security when a Member defaults, the Commission understands that expanding the FIS Charge to non-Watch List Members, as proposed, would enable NSCC to collect more margin on such positions than would a VaR Charge, more accurately reflecting the risks those positions present. Thus, the
expanded FIS Charge is designed to help NSCC collect sufficient financial resources to help cover the specific risk exposure, with a high degree of confidence, which is presented by all Members seeking to clear and settle transactions in family-issued securities. Therefore, the Commission believes that the proposal to expand the FIS Charge to all Members is consistent with Rule 17Ad–22(e)(4)(i) under the Exchange Act.24

C. Consistency With Rule 17Ad–22(e)(6)(i) and (v)

The Commission believes that the changes proposed in the Advance Notice are consistent with Rule 17Ad–22(e)(6)(i) and (v) under the Exchange Act, which require, in part, that NSCC establish, implement, maintain and enforce written policies and procedures reasonably designed to cover its credit exposures to its participants by establishing a risk-based margin system that, at a minimum considers, and produces margin levels commensurate with the risks and particular attributes of each relevant product, portfolio, and market; and uses an appropriate method for measuring credit exposure that accounts for relevant product risk factors and portfolio effects across products.25

As described above, NSCC faces specific wrong-way risk where it acts as central counterparty to Member transactions in family-issued securities. To help address this risk, NSCC applies the FIS Charge in calculating the Member’s required margin. Specifically, the FIS Charge is a component of the margin that NSCC calculates and collects using a risk-based margin methodology that is designed to help maintain the coverage of NSCC's credit exposures to its Members at a confidence level of at least 99 percent. The FIS Charge is tailored to consider both the value and type of family-issued securities held by the Member, as well as the credit risk presented by the Member, as calculated by NSCC.

However, currently, the FIS Charge is assessed only against Members on the Watch List because of the additional credit risk presented by such Members. Nevertheless, all Members, not just Members on the Watch List, present specific wrong-way risk. As such, NSCC proposes to expand the FIS Charge to all Members, while maintaining the relation between the FIS Charge and the Member’s credit risk. Specifically, NSCC proposes to apply the FIS Charge to fixed-income securities that are family-issued securities of non-Watch List Members at a rate of no less than 45 percent, and to equities that are family-issued securities of non-Watch List Members at a rate of no less than 50 percent. Although NSCC proposes to apply a lesser percentage rate to non-Watch List Members than some Watch List Members, the proposed rate is designed to more accurately reflect the risks posed than what is reflected in a VaR Charge.

Because the expanded FIS Charge also would be a tailored component of the margin that NSCC collects from non-Watch List Members to help cover NSCC credit exposure to such Members, as the charge would be based on different product risk factors with respect to equity and fixed-income securities, as described above, the Commission believes that the proposed changes in the Advance Notice are consistent with Rule 17Ad–22(e)(6)(i) and (v) under the Exchange Act.26

III. Conclusion

It is therefore noticed, pursuant to Section 806(e)(1)(I) of the Clearing Supervision Act,27 that the Commission does not object to Advance Notice (SR–NSCC–2017–804) and that NSCC is authorized to implement the proposed change as of the date of this notice or the date of an order by the Commission approving the proposed rule change (SR–NSCC–2017–010) that reflects rule changes that are consistent with this Advance Notice, whichever is later.

By the Commission.

Eduardo A. Aleman,
Assistant Secretary.

SECURITIES AND EXCHANGE COMMISSION

Submission for OMB Review; Comment Request

Upon Written Request, Copies Available From: Securities and Exchange Commission, Office of FOIA Services, 100 F Street NE., Washington, DC 20549–2736.


Rule 10b–17 requires any issuer of a class of securities publicly traded by the use of any means or instrumentality of interstate commerce or of the mails or of any facility of any national securities exchange to give notice of the following specific distributions relating to such class of securities: (1) A dividend or other distribution in cash or in kind other than interest payments on debt securities; (2) a stock split or reverse stock split; or (3) a rights or other subscription offering. Notice shall be either given to the Financial Industry Regulatory Authority, Inc. as successor to the National Association of Securities Dealers, Inc. or in accordance with the procedures of the national securities exchange upon which the securities are registered. The Commission may exempt an issuer of over-the-counter (but not listed) securities from the notice requirement. The requirements of 10b–17 do not apply to redeemable securities of registered open-end investment companies or unit investment trusts.

The information required by Rule 10b–17 is necessary for the execution of the Commission’s mandate under the Securities Exchange Act of 1934 to prevent fraudulent, manipulative, and deceptive acts and practices. The Commission has found that not requiring formal notices of the types of distributions covered by Rule 10b–17 has led to a number of abuses including purchasers not being aware of their rights to such distributions. It is only through formal notice of the distribution, including the date of the distribution, that current holders, potential buyers, or potential sellers of the securities at issue will know their rights to the distribution. Therefore, it is only through formal notice that investors can make an informed decision as to whether to buy or sell a security.

There are approximately 12,127 respondents per year. These respondents make approximately 27,144 responses per year. Each response takes approximately 10 minutes to complete. Thus, the total compliance burden per year is 4,524 burden hours. The total internal labor cost of compliance for the respondents, associated with producing and filing the reports, is approximately $317,991.96.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information

24 Id.
25 17 CFR 240.17Ad–22(e)(6)(i) and (v).
26 Id.
under the PRA unless it displays a currently valid OMB control number.

The public may view background documentation for this information collection at the following Web site: http://www.reginfo.gov. Comments should be directed to: (i) Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10102, New Executive Office Building, Washington, DC 20503, or by sending an email to: Shagufta Ahmed@omb.eop.gov; and (ii) Pamela Dyson, Director/Chief Information Officer, Securities and Exchange Commission, c/o Remi Pavlik-Simon, 100 F Street NE., Washington, DC 20549 or by sending an email to: PRA_Mailbox@sec.gov. Comments must be submitted to OMB within 30 days of this notice.


Eduardo A. Aleman,  
Assistant Secretary.

[FR Doc. 2017–19360 Filed 9–12–17; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Change To Amend its Rules To Make Technical and Conforming Updates, in Connection With the Merger of NYSE Arca Equities, Inc. With and Into the Exchange’s Affiliate NYSE Arca, Inc. and the Name Change of NYSE National, Inc.


Pursuant to section 19(b)(1) ¹ of the Securities Exchange Act of 1934 (the “Act”) ² and Rule 19b–4 thereunder,³ notice is hereby given that, on August 25, 2017, New York Stock Exchange LLC (“NYSE” or the “Exchange”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I and II below, which items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange proposes to amend its rules to make technical and conforming updates in connection with (a) the merger of NYSE Arca Equities, Inc. with and into the Exchange’s affiliate NYSE Arca, Inc. and (b) the name change of NYSE National, Inc. The proposed change is available on the Exchange’s Web site at www.nyse.com, at the principal office of the Exchange, and at the Commission’s Public Reference Room.

II. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

A. Self-Regulatory Organization’s Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend its rules to make technical and conforming updates in connection with (a) the merger of NYSE Arca Equities, Inc. (“NYSE Arca Equities”) with and into the Exchange’s affiliate NYSE Arca, Inc. (“NYSE Arca”), and (b) the name change of NYSE National, Inc.

Background

On June 2, 2017, the Exchange’s affiliate, NYSE Arca, filed rule change applications with the Commission in connection with the proposed merger of NYSE Arca Equities with and into NYSE Arca (the “Merger”). The proposed changes were approved by the Commission on August 17, 2017, and the Merger occurred on that same date.⁵ Prior to the Merger, NYSE Arca had two rulebooks: the NYSE Arca rules for its options market and the NYSE Arca Equities rules for its equities market. At the Merger, the NYSE Arca Equities rules were integrated into the NYSE Arca rules, so that there is now one NYSE Arca rulebook.⁶ As part of such integration, some of the NYSE Arca rules were renumbered. Accordingly, the Exchange proposes to amend certain of its rules, as detailed below, to make technical and conforming updates to its rules that cross reference the NYSE Arca rules and delete references to the NYSE Arca Equities.

In January 2017, the Exchange’s parent NYSE Group, Inc. acquired all the capital stock of National Stock Exchange, Inc., which was renamed “NYSE National, Inc.”⁷ The Exchange proposes to update a reference to National Stock Exchange, Inc. found in the Exchange’s rules to reflect the new name of such entity, NYSE National, Inc.

Proposed Rule Changes

• In Exchange Rule 5.2(j) (Exchange Traded Products), the Exchange proposes to update the cross references to NYSE Arca Equities Rule 5.2(j)(1) by deleting the word “Equities” from the term “NYSE Arca Equities Rule” and appending an “-E” to the end of the rule number. The new cross reference would be to “NYSE Arca Rule 5.2–E(j)(1).” Similarly, the Exchange proposes to update the cross references to subsections of NYSE Arca Options Rule 5.13 and to NYSE Arca Options Rule 5.3 by deleting the word “Options” form the term “NYSE Arca Options Rule” and appending an “-O” to the end of the rules number. The new cross references would be to “NYSE Arca Rule 5.13–O” and “NYSE Arca Rule 5.3–O,” respectively, followed by any relevant subsection of the rule.

• In Exchange Rules 8.4 (Account Approval), 8.5 (Suitability), 8.6 (Discretionary Accounts), 8.7 (Supervision of Accounts), 8.8 (Customer Complaints), the Exchange proposes to update the references to NYSE Arca Equities Rules 9.18 by deleting the word “Equities” from the term “NYSE Arca Equities Rules” and appending an “-E” to the end of the rule number. The new cross references would be to “NYSE Arca Rule 9.18–E,” followed by any relevant subsection of the rule.

• In Exchange Rule 8.9 (Prior Approval of Certain Communications to Customers) the Exchange proposes to update the cross references to NYSE Arca Equities Rule 9.28 by deleting the

⁶ See id. at 40044.
impediments to and perfect the mechanism of a free and open market and a national market system by ensuring that market participants can more easily navigate, understand and comply with its rules. The Exchange believes that, by ensuring that such rules accurately cross-reference the rules of NYSE Arca and the name of NYSE National, Inc., the proposed rule change would reduce potential investor or market participant confusion.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change is not intended to address competitive issues but rather is concerned solely with updating the rules to reflect its affiliate’s merger and integrated rulebook.

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

No written comments were solicited or received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The proposed rule change has become effective pursuant to section 19(b)(3)(A) of the Act and Rule 19b–4(f)(3) thereunder.

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings under section 19(b)(2)(B) of the Act to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments
- Use the Commission’s Internet comment form (http://www.sec.gov/rules/sro.shtml); or
- Send an email to rule-comments@sec.gov. Please include File Number SR–NYSE–2017–44 on the subject line.

Paper Comments
- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

All submissions should refer to File Number SR–NYSE–2017–44. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission’s Internet Web site (http://www.sec.gov/rules/sro.shtml). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission’s Public Reference Room, 100 F Street NE., Washington, DC 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of the filing also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–NYSE–2017–44 and should be submitted on or before October 4, 2017.

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

Eduardo A. Aleman,
Assistant Secretary.

[FR Doc. 2017–19377 Filed 9–12–17; 8:45 am]
BILLING CODE 8011–01–P
SECURITIES AND EXCHANGE COMMISSION


Self-Regulatory Organizations: NYSE American LLC; Notice of Filing and Immediate Effectiveness of Proposed Change To Amend Its Price List


Pursuant to Section 19(b)(1)1 of the Securities Exchange Act of 1934 (the “Act”)2 and Rule 19b–4 thereunder,3 notice is hereby given that, on August 29, 2017, NYSE American LLC (the “Exchange” or “NYSE American”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange proposes to amend its Price List to (1) delete fees and credits that are not applicable to trading on the Pillar trading platform, and (2) prorate Port Fees to the number of trading days in a billing month that a port is utilized. The Exchange proposes to implement the rule change on September 1, 2017.

Deletion of Non-Pillar Fees and Credits

To effect its transition of cash equities trading to Pillar, the Exchange amended its Price List to adopt a new pricing model for trading on the Pillar platform.4 Because specified transaction fees and credits applicable to trading cash equities on a Floor-based trading platform are not applicable to trading on Pillar, the Exchange designated certain fees and credits with the following preamble: “The following Fees and Credits are not Applicable to Trading on the Pillar Trading Platform.”5

On July 24, 2017, the Exchange transitioned all cash equities trading to the Pillar platform. Because transaction fees and credits that are not applicable to trading on the Pillar trading platform are now obsolete, the Exchange proposes to delete the following fees and credits in their entirety:

- Equity Transaction Fees and Credits for Listed Securities and the following subheadings:
  - Transactions in Securities with a Per Share Price of $1.00 or More;
  - Transactions in Securities with a Per Share Price Below $1.00;
  - Fees and Credits Applicable to Designated Market Makers on Transactions in Securities with a Per Share Price of $1.00 or more;
  - Fees and Credits Applicable to Designated Market Makers on Transactions in Securities with a Per Share Price below $1.00;
  - Credits Applicable to Supplemental Liquidity Providers; and
  - Fees and Credits Applicable to Executions in the Retail Liquidity Program.

- Transaction Fees and Credits For Non-ETP Securities Traded Pursuant to Unlisted Trading Privileges and the following subheadings:
  - Fees and Credits applicable to Market Participants;
  - Fees and Credits applicable to Designated Market Makers (DMMs);
  - Fees and Credits applicable to Supplemental Liquidity Providers (SLPs); and
  - Fees and Credits Applicable to Executions in the Retail Liquidity Program.

The Exchange proposes to delete the following additional fees as being inapplicable to trading on Pillar:

- Risk Management Gateway (“RMG”);
- Equipment fees;
- Radio Paging Service;
- Financial Vendor Services;
- Cellular Phones;
- Booth Telephone System;
- Service Charges; and
- System Processing Fees, comprising fees for the Online Comparison System (OCS) and Merged Order Report.

The RMG is no longer supported in Pillar and the various equipment fees relate to trading cash equities on a Floor-based trading platform, and are thus obsolete. Similarly, the Exchange no longer utilizes OCS or makes Merged Order Reports available.

The Exchange also proposes to delete footnotes 17–19 designated as “Reserved” in the “CRD Fees for Member Organizations that are not FINRA Members” section of the Price List. The Exchange believes it would reduce confusion and promote transparency to delete footnotes that do not have any substantive content.

The Exchange also proposes a technical, non-substantive amendment to replace the heading “Pillar Trading Platform” with “NYSE American Trading Fees and Credits.”

II. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of those statements may be examined at the places specified in Item IV below.

The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

A. Self-Regulatory Organization’s Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to amend its Price List to (1) delete fees and credits that are not applicable to trading on the Pillar trading platform, and (2) prorate Port Fees to the number of trading days in a billing month that a port is utilized. The Exchange proposes to implement the rule change on September 1, 2017.

The Exchange proposes to amend its Price List to (1) delete fees and credits that are not applicable to trading on the Pillar trading platform, and (2) prorate Port Fees to the number of trading days in a billing month that a port is utilized. The Exchange proposes to implement the rule change on September 1, 2017.

Deletion of Non-Pillar Fees and Credits

To effect its transition of cash equities trading to Pillar, the Exchange amended its Price List to adopt a new pricing model for trading on the Pillar platform. Because specified transaction fees and credits applicable to trading cash equities on a Floor-based trading platform are not applicable to trading on Pillar, the Exchange designated certain fees and credits with the following preamble: “The following Fees and Credits are not Applicable to Trading on the Pillar Trading Platform.”

On July 24, 2017, the Exchange transitioned all cash equities trading to the Pillar platform. Because transaction fees and credits that are not applicable to trading on the Pillar trading platform are now obsolete, the Exchange proposes to delete the following fees and credits in their entirety:

- Equity Transaction Fees and Credits for Listed Securities and the following subheadings:
  - Transactions in Securities with a Per Share Price of $1.00 or More;
  - Transactions in Securities with a Per Share Price Below $1.00;
  - Fees and Credits Applicable to Designated Market Makers on Transactions in Securities with a Per Share Price of $1.00 or more;
  - Fees and Credits Applicable to Designated Market Makers on Transactions in Securities with a Per Share Price below $1.00;
  - Credits Applicable to Supplemental Liquidity Providers; and
  - Fees and Credits Applicable to Executions in the Retail Liquidity Program.

- Transaction Fees and Credits For Non-ETP Securities Traded Pursuant to Unlisted Trading Privileges and the following subheadings:
  - Fees and Credits applicable to Market Participants;
  - Fees and Credits applicable to Designated Market Makers (DMMs);
  - Fees and Credits applicable to Supplemental Liquidity Providers (SLPs); and
  - Fees and Credits Applicable to Executions in the Retail Liquidity Program.

The Exchange proposes to delete the following additional fees as being inapplicable to trading on Pillar:

- Risk Management Gateway (“RMG”);
- Equipment fees;
- Radio Paging Service;
- Financial Vendor Services;
- Cellular Phones;
- Booth Telephone System;
- Service Charges; and
- System Processing Fees, comprising fees for the Online Comparison System (OCS) and Merged Order Report.

The RMG is no longer supported in Pillar and the various equipment fees relate to trading cash equities on a Floor-based trading platform, and are thus obsolete. Similarly, the Exchange no longer utilizes OCS or makes Merged Order Reports available.

The Exchange also proposes to delete footnotes 17–19 designated as “Reserved” in the “CRD Fees for Member Organizations that are not FINRA Members” section of the Price List. The Exchange believes it would reduce confusion and promote transparency to delete footnotes that do not have any substantive content.

The Exchange also proposes a technical, non-substantive amendment to replace the heading “Pillar Trading Platform” with “NYSE American Trading Fees and Credits.”

Proration of Port Fees

Until October 1, 2017, the Exchange is not charging market participants for the use of order/quote entry ports or for the

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6 The Exchange proposes to delete these fees and credits in their entirety, including (1) the section headings of all of credits and fees being deleted, (2) all associated footnotes, and (3) the recently added preamble.
use of drop copy ports. Thereafter, a $250 per port per month fee will apply for order/quote entry and drop copy ports.

The Exchange proposes to amend the Price List to add a footnote to the heading of Section V (Port Fees) providing that port fees for order/quote entry and drop copies will be prorated to the number of trading days in a billing month.

The proposed changes are not otherwise intended to address any other issues, and the Exchange is not aware of any problems that member organizations would have in complying with the proposed change.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Securities Exchange Act of 1934 (the “Act”), in general, and furthers the objectives of Section 6(b)(4) of the Act, in particular, because it provides for the equitable allocation of reasonable dues, fees, and other charges among its members, issuers and other persons using its facilities and does not unfairly discriminate between customers, issuers, brokers or dealers. The Exchange also believes that the proposed rule change is consistent with Section 6(b)(5) of the Act, in particular in that it is designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, to remove impediments to, and perfect the mechanism of, a free and open market and a national market system and, in general, to protect investors and the public interest.

The Exchange believes that its proposed rule change to eliminate fees and credits that are not applicable to trading on Pillar would remove impediments to, and perfect the mechanism of a free and open market and a national market system because it would eliminate fees and credits that are now obsolete. Eliminating obsolete fees and credits would reduce potential confusion and add transparency and clarity to the Exchange’s rules, thereby ensuring that members, regulators, and the public can more easily navigate and understand the Exchange’s rulebook.

The Exchange also believes that prorating the fees for order/quote entry and drop copy ports is reasonable because it would provide a nexus between the Exchange’s charge for use of its ports and the number of trading days in a billing month that the market participant utilizes the applicable port. The Exchange believes that the proposed prorating of monthly port fees rebate is equitable and not unfairly discriminatory because it directly ties the monthly port fees to the number of trading days in that billing month. The Exchange also believes that the proposed prorating is equitable and not unfairly discriminatory because all market participants utilizing ports to connect to the Exchange would be treated the same.

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

In accordance with Section 6(b)(8) of the Act, the Exchange believes that the proposed rule change would not impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change is not intended to address any competitive issues, but rather it is designed to eliminate obsolete fees and credits.

Finally, the Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues if they deem fee levels at a particular venue to be excessive or rebate opportunities available at other venues to be more favorable. In such an environment, the Exchange must continually adjust its fees and rebates to remain competitive with other exchanges and with alternative trading systems that have been exempted from compliance with the statutory standards applicable to exchanges. Because competitors are free to modify their own fees and credits in response, and because market participants may readily adjust their order routing practices, the Exchange believes that the degree to which fee changes in this market may impose any burden on competition is extremely limited. As a result of all of these considerations, the Exchange does not believe that the proposed changes will impair the ability of member organizations or competing order execution venues to maintain their competitive standing in the financial markets.

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

No written comments were solicited or received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change is effective upon filing pursuant to Section 19(b)(3)(A) of the Act and subparagraph (f)(2) of Rule 19b–4 thereunder, because it establishes a due, fee, or other charge imposed by the Exchange.

At any time within 60 days of the filing of such proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings under Section 19(b)(2)(B) of the Act to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

• Use the Commission’s Internet comment form (http://www.sec.gov/rules/sro.shtml); or
• Send an email to rule-comments@sec.gov. Please include File Number SR–NYSEAMER–2017–11 on the subject line.

Paper Comments

• Send paper comments in triplicate to Brent J. Fields, Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090. All submissions should refer to File Number SR–NYSEAMER–2017–11. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission’s
the Federal Register on July 31, 2017. The Commission did not receive any comments on the Proposed Rule Change. For the reasons discussed below, the Commission approves the Proposed Rule Change.

I. Description of the Proposed Rule Change

The Proposed Rule Change is a proposal by NSCC to further address specific wrong-way risk \( ^* \) that is present when NSCC acts as central counterparty to a transaction with an NSCC member (“Member”) where the underlying securities are securities issued by such Member or an affiliate of such Member (“family-issued securities”).\(^2\) Currently, NSCC applies a targeted margin charge to address the specific wrong-way risk of family-issued securities transactions (“FIS Charge”) where the Member is on NSCC’s Watch List.\(^6\) NSCC believes that Members on the Watch List present a higher credit risk (i.e., a greater risk of defaulting on their settlement obligations) compared to Members not on the Watch List.\(^7\) As such, the family-issued securities of Members on the Watch List currently receive a FIS Charge because of the increased credit risk presented by such Members.\(^8\) As described in detail below, NSCC proposes in the Proposed Rule Change to expand the application of the FIS Charge to all Members, regardless of a Member’s Watch List status, but still maintain a higher FIS Charge for Members that present a greater credit risk to NSCC, such as Members on the Watch List.\(^9\)

Currently, in calculating a Watch List Member’s overall margin charge (i.e., a Watch List Member’s required deposit to NSCC’s clearing fund), NSCC excludes the Member’s net, unsettled long position in family-issued securities from the volatility component of the margin calculation (“VaR Charge”).\(^10\) Instead, for such unsettled long positions, NSCC calculates the required margin (i.e., the FIS Charge) by multiplying the position value by a set percentage, which is determined based on a Member’s rating on NSCC’s internal credit risk rating matrix.\(^11\) NSCC applies this separate margin calculation to deal with specific wrong-way risk that arises from these positions because NSCC has to liquidate the unsettled family-issued security long positions in the Member’s portfolio to manage the default.\(^12\) Given that the Member’s default would likely adversely affect NSCC’s ability to liquidate such positions at full value (because the value of the family-issued securities will decline in response to the Member’s default), NSCC applies the FIS Charge to try to address the risk of a shortfall.\(^13\) According to NSCC, the FIS Charge constitutes a more conservative approach to collecting margin on family-issued security positions than what may be achieved by applying the VaR Charge, which does not recognize the relationship between the Member and the family-issued securities.\(^14\)

Although the risk of default by Members that are not on the Watch List is lower than Members on the Watch...
List, NSCC believes that it is appropriate to apply the FIS Charge to all Members because all Members’ long positions in family-issued securities present specific wrong-way risk. However, the proposal would still maintain the relation between the FIS Charge and the Member’s risk of default (i.e., the Member’s credit risk), while at the same time addressing the difference in risk posed by equity and fixed-income securities. As such, NSCC proposes in the Proposed Rule Change to apply the FIS Charge to fixed-income securities that are family-issued securities of non-Watch List Members at a rate of no less than 40 percent, and to equities that are family-issued securities of non-Watch List Members at a rate of no less than 50 percent.15

II. Discussion and Commission Findings

Section 19(b)(2)(C) of the Act directs the Commission to approve a proposed rule change of a self-regulatory organization if it finds that such proposed rule change is consistent with the requirements of the Act and rules and regulations thereunder applicable to such organization.16 After carefully considering the Proposed Rule Change, the Commission finds that the Proposed Rule Change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to NSCC. In particular, the Commission believes the proposal is consistent with Section 17A(b)(3)(F) of the Act,17 as well as Rules 17Ad–22(e)(4)(i) and 17Ad–22(e)(6)(i) and (e)(6)(v) thereunder.18

A. Consistency With Section 17A(b)(3)(F) of the Act

Section 17A(b)(3)(F) of the Act requires, in part, that the rules of a clearing agency be designed to promote the prompt and accurate clearance and settlement of securities transactions, and to assure the safeguarding of securities and funds which are in the custody or control of the clearing agency for which it is responsible.19 The Commission believes that the Proposed Rule Change is consistent with the requirements of Section 17A(b)(3)(F) of the Act for the reasons set forth below. The Commission believes that the proposal is designed to promote the prompt and accurate clearance and settlement of securities transactions. As described above, the proposal would provide for the collection by NSCC of margin amounts that contemplate and help address the specific wrong-way risk presented by all Members. In doing so, the proposal would help ensure that NSCC maintains sufficient margin in the event that a Member holding family-issued securities defaults and such positions significantly decrease in value. Without this increased margin, NSCC is at a greater risk of not having enough margin to offset potential losses from the reduced value of family-issued securities in a default scenario. Such losses could threaten NSCC’s ability to continue operations of its critical clearance and settlement services. Because the proposal would generally increase the level of financial resources available to NSCC, better enabling NSCC to continue operating in default scenarios, the proposal would help NSCC to continue providing prompt and accurate clearance and settlement of securities transactions in the event of a Member default.

The Commission believes also that the proposal is designed to assure the safeguarding of securities and funds which are in the custody or control of NSCC or for which it is responsible. As described above, the FIS Charge is calculated and collected to help mitigate NSCC’s loss exposure to specific wrong-way risk that NSCC may face when liquidating family-issued security positions that are deprecating in value in response to a Member’s default. By expanding the FIS Charge to family-issued security transactions presented to NSCC by all Members, the proposal would assist NSCC in collecting margin and maintaining a clearing fund amount that more accurately reflects NSCC’s overall risk exposure to its Members. Therefore, the proposal is designed to help assure the safeguarding of securities and funds which are in the custody or control of NSCC by mitigating the risk that NSCC would suffer a loss from a Member default, and reducing Members’ exposure to clearing fund losses from the specific wrong-way risk that NSCC faces from Member transactions in family-issued securities. Therefore, for the reasons stated above, the Commission believes that the Proposed Rule Change is consistent with the requirements of Section 17A(b)(3)(F) of the Act.20

B. Consistency With Rule 17Ad–22(e)(4)(i)

The Commission believes that the Proposed Rule Change is consistent with Rule 17Ad–22(e)(4)(i) under the Act, which requires, in part, that NSCC establish, implement, maintain and enforce written policies and procedures reasonably designed to effectively identify, measure, monitor, and manage its credit exposures to participants and those arising from its payment, clearing, and settlement processes, including by maintaining sufficient financial resources to cover its credit exposure to each participant fully with a high degree of confidence.21

As described above, NSCC is exposed to specific wrong-way risk where it acts as central counterparty for its Members for transactions in family-issued securities. The expanded application of the FIS Charge to all Members would help further mitigate NSCC’s loss exposure to this risk. The charge is calculated and imposed based on the value and type of family-issued securities in each Member’s portfolio and in consideration of the Members’ credit rating, as calculated by NSCC’s internal credit risk matrix. Although the FIS Charge may not fully reflect the recovery rate on a family-issue security when a Member defaults, the Commission understands that expanding the FIS Charge to non-Watch List Members, as proposed, would enable NSCC to collect more margin on such positions than would a VaR Charge, more accurately reflecting the risks those positions present. Thus, the expanded FIS Charge is designed to help NSCC collect sufficient financial resources to help cover the specific risk exposure, with a high degree of confidence, which is presented by all Members seeking to clear and settle transactions in family-issued securities. Therefore, the Commission believes that the proposal to expand the FIS Charge to all Members is consistent with Rule 17Ad–22(e)(4)(i) under the Act.22

C. Consistency With Rule 17Ad–22(e)(6)(i) and (e)(6)(v)

The Commission believes that the Proposed Rule Change is consistent with Rule 17Ad–22(e)(6)(i) and (e)(6)(v) under the Act, which require, in part, that NSCC establish, implement,
maintain and enforce written policies and procedures reasonably designed to cover its credit exposures to its participants by establishing a risk-based margin system that, at a minimum, considers, and produces margin levels commensurate with, the risks and particular attributes of each relevant product, portfolio, and market; and uses an appropriate method for measuring credit exposure that accounts for relevant product risk factors and portfolio effects across products.23

As described above, NSCC faces specific wrong-way risk where it acts as central counterparty to Member transactions in family-issued securities. To help address this risk, NSCC applies the FIS Charge in calculating the Member’s required margin. Specifically, the FIS Charge is a component of the margin that NSCC calculates and collects using a risk-based margin methodology that is designed to help maintain the coverage of NSCC’s credit exposures to its Members at a confidence level of at least 99 percent. The FIS Charge is tailored to consider both the value and type of family-issued securities held by the Member, as well as the credit risk presented by the Member, as calculated by NSCC.

However, currently, the FIS Charge is assessed only against Members on the Watch List because of the additional credit risk presented by such Members. Nevertheless, all Members, not just Members on the Watch List, present specific wrong-way risk. As such, NSCC proposes to expand the FIS Charge to all Members, while maintaining the relation between the FIS Charge and the Member’s credit risk. Specifically, NSCC proposes to apply the FIS Charge to fixed-income securities that are family-issued securities of non-Watch List Members at a rate of no less than 40 percent, and to equities that are family-issued securities of non-Watch List Members at a rate of no less than 50 percent. Although NSCC proposes to apply a lesser percentage rate to non-Watch List Members than some Watch List Members, the proposed rate is designed to more accurately reflect the risks posed than what is reflected in a VaR Charge.

Because the expanded FIS Charge also would be a tailored component of the margin that NSCC collects from non-Watch List Members to help cover NSCC credit exposure to such Members, as the charge would be based on different product risk factors with respect to equity and fixed-income securities, as described above, the Commission believes that the proposed changes in the Proposed Rule Change are consistent with Rule 17Ad–22(e)(6)(i) and (e)(6)(v) under the Act.24

III. Conclusion

On the basis of the foregoing, the Commission finds that the Proposed Rule Change is consistent with the requirements of the Act, in particular the requirements of Section 17A of the Act 25 and the rules and regulations promulgated thereunder. It is therefore ordered, pursuant to Section 19(b)(2) of the Act, that proposed rule change SR–NSCC–2017–010 be and hereby is APPROVED as of the date of this order or the date of a notice by the Commission authorizing NSCC to implement its related advance notice proposal (SR–NSCC–2017–804), whichever is later.26

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.27

Eduardo A. Aleman,
Assistant Secretary.

[FR Doc. 2017–19379 Filed 9–12–17; 8:45 am]
BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

Submission for OMB Review; Comment Request

Upon Written Request, Copies Available From: Securities and Exchange Commission, Office of FOIA Services, 100 F Street NE., Washington, DC 20549–2736.

Extension: Rule 38a–1,OMB Control No. 3235–0586, SEC File No. 270–522.

Notice is hereby given that, pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.), the Securities and Exchange Commission (the “Commission”) has submitted to the Office of Management and Budget a request for extension of the previously approved collection of information discussed below.

Rule (17 CFR 270.38a–1) under the Investment Company Act of 1940 (15 U.S.C. 80a) (“Investment Company Act”) is intended to protect investors by fostering better fund compliance with securities laws. The rule requires every registered investment company and business development company (“fund”) to: (i) Adopt and implement written policies and procedures reasonably designed to prevent violations of the federal securities laws by the fund, including procedures for oversight of compliance by each investment adviser, principal underwriter, administrator, and transfer agent of the fund; (ii) obtain the fund board of directors’ approval of those policies and procedures; (iii) annually review the adequacy of those policies and procedures and the policies and procedures of each investment adviser, principal underwriter, administrator, and transfer agent of the fund, and the effectiveness of their implementation; (iv) designate a chief compliance officer to administer the fund’s policies and procedures and prepare an annual report to the board that addresses certain specified items relating to the policies and procedures; and (v) maintain for five years the compliance policies and procedures and the chief compliance officer’s annual report to the board.

The rule contains certain information collection requirements that are designed to ensure that funds establish and maintain comprehensive, written internal compliance programs. The information collections also assist the Commission’s examination staff in assessing the adequacy of funds’ compliance programs.

While Rule 38a–1 requires each fund to maintain written policies and procedures, most funds are located within a fund complex. The experience of the Commission’s examination and oversight staff suggests that each fund in a complex is able to draw extensively from the fund complex’s “master” compliance program to assemble appropriate compliance policies and procedures. Many fund complexes already have written policies and procedures documenting their compliance programs. Further, a fund needing to develop or revise policies and procedures on one or more topics in order to achieve a comprehensive compliance program can draw on a number of outlines and model programs available from a variety of industry representatives, commentators, and organizations.

There are approximately 4,133 funds subject to Rule 38a–1. Among these funds, 97 were newly registered in the past year. These 97 funds, therefore, were required to adopt and document the policies and procedures that make up their compliance programs. Commission staff estimates that the average annual hour burden for a fund to adopt and document these policies and procedures is 105 hours. Thus, we estimate that the aggregate annual

23 17 CFR 240.17Ad–22(e)(6)(i) and (e)(6)(v).
24 Id.
26 In approving the Proposed Rule Change, the Commission considered the proposal’s impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).
burden hours associated with the adoption and documentation requirement is 10,185 hours. All funds are required to conduct an annual review of the adequacy of their existing policies and procedures and the policies and procedures of each investment adviser, principal underwriter, administrator, and transfer agent of the fund, and the effectiveness of their implementation. In addition, each fund chief compliance officer is required to prepare an annual report that addresses the operation of the policies and procedures of the fund and the policies and procedures of each investment adviser, principal underwriter, administrator, and transfer agent of the fund, any material changes made to those policies and procedures since the date of the last report, any material changes to the policies and procedures recommended as a result of the annual review, and certain compliance matters that occurred since the date of the last report. The staff estimates that each fund spends 49 hours per year, on average, conducting the annual review and preparing the annual report to the board of directors. Thus, we estimate that the annual aggregate burden hours associated with the annual review and annual report requirement is 202,517 hours.

Finally, the staff estimates that each fund spends 6 hours annually, on average, maintaining the records required by proposed Rule 38a–1. Thus, the annual aggregate burden hours associated with the recordkeeping requirement is 24,798 hours.

In total, the staff estimates that the aggregate annual information collection burden of Rule 38a–1 is 237,500 hours. The estimate of burden hours is made solely for the purposes of the Paperwork Reduction Act. The estimate is not derived from a comprehensive or even a representative survey or study of the costs of Commission rules. Complying with this collection of information requirement is mandatory. Responses will not be kept confidential. 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 control number.

The public may view the background documentation for this information collection at the following Web site, www.reginfo.gov. Comments should be directed to: (i) Desk Officer for the Securities and Exchange Commission, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10102, New Executive Office Building, Washington, DC 20503, or by sending an email to: Shagufta_Ahmed@omb.eop.gov; and (ii) Pamela Dyson, Director/Chief Information Officer, Securities and Exchange Commission, c/o Remi Pavlik-Simon, 100 F Street NE., Washington, DC 20549 or send an email to: PRA Mailbox@sec.gov. Comments must be submitted to OMB within 30 days of this notice.

Dated: September 8, 2017.

Eduardo A. Aleman,
Assistant Secretary.

[F] FR Doc. 2017–19446 Filed 9–12–17; 8:45 am
BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

Self-Regulatory Organizations; NYSE American LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Modify the NYSE American Options Fee Schedule


Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”) and Rule 19b–4 thereunder, notice is hereby given that, on August 31, 2017, NYSE American LLC (the “Exchange” or “NYSE American”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange proposes to modify the NYSE American Options Fee Schedule. The proposed change is available on the Exchange’s Web site at www.nyse.com, at the principal office of the Exchange, and at the Commission’s Public Reference Room.

II. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of, and basis for, the proposed rule change and discussed any comments it received on the proposed rule change. The text of those statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant parts of such statements.

A. Self-Regulatory Organization’s Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of this filing is to amend the Fee Schedule effective September 1, 2017. Specifically, the Exchange proposes to modify the surcharge that is applied to certain Complex Orders executed on the Exchange.

Currently, the Exchange imposes a $0.05 per contract surcharge for any Electronic Non-Customer Complex Order that executes against a Customer Complex Order, regardless of whether the execution occurs in a Complex Order Auction (the “Surcharge”). The Exchange proposes to modify the Surcharge to $0.10 per contract, which surcharge is comparable to charges imposed by other options exchanges.

For clarity, the Exchange also proposes to make clear that the Surcharge is applied on a “per contract” basis. Additionally, to encourage ATP Holders to transact additional Non-Customer Complex Orders on the Exchange, the Exchange proposes to offer a reduced Surcharge for those ATP Holders that meet a certain volume threshold. Specifically, the Exchange proposes to reduce the per contract surcharge to $0.07 for any ATP Holder that transacts at least 0.20% of Total Industry Customer equity and ETF option average daily volume (or TCADV) of Electronic Non-Customer Complex Order Executions in a month.

Finally, the Exchange proposes to add “TCADV” as a defined term in the Key

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4 See Fee Schedule, Section I.A., n. 6, available here, https://www.nyse.com/markets/amERICAN OPTIONS/NySE American Options Fee Schedule.pdf. Fee the Fee Schedule, a “Customer” is an individual or organization that is not a Broker-Dealer, per Rule 900.2NY(18); and is not a Professional Customer; and a “Non-Customer” is anyone who is not a Customer. See id., Fee Schedule, Key Terms and Definitions. Thus, Non-Customers include Specialists, e-specialists, Directed Order Market Makers, Firms, Broker Dealers, and Professional Customers. The Exchange notes that Firm Facilitation trades are not electronic and are therefore not subject to the Surcharge.

5 See MIAX Options fee schedule, available here, https://www.miaxoptions.com/sites/default/files/fee_schedule-files/MIAX Options Fee Schedule 08072017.pdf. For a fee schedule, a “Non-Customer” is anyone who is not a Broker-Dealer, per Rule 900.2NY(18); and is not a Professional Customer; and a “Non-Customer” is anyone who is not a Customer. See id., Fee Schedule, Key Terms and Definitions. Thus, Non-Customers include Specialists, e-specialists, Directed Order Market Makers, Firms, Broker Dealers, and Professional Customers. The Exchange notes that Firm Facilitation trades are not electronic and are therefore not subject to the Surcharge.

6 See proposed Fee Schedule, Section I.A., n. 6. The Exchange also proposes to correct a typographical error referring to “a CUBE Auctions” by removing the word “a.” See id.
In addition, the proposed surcharge is reasonable, equitable, and not unfairly discriminatory as it is consistent with fees charged by other options exchanges. For example, MIAX imposes a $0.10 “Per Contract Surcharge for Removing Liquidity Against A Resting Priority Customer Complex Order on the Strategy Book” for all option classes, which may result in an overall per contract fee of $0.60.

Further, the Exchange believes that the proposal to offer a reduced surcharge to those ATP Holders that achieve certain volume thresholds is reasonable, equitable and not unfairly discriminatory. The Exchange believes the proposed reduced rate is reasonably designed to encourage ATP Holders that transact Non-Customer Complex Orders to direct more of this order flow to the Exchange to qualify for the reduced rates. The proposed rates are reasonable and equitable and not unfairly discriminatory because they apply equally to all ATP Holders that transact Non-Customer Complex Orders. In addition, the proposed changes are equitable and not unfairly discriminatory because, while only Non-Customer Complex Orders qualify for the reduced surcharge, the Exchange believes any increase in Non-Customer Complex Orders would result in greater volume and liquidity being attracted to the Exchange, which benefit all market participants by providing more trading opportunities and tighter spreads. To the extent this goal is achieved, the Exchange would improve its overall competitiveness and strengthen its market quality for all market participants.

The proposal to define “TCADV” in the Fee Schedule, as well as to fix the typographical errors in Section I.A. and I.E., is likewise reasonable, equitable and not unfairly discriminatory because it would add clarity and transparency to the Fee Schedule to the benefit of all market participants.

For these reasons, the Exchange believes that the proposal is consistent with the Act.

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

In accordance with Section 6(b)(6) of the Act, the Exchange does not believe that the proposed rule change would impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed modification to the Surcharge would not impose an unfair burden on competition as it is consistent with fees charged by other exchanges. Further, the proposal to reduce the surcharge for certain ATP Holders that achieve certain volume thresholds would likewise not impose an unfair burden on competition because it is designed to attract Non-Customer Complex Orders to the Exchange. To the extent that this purpose is achieved, this proposal would enhance the quality of the Exchange’s markets and increase the volume of Complex Orders traded here. In turn, all the Exchange’s market participants would benefit from the improved market liquidity. If the proposed changes make the Exchange a more attractive marketplace for market participants at other exchanges, such market participants are welcome to become ATP Holders.

The Exchange notes that it operates in a highly competitive market in which market participants can readily favor competing venues. In such an environment, the Exchange must continually review, and consider adjusting, its fees and credits to remain competitive with other exchanges. For the reasons described above, the Exchange believes that the proposed rule change reflects this competitive environment.

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

No written comments were solicited or received with respect to the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change is effective upon filing pursuant to Section 19(b)(3)(A) of the Act and
subparagraph (f)(2) of Rule 19b–4. At any time within 60 days of the filing of such proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings under Section 19(b)(2)(B) of the Act to determine whether the proposed rule change should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments
• Use the Commission’s Internet comment form (http://www.sec.gov/rules/sro.shtml); or
• Send an email to rule-comments@sec.gov. Please include File Number SR–NYSEAMER–2017–08, and should be submitted on or before October 4, 2017.

Eduardo A. Aleman,
Assistant Secretary.

BILLING CODE 8011–01–P

SMALL BUSINESS ADMINISTRATION

[Disaster Declaration #15293 and #15294; U.S. VIRGIN ISLANDS Disaster Number VI–00009]

Presidential Declaration of a Major Disaster for the U.S. Virgin Islands

AGENCY: U.S. Small Business Administration.

ACTION: Notice.

SUMMARY: This is a Notice of the Presidential declaration of a major disaster for the U.S. VIRGIN ISLANDS (FEMA–4335–DR), dated 09/07/2017. Incident: Hurricane Irma. Incident Period: 09/06/2017 and continuing.

DATES: Issued on 09/07/2017.

Physical Loan Application Deadline Date: 11/06/2017.

Economic Injury (EIDL) Loan Application Deadline Date: 06/07/2018.

ADDRESSES: Submit completed loan applications to: U.S. Small Business Administration, Processing and Disbursement Center, 14925 Kingsport Road, Fort Worth, TX 76155.


SUPPLEMENTARY INFORMATION: Notice is hereby given that as a result of the President’s major disaster declaration on 09/07/2017, applications for disaster loans may be filed at the address listed above or other locally announced locations. The following areas have been determined to be adversely affected by the disaster:

Primary Areas (Physical Damage and Economic Injury Loans): Saint John, Saint Thomas

Contiguous Areas (Economic Injury Loans Only): None

The Interest Rates are:

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<tbody>
<tr>
<td>Homeowners with Credit Available Elsewhere</td>
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<tr>
<td>Homeowners without Credit Available Elsewhere</td>
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<td>Businesses without Credit Available Elsewhere</td>
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<tr>
<td>Non-Profit Organizations without Credit Available Elsewhere</td>
</tr>
</tbody>
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For Economic Injury:

| Non-Profit Organizations without Credit Available Elsewhere | 2.500 |

The number assigned to this disaster for physical damage is 152938 and for economic injury is 152940.

James E. Rivera,
Associate Administrator for Disaster Assistance.

BILLING CODE 8025–01–P

SOCIAL SECURITY ADMINISTRATION

[Docket No: SSA–2017–0050]

Agency Information Collection Activities: Proposed Request and Comment Request

The Social Security Administration (SSA) publishes a list of information collection packages requiring clearance by the Office of Management and Budget (OMB) in compliance with Public Law 104–13, the Paperwork Reduction Act of 1995, effective October 1, 1995. This notice includes revisions of OMB-approved information collections.

SSA is soliciting comments on the accuracy of the agency’s burden estimate; the need for the information; its practical utility; ways to enhance its quality, utility, and clarity; and ways to minimize burden on respondents, including the use of automated
process, to speed up verification for Screen Pop, an automated telephone personal information. SSA established procedures for disclosing information pertaining to themselves, and to who request a record or information. Section 205(a) of the ACT requires SSA–3194, Renewal Certification, which medical parking permit holders complete to verify their continued need for the permit. The respondents are SSA employees and contractors seeking medical parking permits and their physicians.

Note: Because SSA employees are Federal workers exempt from the requirements of the Paperwork Reduction Act, the burden below is only for SSA contractors and physicians (of both SSA employees and contractors).

Type of Request: Revision of an OMB-approved information collection.

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II. SSA submitted the information collections below to OMB for clearance. Your comments regarding these information collections would be most useful if OMB and SSA receive them 30 days from the date of this publication. To be sure we consider your comments, we must receive them no later than October 13, 2017. Individuals can obtain copies of the OMB clearance packages by writing to OIA Submission@omb.eop.gov or you may submit your comments online through www.regulations.gov, referencing Docket ID Number [SSA–2017–0050].

1. Medical Permit Parking Application—41 CFR 101–20—104.2—0960–0624. SSA employees and contractors with a qualifying medical condition who park at SSA-owned and leased facilities may apply to receive a medical parking permit. SSA uses three forms for this program: (1) SSA–3192, the Application and Statement, which an individual completes when first applying for the medical parking space; (2) SSA–3193, the Physician’s Report, which the applicant’s physician completes to verify the medical condition; and (3) SSA–3194, Renewal Certification, which medical parking

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2. Screen Pop—20 CFR 401.45—0960–0790. Section 205(a) of the ACT requires SSA to verify the identity of individuals who request a record or information pertaining to themselves, and to establish procedures for disclosing personal information. SSA established Screen Pop, an automated telephone process, to speed up verification for such individuals. Accessing Screen Pop, callers enter their Social Security number (SSN) using their telephone keypad or speech technology prior to speaking with a National 800 Number Network (N8NN) agent. The automated Screen Pop application collects the SSN and routes it to the "Start New Call" Customer Help and Information (CHIP) screen. Functionality for the Screen Pop application ends once the SSN connects to the CHIP screen and the SSN routes to the agent’s screen. When the call connects to the N8NN agent, the agent can use the SSN to access the caller’s record as needed. The respondents for this collection are individuals who contact SSA’s N8NN to speak with an agent.

Type of Request: Revision of an OMB-approved information collection.

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3. Incoming and Outgoing Intergovernmental Personnel Act Assignment Agreement—5 CFR 334—0960–0792. The Intergovernmental Personnel Act (IPA) mobility program provides for the temporary assignment of civilian personnel between the Federal Government and State and local governments; colleges and universities; Indian tribal governments; federally funded research and development centers; and other eligible organizations. The Office of Personnel Management (OPM) created a generic form, the OF–69, for agencies to use as a template when collecting information for the IPA assignment. The OF–69 collects specific information about the agreement including: (1) The enrolled employee’s name, Social Security number, job title, salary, classification, and address; (2) the type of assignment; (3) the reimbursement arrangement; and (4) an explanation as to how the assignment benefits both SSA and the non-federal organization involved in the exchange. OPM directs agencies to use their own forms for recording these agreements. Accordingly, SSA modified the OF–69 to meet our needs, creating the SSA–187 for incoming employees and the SSA–188 for outgoing employees. SSA collects information on the SSA–187 and SSA–188 to document the IPA assignment and to act as an agreement between the agencies. Respondents are personnel from State and local governments; colleges and universities; Indian tribal governments; federally funded research and development centers; and other eligible organizations who participate in the IPA exchange with SSA.

### DEPARTMENT OF STATE

**[Public Notice: 10125]**

**U.S. Department of State Advisory Committee on Private International Law (ACPIL): Public Meeting on Arbitration and Conciliation**

The Office of the Assistant Legal Adviser for Private International Law, Department of State, gives notice of a public meeting to discuss possible topics for future work related to arbitration or conciliation in the United Nations Commission on International Trade Law (UNCITRAL). The public meeting will take place on Tuesday, October 17, 2017 from 10:00 a.m. until 12:30 p.m. EDT. This is not a meeting of the full Advisory Committee.

UNCITRAL’s Working Group II (Dispute Settlement) is currently working on the development of a convention and model legislative provisions on conciliated settlements that resolve international, commercial disputes. Once this negotiation is completed, however, it is unclear whether UNCITRAL should pursue additional work in the area of dispute settlement, and if so, what the new project should be. One topic that has been proposed by the International Academy of Construction Lawyers relates to the use of adjudication procedures in construction disputes. The purpose of the public meeting is to obtain the views of concerned stakeholders on (1) whether the Working Group should address construction contract adjudication, and (2) what, if any, other possible topics related to arbitration, conciliation, or other forms of dispute settlement merit attention by the Working Group.

**Time and Place:** The meeting will take place on October 17, 2017, from 10:00 a.m. until 12:30 p.m. via a teleconference. Those who cannot participate but wish to comment are welcome to do so by phone or email to Tim Schnabel at SchnabelTR@state.gov or 202–776–8781.

**Public Participation:** This meeting is open to the public. If you would like to participate by telephone, please email pl@state.gov to obtain the call-in number and other information.

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**BILLING CODE** 4710–08–P

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### DEPARTMENT OF STATE

**[Public Notice 10121]**

**Bureau of Consular Affairs; Registration for the Diversity Immigrant (DV–2019) Visa Program**

**AGENCY:** Department of State.

**ACTION:** Notice.

**SUMMARY:** This public notice provides information on how to apply for the DV–2019 Program.

**Program Overview**

The Department of State administers the Congressionally-mandated Diversity Immigrant Visa Program annually. Section 203(c) of the Immigration and Nationality Act (INA) provides for a class of immigrants known as “diversity immigrants,” from countries with historically low rates of immigration to the United States. For fiscal year 2018, 50,000 diversity visas (DVs) will be available. There is no cost to register for the DV Program.

Applicants who are selected in the lottery (“selectees”) must meet simple, but strict, eligibility requirements to qualify for a diversity visa. The Department of State determines selectees through a randomized computer drawing. Diversity visa numbers are distributed among six geographic regions, and no single country may receive more than seven percent of the available DVs in any one year.

For DV–2019, natives of the following countries are not eligible to apply, because more than 50,000 natives of these countries immigrated to the United States in the previous five years: Bangladesh, Brazil, Canada, China (mainland-born), Colombia, Dominican Republic, El Salvador, Haiti, India, Jamaica, Mexico, Nigeria, Pakistan, Peru, Philippines, South Korea, United Kingdom (except Northern Ireland) and its dependent territories, and Vietnam.

Persons born in Hong Kong SAR, Macau SAR, and Taiwan are eligible.
There are no changes in eligibility this year.

**Eligibility**

**Requirement #1:** Individuals born in countries whose natives qualify may be eligible to enter.

If you were not born in an eligible country, there are two other ways you might be able to qualify.

- **Was your spouse born in a country whose natives are eligible?** If yes, you can claim your spouse’s country of birth—provided that both you and your spouse are named on the selected entry, are found eligible for and issued diversity visas, and enter the United States simultaneously.
- **Were you born in a country whose natives are ineligible, but in which neither of your parents were born or legally resident at the time of your birth?** If yes, you may claim the country of birth of one of your parents if it is a country whose natives are eligible for the DV–2019 program. For more details on what this means, see the Frequently Asked Questions.

**Requirement #2:** Each applicant must meet the education/work experience requirement of the DV program by having either:

- **At least a high school education or its equivalent, defined as successful completion of a 12-year course of formal elementary and secondary education;** OR
- **two years of work experience within the past five years in an occupation that requires at least two years of training or experience to perform. The Department of State will use the U.S. Department of Labor’s O*Net Online database to determine qualifying work experience.** For more information about qualifying work experience for the principal DV applicant, see the Frequently Asked Questions.

Do not submit an entry to the DV program unless you meet both of these requirements.

**Entry Period**

Applicants must submit entries for the DV–2019 program electronically at dvlottery.state.gov between noon, Eastern Daylight Time (EDT) (GMT–4), Tuesday, October 3, 2017, and noon, Eastern Standard Time (EST) (GMT–5), Tuesday, November 7, 2017. Do not wait until the last week of the registration period to enter, as heavy demand may result in Web site delays. No late entries or paper entries will be accepted. The law allows only one entry by or for each person during each registration period. The Department of State uses sophisticated technology to detect multiple entries. Individuals with more than one entry will be disqualified.

**Completing Your Electronic Entry for the DV–2019 Program**

Submit your Electronic Diversity Visa Entry Form (E–DV Entry Form or DS–5501), online at dvlottery.state.gov. We will not accept incomplete entries. There is no cost to register for the DV Program.

We strongly encourage you to complete the entry form yourself, without a “visa consultant,” “visa agent,” or other facilitator who offers to help. If someone else helps you, you should be present when your entry is prepared so that you can provide the correct answers to the questions and retain the confirmation page and your unique confirmation number.

After you submit a complete entry, you will see a confirmation screen that contains your name and a unique confirmation number. Print this confirmation screen for your records. It is extremely important that you retain your confirmation page and unique confirmation number. Without this information, you will not be able to access the online system that will inform you of the status of your entry. You also should retain access to the email account listed in the E–DV. See the Frequently Asked Questions for more information about Diversity Visa scams.

Starting May 1, 2018, you will be able to check the status of your entry by returning to dvlottery.state.gov, clicking on Entrant Status Check, and entering your unique confirmation number and personal information. Entrant Status Check will be the sole means of informing you of your selection for DV–2019, providing instructions on how to proceed with your application, and notifying you of your appointment for your immigrant visa interview. Please review the Frequently Asked Questions for more information about the selection process.

You must provide the following information to complete your E–DV entry:

1. **Name—last/family name, first name, middle name—exactly as on your passport.**
2. **Gender—male or female.**
3. **Birth date—day, month, year.**
4. **City where you were born.**
5. **Country where you were born—Use the name of the country currently used for the place where you were born.**
6. **Country of eligibility for the DV Program—Your country of eligibility will normally be the same as your country of birth. Your country of eligibility is not related to where you live.**

If you were born in a country that is not eligible, please review the Frequently Asked Questions to see if there is another way you may be eligible.

7. **Entrant photograph(s)—Recent photographs (taken within 6 months) of yourself, your spouse, and all your children listed on your entry. See Submitting a Digital Photograph for more information.**
8. **Mailing Address—In Care Of Address Line 1 Address Line 2 City/Town District/County/Province/State Postal Code/Zip Code Country**
9. **Country where you live today.**
10. **Telephone number (optional).**

11. **Email address—An email address to which you have direct access, and will continue to have direct access after we notify selectees in May of next year.** If your entry is selected and you respond to the notification of your selection through the Entrant Status Check, you will receive follow-up email communication from the Department of State notifying you that details of your immigrant visa interview are available on Entrant Status Check. The Department of State will never send you an email telling you that you have been selected for the DV program. See the Frequently Asked Questions for more information about the selection process.

12. **Highest level of education you have achieved, as of today:**
(1) Primary school only,
(2) Some high school, no diploma,
(3) High school diploma,
(4) Vocational school,
(5) Some university courses,
(6) University degree,
(7) Some graduate-level courses,
(8) Master’s degree,
(9) Some doctoral-level courses, and
(10) Doctorate. See the Frequently Asked Questions for more information about educational requirements.
13. Current marital status—(1) Unmarried, (2) married and my spouse is NOT a U.S. citizen or U.S. LPR, (3) married and my spouse IS a U.S. citizen or U.S. LPR, (4) divorced, (5) widowed, or (6) legally separated. Enter the name, date of birth, gender, city/town of birth, country of birth of your spouse, and a photograph of your spouse meeting the same technical specifications as your photo.

Failure to list your eligible spouse will result in disqualification of the principal applicant and refusal of all visas in the case at the time of the visa interview. You must list your spouse even if you currently are separated from him/her, unless you are legally separated. Legal separation is an arrangement when a couple remain married but live apart, following a court order. If you and your spouse are legally separated, your spouse will not be able to immigrate with you through the Diversity Visa program. You will not be penalized if you choose to enter the name of a spouse from whom you are legally separated. If you are not legally separated by a court order, you must include your spouse even if you plan to be divorced before you apply for the Diversity Visa. Failure to list your eligible spouse is grounds for disqualification.

If your spouse is a U.S. citizen or Lawful Permanent Resident, do not list him/her in your entry. A spouse who is already a U.S. citizen or a Lawful Permanent Resident will not require or be issued a DV visa. Therefore, if you select “married and my spouse IS a U.S. citizen or U.S. LPR” on your entry, you will not be notified to include further information on your spouse. See the Frequently Asked Questions for more information about family members.

14. Number of children—List the name, date of birth, gender, city/town of birth, and country of birth for all living children who are (1) Unmarried, (2) married and my spouse

in certain circumstances. If you submit your DV entry before your unmarried child turns 21, and the child turns 21 before visa issuance, it is possible that he or she may be treated as though he or she were under 21 for visa-processing purposes.

A child who is already a U.S. citizen or a Lawful Permanent Resident will not require or be issued a diversity visa, and you will not be penalized for either including or omitting such family members from your entry.

Failure to list all children who are eligible will result in disqualification of the principal applicant and refusal of all visas in the case at the time of the visa interview. See the Frequently Asked Questions for more information about family members.

See the Frequently Asked Questions for more information about completing your Electronic Entry for the DV–2019 Program.

Selection of Applicants

Based on the allocations of available visas in each region and country, the Department of State will randomly select individuals by computer from among qualified entries. All DV–2019 entrants must go to the Entrant Status Check using the unique confirmation number saved from their DV–2019 online entry registration to find out whether their entry has been selected in the DV program. Entrant Status Check will be available on the E–DV Web site at dvlottery.state.gov starting May 1, 2018, through at least September 30, 2019.

If your entry is selected, you will be directed to a confirmation page that will provide further instructions, including information on fees connected with immigration to the United States. Entrant Status Check will be the ONLY means by which the Department of State notifies selectees of their selection for DV–2019. The Department of State will not mail out notification letters or notify selectees by email. U.S. embassies and consulates will not provide a list of selectees. Individuals who have not been selected also will be notified ONLY through Entrant Status Check. You are strongly encouraged to access Entrant Status Check yourself and not to rely on someone else to check and inform you.

In order to immigrate, DV selectees must be admissible to the United States. The DS–260, Online Immigrant Visa and Alien Registration Application, electronically, and the consular officer, in person will ask you questions about your eligibility to immigrate, and these questions include criminal and security related grounds.

All eligible selectees, including family members, must be issued by September 30, 2019. Under no circumstances can the Department of State issue DVs or approve adjustments after this date, nor can family members obtain DVs to follow-to-join the principal applicant in the United States after this date. See the Frequently Asked Questions for more information about the selection process.

Submitting a Digital Photograph (Image)

You can take a new digital photograph or scan a recent photographic print, taken within the last 6 months, with a digital scanner, as long as it meets the compositional and technical specifications listed below. Test your photos through the photo validation link on the E–DV Web site, which provides additional technical advice on photo composition and examples of acceptable and unacceptable photos. Do not submit an old photograph. Submitting the same photograph that was submitted with a prior year’s entry, a photograph that has been manipulated, or a photograph that does not meet the specifications below will result in disqualification.

Photographs must be in 24-bit color depth. If you are using a scanner, the settings must be for True Color or 24-bit color mode. See the additional scanning requirements below.

Compositional Specifications

• Head Position: You must directly face the camera. The subject’s head should not be tilted up, down, or to the side. The head height or facial region size (measured from the top of the head, including the hair, to the bottom of the chin) must be between 50 percent and 69 percent of the image’s total height. The eye height (measured from the bottom of the image to the level of the eyes) should be between 56 percent and 69 percent of the image’s height.

• Light-colored Background: The subject should be in front of a neutral, light-colored background.

• Focus: The photograph must be in focus.

• No Eyewear: The subject must not wear glasses or other items that detract from the face.

• No Head Coverings or Hats: Head coverings or hats worn for religious beliefs are acceptable, but the head covering may not obscure any portion of the face. Tribal or other headgear not religious in nature may not be worn. Photographs of military, airline, or other personnel wearing hats will not be accepted.
Technical Specifications

- Taking a New Digital Image. If you submit a new digital image, it must meet the following specifications:
  - **Image File Format:** The image must be in the Joint Photographic Experts Group (JPEG) format.
  - **Image File Size:** The maximum image file size is 240 kilobytes (240KB).
  - **Image Resolution and Dimensions:** Minimum acceptable dimensions are 600 pixels (width) × 600 pixels (height) up to 1200 pixels × 1200 pixels. Image pixel dimensions must be in a square aspect ratio (meaning the height must be equal to the width).
  - **Image Color Depth:** Image must be in color (24 bits per pixel), 24-bit black and white or 8-bit images will not be accepted.
- **Scanning a Submitted Photograph.** Before you scan a photographic print, make sure it meets the color and compositional specifications listed above. Scan the print using the following scanner specifications:
  - **Scanner Resolution:** Scanned at a resolution of at least 300 dots per inch (dpi).
  - **Image File Format:** The image must be in the Joint Photographic Experts Group (JPEG) format.
  - **Image File Size:** The maximum image file size is 240 kilobytes (240 KB).
  - **Image Color Depth:** 24-bit color. [Note that black and white, monochrome, or grayscale images will not be accepted.]

Frequently Asked Questions (FAQ’s)

**Eligibility**

1. What do the terms “Native” and “Chargeability” mean?

   “Native” ordinarily means someone born in a particular country, regardless of the individual’s current country of residence or nationality. “Native” can also mean someone who is entitled to be “charged” to a country other than the one in which he/she was born under the provisions of Section 202(b) of the Immigration and Nationality Act.

   Because there is a numerical limitation on immigrants who enter from a country or geographic region, each individual is “charged” to a country. Your “chargeability” refers to the country towards which limitation you count. Your country of eligibility will normally be the same as your country of birth. However, you may choose your country of eligibility as the country of birth of your spouse, or the country of birth of either of your parents if you were born in a country in which neither parent was born and in which the parents were not resident at the time of your birth. These are the only three ways to select your country of chargeability.

   If you claim alternate chargeability through either of the above, you must provide an explanation on the E–DV Entry Form, in question #6. Listing an incorrect country of eligibility or chargeability (i.e., one to which you cannot establish a valid claim) will disqualify your entry.

2. Can I still apply if I was not born in a qualifying country?

   There are two circumstances in which you still might be eligible to apply. First, if your derivative spouse was born in an eligible country, you may claim chargeability to that country. As your eligibility is based on your spouse, you will only be issued a DV–1 immigrant visa if your spouse is also eligible for and issued a DV–2 visa. Both of you must enter the United States together using your DVs. Similarly, your minor dependent child can be “charged” to a parent’s country of birth.

   Second, you can be “charged” to the country of birth of either of your parents as long as neither of your parents was born in or a resident of your country of birth at the time of your birth. People are not generally considered residents of a country in which they were not born or legally naturalized, if they were only visiting, studying in the country temporarily, or stationed temporarily for business or professional reasons on behalf of a company or government from a different country other than the one in which you were born.

   If you claim alternate chargeability through either of the above, you must provide an explanation on the E–DV Entry Form, in question #6. Listing an incorrect country of eligibility or chargeability (i.e., one to which you cannot establish a valid claim) will disqualify your entry.

3. Why do natives of certain countries not qualify for the DV program?

   DVs are intended to provide an immigration opportunity for persons who are not from “high admission” countries. The law defines “high admission countries” as those from which a total of 50,000 persons in the Family-Sponsored and Employment-Based visa categories immigrated to the United States during the previous five years. Each year, U.S. Citizenship and Immigration Services (USCIS) counts the family and employment immigrant admission and adjustment of status numbers for the previous five years to identify countries that are considered “high admission” and whose natives will therefore be ineligible for the annual diversity visa program. Because USCIS makes this calculation annually, the list of countries whose natives are eligible or not eligible may change from one year to the next.

4. How many DV–2019 visas will go to natives of each region and eligible country?

   United States Citizenship and Immigration Services (USCIS) determines the regional DV limits for each year according to a formula specified in Section 203(c) of the Immigration and Nationality Act (INA). The number of visas the Department of State eventually will issue to natives of each country will depend on the regional limits established, how many entrants come from each country, and how many of the selected entrants are found eligible for the visa. No more than seven percent of the total visas available can go to natives of any one country.

5. What are the requirements for education or work experience?

   U.S. immigration law and regulations require that every DV entrant must have at least a high school education or its equivalent or have two years of work experience within the past five years in an occupation that requires at least two years of training or experience. A “high school education or equivalent” is defined as successful completion of a 12-year course of elementary and secondary education in the United States or the successful completion in another country of a formal course of elementary and secondary education comparable to a high school education in the United States. Only formal courses of study meet this requirement; correspondence programs or equivalency certificates (such as the General Equivalency Diploma G.E.D.) are not acceptable. You must present documentary proof of education or work experience to the consular officer at the time of the visa interview.

   If you do not meet the requirements for education or work experience, your entry will be disqualified at the time of your visa interview, and no visas will be issued to you or any of your family members.

6. What occupations qualify for the DV program?

   The U.S. Department of Labor’s (DOL) O*Net OnLine database will be used to determine qualifying work experience. The O*Net Online Database groups job experience into five “job zones.” While the DOL Web site lists these job zones and qualifications, not all occupations qualify for the DV Program. To qualify for a DV
on the basis of your work experience, you must have, within the past five years, two years of experience in an occupation that is classified in a Specific Vocational Preparation (SVP) range of 7.0 or higher.

If you do not meet the requirements for education or work experience, your entry will be disqualified at the time of your visa interview, and no visas will be issued to you or any of your family members.

How can I find the qualifying DV occupations in the department of labor's O*Net Online Database?

When you are in O*Net OnLine, follow these steps to find out if your occupation qualifies:
1. Under “Find Occupations” select “Job Family” from the pull down;
2. Browse by “Job Family,” make your selection, and click “GO;”
3. Click on the link for your specific occupation.
4. Select the tab “Job Zone” to find the designated Job Zone number and Specific Vocational Preparation (SVP) rating range.

As an example, select Aerospace Engineers. At the bottom of the Summary Report for Aerospace Engineers, under the Job Zone section, you will find the designated Job Zone 4, SVP Range, 7.0 to < 8.0. Using this example, Aerospace Engineering is a qualifying occupation.

For additional information, see the Diversity Visa—List of Occupations Web page (travel.state.gov/visa/immigrants/types/types_1319.html).

7. Is there a minimum age to apply for the DV program?

There is no minimum age to apply, but the requirement of a high school education or work experience for each principal applicant at the time of application will effectively disqualify most persons who are under age 18.

Completing Your Electronic Entry for the DV Program

8. When can I submit my entry?

The DV–2019 entry period will run from 12:00 p.m. (noon), Eastern Daylight Time (EST) (GMT–4), Tuesday, October 3, 2017, until 12:00 p.m. (noon), Eastern Standard Time (EDT) (GMT–5), Tuesday, November 7, 2017. Each year, millions of people submit entries. Holding the entry period on these dates ensures selectees receive notification in a timely manner and gives both the visa applicants and our embassies and consulates time to prepare and complete cases for visa issuance.

We strongly encourage you to enter early during the registration period. Excessive demand at the end of the registration period may slow the system down. We cannot accept entries after noon EST Tuesday, November 7, 2017.

9. I am in the United States. Can I enter the DV program?

Yes, an entrant may apply while in the United States or another country. An entrant may submit an entry from any location.

10. Can I only enter once during the registration period?

Yes, the law allows only one entry by or for each person during each registration period. The Department of State uses sophisticated technology to detect multiple entries. Individuals with more than one entry will be disqualified.

11. May my spouse and I each submit a separate entry?

Yes, a husband and a wife may each submit one entry if each meets the eligibility requirements. If either spouse is selected, the other is entitled to apply as a derivative dependent.

12. What family members must I include in my DV entry?

Spouse: If you are legally married, you must list your spouse (husband or wife) regardless. You must list your spouse even if you are currently separated from him/her, unless you are legally separated. Legal separation is an arrangement when a couple remain married but live apart, following a court order. If you and your spouse are legally separated, your spouse will not be able to immigrate with you through the Diversity Visa program. You will not be penalized if you choose to enter the name of a spouse from whom you are legally separated. If you are not legally separated by a court order, you must include your spouse even if you plan to be divorced before you apply for the Diversity Visa. Failure to list your eligible spouse is grounds for disqualification. If you are divorced or your spouse is deceased, you do not have to list your former spouse.

The only exception to this requirement is if your spouse is already a U.S. citizen or U.S. Lawful Permanent Resident. A spouse who is already a U.S. citizen or a Lawful Permanent Resident will not require or be issued a DV. Therefore, if you select “married” and my spouse is a U.S. citizen or U.S. LPR” on your entry, you will not be able to include further information on your spouse.

Children: You must list ALL your living children who are unmarried and under 21 years of age at the time of your initial E–DV entry, whether they are your natural children, your stepchildren (even if you are now divorced from that child’s parent), your spouse’s children, or children you have formally adopted, according to the applicable laws. List all children under 21 years of age at the time of your electronic entry, even if they no longer reside with you or you do not intend for them to immigrate under the DV program. You are not required to list children who are already U.S. citizens or Lawful Permanent Residents, though you will not be penalized if you do include them.

Parents and siblings of the entrant are ineligible to receive DV visas as dependents, and you should not include them in your entry.

If you list family members on your entry, they are not required to apply for a visa or to immigrate with you. However, if you fail to include an eligible dependent on your original entry, your case will be disqualified at the time of your visa interview and no visas will be issued to you or any of your family members. This only applies to those who were family members at the time the original application was submitted, not those acquired at a later date. Your spouse, if eligible to enter, may still submit a separate entry even though he or she is listed on your entry, as long as both entries include details on all dependents in your family (see FAQ #12 above).

13. Must I submit my own entry, or can someone else do it for me?

We encourage you to prepare and submit your own entry, but you may have someone submit the entry for you. Regardless of whether you submit your own entry, or an attorney, friend, relative, or someone else submits it on your behalf, only one entry may be submitted in your name. You, as the entrant, are responsible for ensuring that information in the entry is correct and complete; entries that are not correct or complete may be disqualified. Entrants should keep their own confirmation number so that they are able to independently check the status of their entry using Entrant Status Check at dvlottery.state.gov. Entrants should keep retain access to the email account used in the E–DV submission.

14. I’m already registered for an immigrant visa in another category. Can I still apply for the DV program?

Yes. Your DV registration will not make you ineligible for another immigrant visa classification.
15. When will E–DV be available online?

You can enter online during the registration period beginning at 12:00 p.m. (noon) Eastern Daylight Time (EDT) (GMT–4) on Tuesday, October 3, 2017, and ending at 12:00 p.m. (noon) Eastern Standard Time (EST) (GMT–5) on Tuesday, November 7, 2017.

Can I download and save the E–DV entry form into a word processing program and finish it later?

No, you will not be able to save the form into another program for completion and submission later. The E–DV Entry Form is a Web form only. You must fill in the information and submit it while online.

16. Can I save the form online and finish it later?

No. The E–DV Entry Form is designed to be completed and submitted at one time. You will have 60 minutes starting from when you download the form to complete and submit your entry through the E–DV Web site. If you exceed the 60-minute limit and have not submitted your complete entry electronically, the system discards any information already entered. The system deletes any partial entries so that they are not accidentally identified as duplicates of a later, complete entry. Read the DV instructions completely before you start to complete the form online, so that you know exactly what information you will need.

17. I don’t have a scanner. Can I send photographs to someone in the United States to scan them, save them, and mail them back to me so I can use them in my entry?

Yes, as long as the photograph meets the requirements in the instructions and is electronically submitted with, and at the same time as, the E–DV online entry. You must already have the scanned photograph file when you submit the entry online; it cannot be submitted separately from the online application. The entire entry (photograph and application together) can be submitted electronically from the United States or from overseas.

18. According to the procedures, the system will reject my E–DV entry form if my photos don’t meet the specifications. Can I resubmit my entry?

Yes, as long as you complete your submission by 12:00 p.m. (noon) Eastern Standard Time (EST) (GMT–5) on Tuesday, November 7, 2017. If your photos did not meet the specifications, the E–DV Web site will not accept your entry, so you will not receive a confirmation notice. However, given the unpredictable nature of the Internet, you may not receive the rejection notice immediately. If you can correct the photo(s) and re-send the Form Part One or Two within 60 minutes, you may be able to successfully submit the entry. Otherwise, you will have to restart the entire entry process. You can try to submit an application as many times as is necessary until a complete application is submitted and you receive the confirmation notice. Once you receive a confirmation notice, your entry is complete and you should NOT submit any additional entries.

19. How soon after I submit my entry will I receive the electronic confirmation notice?

You should receive the confirmation notice immediately, including a confirmation number that you must record and keep. However, the unpredictable nature of the Internet can result in delays. You can hit the “Submit” button as many times as is necessary until a complete application is submitted and you receive the confirmation notice. However, once you receive a confirmation notice, do not resubmit your information.

20. I hit the “Submit” button, but did not receive a confirmation number. If I submit another entry, will I be disqualified?

If you did not receive a confirmation number, your entry was not recorded. You must submit another entry. It will not be counted as a duplicate. Once you receive a confirmation number, do not resubmit your information.

Selection

21. How do I know if I am selected?

You must use your confirmation number to access the Entrant Status Check available on the E–DV Web site at dvlottery.state.gov starting May 1, 2018 through September 30, 2019. Entrant Status Check is the sole means by which the Department of State will notify you if you are selected, provided further instructions on your visa application, and notify you of your immigrant visa interview appointment date and time. The only authorized Department of State Web site for official online entry in the Diversity Visa Program and Entrant Status Check is dvlottery.state.gov.

The Department of State will NOT contact you to tell you that you have been selected (see FAQ #24).

22. How will I know if I am not selected? Will I be notified?

You may check the status of your DV–2019 entry through the Entrant Status Check on the E–DV Web site at dvlottery.state.gov starting May 1, 2018, until September 30, 2019. Keep your confirmation number until at least September 30, 2019. (Status information for the previous year’s DV program, DV–2018, is available online from May 2, 2017, through September 30, 2018.) If your entry is not selected, you will not receive any additional instructions.

23. What if I lose my confirmation number?

You must have your confirmation number to access Entrant Status Check. A tool is now available in Entrant Status Check (ESC) on the E–DV Web site that will allow you to retrieve your confirmation number via the email address with which you registered by entering certain personal information to confirm your identity. U.S. embassies and consulates and the Kentucky Consular Center are unable to check your selection status for you or provide your confirmation number to you directly (other than through the ESC retrieval tool). The Department of State is NOT able to provide a list of those selected to continue the visa process.

24. Will I receive information from the Department of State by email or by postal mail?

The Department of State will not send you a notification letter. The U.S. government has never sent emails to notify individuals that they have been selected, and there are no plans to use email for this purpose for the DV–2019 program. If you are a selectee, you will only receive email communications regarding your visa appointment after you have responded to the notification instructions on Entrant Status Check. These emails will not contain information on the actual appointment date and time; they will simply tell you that appointment details are available, and you must then access Entrant Status Check for details. The Department of State may send emails reminding DV lottery applicants to check the ESC for their status. However, such emails will never indicate whether the lottery applicant was or was not selected.

Only Internet sites that end with the “.gov” domain suffix are official U.S. government Web sites. Many other Web sites (e.g., with the suffixes “.com,” “.org,” or “.net”) provide immigration and visa-related information and services. The Department of State does not endorse, recommend, or sponsor
any information or material on these other Web sites.

You may receive emails from websites that try to trick you into sending money or providing your personal information. You may be asked to pay for forms and information about immigration procedures, all of which are available for free on the Department of State Web site or through U.S. embassy or consulate Web sites. Additionally, organizations or Web sites may try to steal your money by charging fees for DV-related services. If you send money to one of these organizations, you will likely never see it again. Also, do not send personal information to these Web sites, as it may be used for identity fraud/theft.

These deceptive emails may come from people pretending to be affiliated with the Kentucky Consular Center or the Department of State. Remember, the U.S. government has never sent emails to notify individuals that they have been selected, and will not use email to notify selectees for the DV–2019 program. The Department of State will never ask you to send money by mail or by services such as Western Union.

25. How many individuals will be selected for DV–2019?

For DV–2019, 50,000 DV visas are available. Because it is likely that some of the first 50,000 persons who are selected will not qualify for visas or not pursue their cases to visa issuance, more than 50,000 entries will be selected to ensure that all of the available DV visas are issued. However, this also means that there will not be a sufficient number of visas for all those who are initially selected. To maximize use of all available visas, the Department of State may update Entrant Status Check to include additional selectees at any time before the program ends on September 30, 2019.

You can check the E–DV Web site’s Entrant Status Check to see if you have been selected for further processing and your place on the list. Interviews for the DV–2019 program will begin in October 2018 for selectees who have submitted all pre-interview paperwork and other information as requested in the notification instructions. Selectees who provide all required information will be informed of their visa interview appointment through the E–DV Web site’s Entrant Status Check four to six weeks before the scheduled interviews with U.S. consular officers at overseas posts.

Each month, visas will be issued to those applicants who are eligible for issuance during that month, visa-number availability permitting. Once all of the 50,000 DV visas have been issued, the program will end. Visa numbers could be frozen before September 30, 2019. Selected applicants who wish to apply for visas must be prepared to act promptly on their cases. Being randomly chosen as a selectee does not guarantee that you will receive a visa. Selection merely means that you are eligible to apply for a Diversity Visa, and if your rank number becomes eligible for final processing, you potentially may be issued a Diversity Visa. Only 50,000 visas will be issued to such applicants.

26. How will successful entrants be selected?

Official notifications of selection will be made through Entrant Status Check, available starting May 1, 2018, through at least September 30, 2019, on the E–DV Web site dvlottery.state.gov. The Department of State does not send selectee notifications or letters by regular postal mail or by email. Any email notification or mailed letter stating that you have been selected to receive a DV does not come from the Department of State and is not legitimate. Any email communication you receive from the Department of State will direct you to review Entrant Status Check for new information about your application. The Department of State will never ask you to send money by mail or by services such as Western Union.

All entries received from each region are individually numbered, and at the end of the entry period, a computer will randomly select entries from among all the entries received for each geographic region. Within each region, the first entry randomly selected will be the first case registered; the second entry selected will be the second case registered, etc. All entries received within each region during the entry period will have an equal chance of being selected. When an entry has been selected, the entrant will receive notification of his or her selection through the Entrant Status Check available starting May 1, 2018, on the E–DV Web site dvlottery.state.gov. If you are selected and you respond to the instructions provided online via Entrant Status Check, the Department of State’s Kentucky Consular Center (KCC) will process your case until you are instructed to appear for a visa interview at a U.S. embassy or consulate or, if you are in the United States, until you apply to adjust status with USCIS in the United States.

27. I am already in the United States. If selected, may I adjust my status with USCIS?

Yes, provided you are otherwise eligible to adjust status under the terms of Section 245 of the Immigration and Nationality Act (INA), you may apply to USCIS for adjustment of status to a permanent resident. You must ensure that USCIS can complete action on your case, including processing of any overseas spouse or children under 21 years of age, before September 30, 2019, since on that date your eligibility for the DV–2019 program expires. The Department of State will not approve any visa numbers or adjustments of status for the DV–2019 program after midnight EDT on September 30, 2019, under any circumstances.

28. If I am selected, for how long am I entitled to apply for a Diversity Visa?

If you are selected in the DV–2019 program, you are entitled to apply for visa issuance only during U.S. government fiscal year 2019, which is from October 1, 2018, through September 30, 2019. We encourage selectees to apply for visas as early as possible, since their lottery rank numbers become eligible for further processing.

Without exception, all selected and eligible applicants must obtain their visa or adjust status by the end of the fiscal year. There is no carry-over of DV benefits into the next year for persons who are selected but who do not obtain visas by September 30, 2019 (the end of the fiscal year). Also, spouses and children who derive status from a DV–2019 registration can only obtain visas in the DV category between October 1, 2018 and September 30, 2019. Applicants who apply overseas will receive an appointment notification from the Department through Entrant Status Check on the E–DV Web site four to six weeks before the scheduled appointment.

29. If a DV selectee dies, what happens to the case?

If a DV selectee dies at any point before he or she has traveled to the United States or adjusted status, the DV case is automatically terminated. Any derivative spouse and/or children of the deceased selectee will no longer be entitled to a DV visa. Any visas that were issued to them will be revoked.

Fees

30. How much does it cost to enter the E–DV Program?

There is no fee charged for submitting an electronic entry. However, if you are
selected and apply for a Diversity Visa, you must pay all required visa application fees at the time of visa application and interview directly to the consular cashier at the U.S. embassy or consulate. If you are a selectee already in the United States and you apply to USCIS to adjust status, you will pay all required application fees directly to USCIS. If you are selected, you will receive details of required DV and immigrant visa application fees with the instructions provided through the E–DV Web site at dvlottery.state.gov.

31. How and where do I pay DV and Immigrant Visa fees if I am selected?

If you are a randomly selected entrant, you will receive instructions for the DV visa application process through Entrant Status Check at dvlottery.state.gov. You will pay all DV and immigrant visa application fees in person only at the U.S. embassy or consulate at the time of the visa application. The consular cashier will immediately give you a U.S. government receipt for payment. Do not send money for DV fees to anyone through the mail, Western Union, or any other delivery service if you are applying for an immigrant visa at a U.S. embassy or consulate.

If you are selected and you are already present in the United States and plan to file for adjustment of status with USCIS, the instructions page accessible through Entrant Status Check at dvlottery.state.gov contains separate instructions on how to mail adjustment of status application fees to a U.S. bank.

32. If I apply for a DV, but don’t qualify to receive one, can I get a refund of the visa fees I paid?

No. Visa application fees cannot be refunded. You must meet all qualifications for the visa as detailed in these instructions. If a consular officer determines you do not meet requirements for the visa, or you are otherwise ineligible for the DV under U.S. law, the officer cannot issue a visa and you will forfeit all fees paid.

Ineligibilities

33. As a DV applicant, can I receive a waiver of any grounds of visa ineligibility? Does my waiver application receive any special processing?

DV applicants are subject to all grounds of ineligibility for immigrant visas specified in the Immigration and Nationality Act (INA). There are no special provisions for the waiver of any ground of visa ineligibility aside from those ordinarily provided in the INA, nor is there special processing for waiver requests. Some general waiver provisions for people with close relatives who are U.S. citizens or Lawful Permanent Resident aliens may be available to DV applicants in some cases, but the time constraints in the DV program may make it difficult for applicants to benefit from such provisions.

DV Fraud Warning and Scams

34. How can I report internet fraud or unsolicited email?

Please visit the econsumer.gov Web site, hosted by the Federal Trade Commission in cooperation with consumer-protection agencies from 17 nations. You may also report fraud to the Federal Bureau of Investigation (FBI) Internet Crime Complaint Center. To file a complaint about unsolicited email, visit the Department of Justice “Contact Us” page.

DV Statistics

35. How many visas will be issued in DV–2019?

By law, a maximum of 55,000 visas are available each year to eligible persons. However, in November 1997, the U.S. Congress passed the Nicaraguan Adjustment and Central American Relief Act (NACARA), which stipulates that beginning as early as DV–1999, and for as long as necessary, up to 5,000 of the 55,000 annually-allocated DVs will be made available for use under the NACARA program. The actual reduction of the limit began with DV–2000 and will remain in effect through the DV–2019 program, so 50,000 visas remain for the DV program described in these instructions.

36. If I receive a visa through the DV program, will the U.S. Government pay for my airfare to the United States, help me find housing and employment, and/or provide healthcare or any subsidies until I am fully settled?

No. The U.S. government will not provide any of these services to you if you receive a visa through the DV program. If you are selected to apply for a DV, you will need to demonstrate that you will not become a public charge in the United States before being issued a visa. This evidence may be in the form of a combination of your personal assets, an Affidavit of Support (Form I–134) submitted by a relative or friend residing in the United States, an offer of employment from an employer in the United States, or other evidence.

List of Countries/Areas by Region Whose Natives Are Eligible for DV–2019

The list below shows the countries whose natives are eligible for DV–2019, grouped by geographic region.

Dependent areas overseas are included within the region of the governing country. USCIS identified the countries whose natives are not eligible for the DV–2019 program according to the formula in Section 203(c) of the INA. The countries whose natives are not eligible for the DV program (because they are the principal source countries of Family-Sponsored and Employment-Based immigration or “high-admission” countries) are noted after the respective regional lists.

Africa
- Algeria
- Angola
- Benin
- Botswana
- Burkina Faso
- Burundi
- Cameroon
- Cabo Verde
- Central African Republic
- Chad
- Comoros
- Congo
- Congo, Democratic Republic of the Cote
- D’Ivoire (Ivory Coast)
- Djibouti
- Egypt *
- Equatorial Guinea
- Eritrea
- Ethiopia
- Gabon
- Gambia, The
- Ghana
- Guinea
- Guinea-Bissau
- Kenya
- Lesotho
- Liberia
- Libya
- Madagascar
- Malawi
- Mali
- Mauritania
- Mauritius
- Morocco
- Mozambique
- Namibia
- Niger
- Rwanda
- Sao Tome and Principe
- Senegal
- Seychelles
- Sierra Leone
- Somalia
- South Africa
- South Sudan
- Sudan
- Swaziland
- Tanzania
- Togo
**Persons born in the areas administered prior to June 1967 by Israel, Jordan, Syria, and Egypt are chargeable, respectively, to Israel, Jordan, Syria, and Egypt. Persons born in the Gaza Strip are chargeable to Egypt; persons born in the West Bank are chargeable to Jordan; persons born in the Golan Heights are chargeable to Syria.

* For the purposes of the diversity program only, persons born in Macau S.A.R. derive eligibility from Portugal.

** For the purposes of the diversity program only, persons born in Macau S.A.R. derive eligibility from Portugal.

Natives of the following European countries are not eligible for this year’s diversity program: Great Britain (United Kingdom). Great Britain (United Kingdom) includes the following dependent areas: Anguilla, Bermuda, British Virgin Islands, British Indian Ocean Territory, Cayman Islands, Falkland Islands, Gibraltar, Montserrat, Pitcairn, South Georgia and the South Sandwich Islands, St. Helena, and Turks and Caicos Islands. Note that for purposes of the diversity program only, Northern Ireland is treated separately; Northern Ireland does qualify and is listed among the qualifying areas.

** Macau S.A.R. derive eligibility from Portugal.

Countries in this region whose natives are not eligible for this year’s diversity program:

<table>
<thead>
<tr>
<th>Region</th>
<th>Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia</td>
<td>Afghanistan, Bahrain, Bhutan, Brunei, Burma, Cambodia, Hong Kong Special Administrative Region **, Indonesia, Iran, Iraq, Israel *, Japan, Jordan *, Kuwait, Laos, Lebanon, Malaysia, Maldives, Mongolia, Nepal, North Korea, Oman, Qatar, Saudi Arabia, Singapore, Sri Lanka, Syria *, Taiwan **, Thailand, Timor-Leste, United Arab Emirates, Yemen</td>
</tr>
<tr>
<td>Europe</td>
<td>Albania, Andorra, Armenia, Austria, Azerbaijan, Belarus, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark (including components and dependent areas overseas), Estonia, Finland, France (including components and areas overseas), Georgia, Germany, Greece, Hungary, Iceland, Ireland, Italy, Kazakhstan, Kosovo, Kyrgyzstan, Latvia, Liechtenstein, Lithuania, Luxembourg, Macau Special Administrative Region **, Macedonia, Malta, Moldova, Monaco, Montenegro, Netherlands (including components and dependent areas overseas), Northern Ireland **, Norway (including components and dependent areas overseas), Poland, Portugal (including components and dependent areas overseas), Romania, Russia, San Marino, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Tajikistan, Turkey, Turkmenistan, Ukraine, Uzbekistan, Vatican City</td>
</tr>
<tr>
<td>North America</td>
<td>The Bahamas, Canada, Mexico</td>
</tr>
<tr>
<td>Oceania</td>
<td>Australia (including components and dependent areas overseas), Fiji, Kiribati, Marshall Islands, Micronesia, Federated States of Nauru, New Zealand (including components and dependent areas overseas), Palau, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu, South America, Central America, and the Caribbean</td>
</tr>
<tr>
<td>South America, Central America, and the Caribbean</td>
<td>Antigua and Barbuda, Argentina, Barbados, Belize, Bolivia, Chile, Costa Rica, Cuba, Dominica, Ecuador, Grenada, Guatemala, Guyana, Honduras, Nicaragua, Panama, Paraguay, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago, Uruguay, Venezuela</td>
</tr>
</tbody>
</table>

* ** For the purposes of the diversity program only, persons born in Macau S.A.R. derive eligibility from Portugal.
program: Brazil, Colombia, Dominican Republic, El Salvador, Haiti, Jamaica, Mexico, and Peru.

Karen Christensen,
Acting Assistant Secretary, Bureau of Consular Affairs, Department of State.

[FR Doc. 2017–19412 Filed 9–12–17; 8:45 am]
BILLING CODE 4710–06–P

DEPARTMENT OF STATE

[Public Notice: 10112]

Nominations for Coordinating Lead Authors, Lead Authors, or Review Editors With Expertise Relevant to the Working Group I, II, and III Contributions to the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6)

The United States Department of State, in cooperation with the United States Global Change Research Program (USGCRP), seeks nominations for U.S. scientists with requisite expertise to serve as Coordinating Lead Authors, Lead Authors, or Review Editors on the Working Group I, II, and III contributions to the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6). The outlines for the contributions of Working Groups I, II, and III were adopted at the 46th session of the IPCC Plenary.

Nominations may be submitted at https://contribute.globalchange.gov/ and additional information can be found at http://www.globalchange.gov/notices. This is an Open Call for nominations of U.S. citizens and permanent lawful residents. Author nominations will be collected by the USGCRP. The call for nominations will close on Tuesday, October 17th, 2017, and a nominations package will be transmitted to the IPCC Secretariat on behalf of the U.S. IPCC Focal Point on October 22nd, 2017. Respective IPCC Working Group Bureau will consider nominations of authors for the reports and make final selections with Technical Support Units issuing appointment memos in February 2018.

The United Nations Environment Program (UNEP) and the World Meteorological Organization (WMO) established the IPCC in 1988. In accordance with its mandate, and as reaffirmed in various decisions by the Panel, the major activity of the IPCC is to prepare comprehensive and up-to-date assessments of policy-relevant, scientific, technical, and socio-economic information for understanding the scientific basis of climate change, potential impacts, and options for mitigation and adaptation.

This notice will be published in the Federal Register.

Christopher Allison,
Acting Director, Office of Global Change, Bureau of Oceans and International Environmental and Scientific Affairs, Department of State.

[FR Doc. 2017–19391 Filed 9–12–17; 8:45 am]
BILLING CODE 4710–09–P

DEPARTMENT OF TRANSPORTATION

Federal Highway Administration

Notice of Final Federal Agency Actions on Proposed Transportation Project in Florida

AGENCY: Federal Highway Administration (FHWA), USDOT.

ACTION: Notice of Limitation of Claims for Judicial Review of Actions by the FHWA, the U.S. Army Corps of Engineers (USACE) and Other Federal Agencies.

SUMMARY: The FHWA, on behalf of the Florida Department of Transportation (FDOT), is issuing this notice to announce actions taken by FHWA and other Federal Agencies, since May 8, 2015, that are final within the meaning of Federal law. These actions relate to a proposed highway project, the State Road (SR) 7 extension from SR 704/ Okeechobee Boulevard to County Road (CR) 809/North Lake Boulevard, Federal Project No: 4752–030–P, in Palm Beach County, State of Florida. These actions grant license, permits, and approvals for the project.

DATES: By this notice, the FHWA, on behalf of the FDOT, is advising the public of final agency actions subject to 23 U.S.C. 139(j)(1) by issuing licenses, permits, and approvals for the project.

FOR FURTHER INFORMATION CONTACT: For FDOT: Ms. Ann Broadwell, Environmental Administrator, Florida Department of Transportation, District 4, 3400 Commercial Blvd., Ft. Lauderdale, Florida 33309; telephone: (954) 777–4325; email: Ann.Broadwell@dot.state.fl.us. For FHWA: Ms. Cathy Kendall, AICP, Senior Environmental Specialist, FHWA Florida Division, 3500 Financial Plaza, Suite 400, Tallahassee, Florida 32312; telephone: (850) 553–2225; email: cathy.kendall@dot.gov. For USACE: Mr. Randy Turner, SAJ Regulatory Division, U.S. Army Corps of Engineers, 701 San Marco Blvd., Jacksonville, FL 32207; telephone: 904–232–1670; email: Randy.L.Turner@usace.army.mil.

SUPPLEMENTARY INFORMATION: Effective December 14, 2016, the Federal Highway Administration (FHWA) assigned, and the Florida Department of Transportation (FDOT) assumed, environmental responsibilities for this project pursuant to 23 U.S.C. 327. Notice is hereby given that FHWA, USACE and other Federal Agencies have taken final agency action subject to 23 U.S.C. 139(j)(1) by issuing licenses, permits, and approvals for the project listed below. The actions by the Federal agencies on a project, and the laws under which such actions were taken, are described in the Environmental Assessment (EA) with Finding of No Significant Impact (FONSI) issued on February 19, 2015, in connection with the project. The EA/FONSI is available by contacting the FDOT or by using the link provided below.

This notice applies to all Federal agency decisions by issuing licenses, permits, and approvals as of the issuance date of this notice and all laws under which such actions were taken, including but not limited to:


2. Air: Clean Air Act (CAA), 42 U.S.C. 7401–7671(g).


Farmland Protection Policy Act (FPPA) [7 U.S.C. 4201–4209].


The project subject to this notice is: Project Location: Palm Beach County, Florida—SR–7 extension from SR 704/Okeechobee Boulevard to CR–809/North Lake Boulevard, Federal Project No: 4752–030–010; the highway project consists of two segments. Segment 1 (FDOT Financial Project Number 229664–3–32–01) will extend SR7 from 60th Street North to CR–809/North Lake Boulevard through construction of a new four lane road, including two bridges. Segment 2 (FDOT Financial Project Number 229664–4–32–01) will widen an existing extent of SR 7 from a two-lane roadway to a four lane divided roadway from SR–704/Okeechobee Boulevard to 60th Street North. The Army Corps of Engineers issued Permit #SAJ–2015–01094(SPLRT) for the project on July 20, 2017. The EA/NEPA is available at: http://www.sf7extension.com/SA7_Documents_and_Publications.html. 

(Catalog of Federal Domestic Assistance Program Number 20.205, Highway Planning and Construction. The regulations implementing Executive Order 12372 regarding intergovernmental consultation on Federal programs and activities apply to this program.)


Issued on: September 5, 2017.

David Hawk,
Acting Division Administrator, Federal Highway Administration, Tallahassee, Florida.

[FR Doc. 2017–19309 Filed 9–12–17; 8:45 am]
BILLING CODE 4910–RY–P

DEPARTMENT OF TRANSPORTATION

Federal Railroad Administration

[Docket No. FRA–2017–0002–N–12]

Proposed Agency Information Collection Activities; Comment Request

AGENCY: Federal Railroad Administration (FRA), Department of Transportation (DOT).

ACTION: Notice and comment request.

SUMMARY: Under the Paperwork Reduction Act of 1995 (PRA), this notice announces that FRA is forwarding the currently approved Information Collection Request (ICR) abstracted below to the Office of Management and Budget (OMB) for review and comment. The ICR describes the information collection and its expected burden.

DATES: Comments must be submitted on or before October 13, 2017.

ADDRESSES: Send comments regarding these information collections to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725 17th Street NW., Washington, DC 20503. Attention: FRA Desk Officer. Comments may also be sent via email to OMB at the following address: ira_submissions@omb.eop.gov.

Comments are invited on the following: Whether the proposed collection of information is necessary for DOT to properly perform its functions, including whether the information will have practical utility; the accuracy of DOT’s estimates of the burden of the proposed information collections; ways to enhance the quality, utility, and clarity of the information to be collected; and ways to minimize the burden of the collections of information on respondents, including the use of automated collection techniques or other forms of information technology.

A comment to OMB is best assured of having its full effect if OMB receives it within 30 days of publication of this notice in the Federal Register.


SUPPLEMENTARY INFORMATION: The PRA, 44 U.S.C. 3501–3520, and its implementing regulations, 5 CFR part 1320, require Federal agencies to issue two notices seeking public comment on information collection activities before OMB may approve paperwork packages. 44 U.S.C. 3506, 3507; 5 CFR 1320.5, 1320.8(d)(1), and 1320.10. On May 2, 2017, FRA published a 60-day notice in the Federal Register soliciting comment on the ICR for which it is now seeking OMB approval. See 82 FR 20530. FRA received no comments in response to this notice.

Before OMB decides whether to approve these proposed collections of information, it must provide 30 days for public comment. 44 U.S.C. 3507(b); 5 CFR 1320.12(d). Federal law requires OMB to approve or disapprove paperwork packages between 30 and 60 days after the 30-day notice is published. 44 U.S.C. 3507(b)(–c); 5 CFR 1320.12(d); see also 60 FR 44978, 44983, Aug. 29, 1995. OMB believes the 30-day notice informs the regulated community to file relevant comments and affords the agency adequate time to digest public comments before it renders a decision. 60 FR 44983, Aug. 29, 1995. Therefore, respondents should submit their respective comments to OMB within 30 days of publication to best ensure having their full effect. 5 CFR 1320.12(c); see also 60 FR 44983, Aug. 29, 1995.

The summary below describes the ICR and its expected burden. FRA is submitting the new request for clearance by OMB as the PRA requires.

Title: Experimental Investigation of Automation-Induced Human Error in Locomotive Cab.

OMB Control Number: 2130–XXXX.

Abstract: The purpose of this collection is to identify and evaluate the potential for human error associated with the operation of systems and automation in the locomotive cab. This research addresses DOT’s strategic goal of safety. Once the nature and risk of the human error in locomotive cab systems and automation is better understood, error mitigating steps can be taken to provide safer systems and reduce the risk of accidents or incidents involving these systems. FRA will use the research’s results to identify training, operational procedures, or automation design standards that will improve the safety of automated systems in locomotive cabs.

Type of Request: New information collection request.
Affected Public: Railroad Engineers.
Form(s): N/A.
Total Estimated Annual Responses: 30.
Total Estimated Annual Burden: 195 hours.
Title: Design and Evaluation of a Robust Manual Locomotive Operating Mode.
OMB Control Number: 2130–XXXX.
Abstract: The purpose of this study is to design and evaluate a prototype locomotive operating mode that allows an operator to “manually” control a train by providing a desired speed target while the control system determines the throttle notch changes required. This research addresses DOT’s strategic goal of safety. Information collected from this research will be used by researchers and equipment designers to evaluate the merit of a prototype display and control configuration maximizing the use of both automation and human capabilities. The information will also assist the Federal government in recommending display design standards to the rail industry for future displays and the results may help design future displays and controls for locomotives.
Type of Request: New information collection request.
Affected Public: Railroad Engineers and College Student Volunteers.
Form(s): N/A.
Total Estimated Annual Responses: 30.
Total Estimated Annual Burden: 270 hours.
Brett A. Jortland,
Acting Chief Counsel.

DEPARTMENT OF TRANSPORTATION
Federal Railroad Administration
[Docket No. FRA–2017–0002–N–21]
Proposed Agency Information Collection Activities; Comment Request
AGENCY: Federal Railroad Administration (FRA), U.S. Department of Transportation (DOT).
ACTION: Notice of information collection; request for comment.
SUMMARY: Under the Paperwork Reduction Act of 1995 (PRA) and its implementing regulations, FRA seeks approval of the currently approved information collection activities listed below. Before submitting these information collection requests (ICRs) to the Office of Management and Budget (OMB) for approval, FRA is soliciting public comment on specific aspects of the activities, which are identified in this notice.
DATES: Comments must be received no later than November 13, 2017.
ADDRESSES: Submit written comments on any or all of the following proposed activities by mail to either: Mr. Robert Brogan, Information Collection Clearance Officer, Office of Railroad Safety, Regulatory Analysis Division, RRS–21, Federal Railroad Administration, 1200 New Jersey Avenue SE., Mail Stop 25, Washington, DC 20590; or Ms. Kim Toone, Information Collection Clearance Officer, Office of Information Technology, RAD–20, Federal Railroad Administration, 1200 New Jersey Avenue SE., Mail Stop 35, Washington, DC 20590. Commenters requesting FRA to acknowledge receipt of their respective comments must include a self-addressed stamped postcard stating, “Comments on OMB Control Number 2130–XXXX,” and should also include the title of the collection of information. Alternatively, comments may be faxed to (202) 493–6316 or (202) 493–6497, or emailed to Mr. Robert Brogan at Robert.Brogan@dot.gov, or Ms. Toone at Kim.Toone@dot.gov. Please refer to the assigned OMB control number in any correspondence submitted. FRA will summarize comments received in response to this notice in a subsequent notice and include them in its information collection submission to OMB for approval.
SUPPLEMENTARY INFORMATION: The PRA, 44 U.S.C. 3501–3520, and its implementing regulations, 5 CFR part 1320, require Federal agencies to provide 60-days’ notice to the public to allow comment on information collection activities before seeking OMB approval of the activities. See 44 U.S.C. 3506, 3507; 5 CFR 1320.8–12. Specifically, interested parties to comment on the following ICRs regarding: (1) Whether the information collection activities are necessary for FRA to properly execute its functions, including whether the activities will have practical utility; (2) the accuracy of FRA’s estimates of the burden of the information collection activities, including the validity of the methodology and assumptions used to determine the estimates; (3) ways for FRA to enhance the quality, utility, and clarity of the information being collected; and (4) ways for FRA to minimize the burden of information collection activities on the public, including the use of automated collection techniques or other forms of information technology. See 44 U.S.C. 3506(c)(2)(A); 5 CFR 1320.8(d)(1).
FRA believes that soliciting public comment will promote its efforts to reduce the administrative and paperwork burdens associated with the collection of information that Federal regulations mandate. In summary, FRA reasons that comments received will advance three objectives: (1) Reduce reporting burdens; (2) ensure that it organizes information collection requirements in a “user-friendly” format to improve the use of such information; and (3) accurately assess the resources expended to retrieve and produce information requested. See 44 U.S.C. 3501.
The summaries below describe the ICRs that FRA will submit for OMB clearance as the PRA requires:
Title: Identification of Cars Moved under 49 CFR 232.3(d) (Formerly Order 13528).
OMB Control Number: 2130–0506.
Abstract: This collection of information identifies certain railroad freight cars authorized to move under 49 CFR 232.3(d) (formerly Interstate Commerce Commission Order 13528). Paragraph (d) of 49 CFR 232.3 allows for the movement of certain railroad freight cars without air brakes from initial terminal locations or through interchange locations under certain conditions.
Paragraph (d) of 49 CFR 232.3 requires the cars to be identified by a card attached to the side of the equipment specifically noting and signed by the shipper that the car is being moved under the authority of that paragraph. Railroads typically use carrier bad order forms or tags for these purposes. These forms are readily available from all carrier repair facilities. If a car moving under 49 CFR 232.3(d) is not properly tagged, a carrier is not legally allowed to move the car. Section 232.3(d)(3) does not require carriers or shippers to retain cards or tags. When a car bearing a tag for movement under this provision arrives
at its destination, the tag is simply removed. FRA estimates approximately 400 cars per year are moved under this regulation.

<table>
<thead>
<tr>
<th>CFR section</th>
<th>Respondent universe</th>
<th>Total annual responses</th>
<th>Average time per response</th>
<th>Total annual burden hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>232.3(d)—Cars moved in Accordance with Emergency Order 13528—Tagging.</td>
<td>755 railroads ..........</td>
<td>800 tags ...............</td>
<td>5</td>
<td>67</td>
</tr>
</tbody>
</table>

**Total Estimated Annual Responses:** 800.

**Total Estimated Annual Burden:** 67 hours.

**Type of Request:** Extension without Change of a Currently Approved Collection.

**Title:** U.S. Locational Requirement for Dispatching U.S. Rail Operations.

**OMB Control Number:** 2130–0536.

**Abstract:** With one exception, 49 CFR part 241 requires, in the absence of a waiver, that all dispatching of railroad operations occurring in the United States be performed in the United States. A railroad may, however, conduct dispatching from Mexico or Canada in an emergency situation, but only for the duration of the emergency situation. A railroad relying on this exception must provide written notification of its action to the FRA Regional Administrator of each FRA region in which the railroad emergency operation occurs as soon as practicable; such notification is not required before addressing the emergency situation. The information collected under this rule is used as part of FRA’s oversight function to ensure that extraterritorial dispatchers comply with applicable safety regulations.

<table>
<thead>
<tr>
<th>CFR section</th>
<th>Respondent universe</th>
<th>Total annual responses</th>
<th>Average time per response</th>
<th>Total annual burden hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>241.9—Written notification to FRA Regional Administrator of emergency where dispatcher outside the U.S. dispatches a railroad operation in the U.S. for the duration of the emergency.</td>
<td>4 railroads ..........</td>
<td>1 notice ...............</td>
<td>8</td>
<td>8</td>
</tr>
</tbody>
</table>

**Total Estimated Annual Responses:** 1.

**Total Estimated Annual Burden:** 8 hours.

**Type of Request:** Extension without Change of a Currently Approved Collection.

**Title:** Safety and Health Requirements Related to Camp Cars.

**OMB Control Number:** 2130–0595.

**Abstract:** Subparts C and E of 49 CFR part 228 address the construction of railroad-provided sleeping quarters (camp cars) and set certain safety and health requirements for such camp cars. Specifically, subpart E of part 228 prescribes minimum safety and health requirements for camp cars that a railroad provides as sleeping quarters to any of its train employees, signal employees, and dispatching service employees (covered-service employees) and individuals employed to maintain its right of way. Subpart E requires railroad-provided camp cars to be clean, safe, sanitary, and be equipped with indoor toilets, potable water, and other features to protect the health of car occupants. Subpart C of part 228 prohibits a railroad from positioning a camp car intended for occupancy by individuals employed to maintain the railroad’s right of way in the immediate vicinity of a switching or humping yard which handles railcars containing hazardous material. Generally, the requirements of Subparts C and E to part 228 are intended to provide covered-service employees an opportunity for rest free from the interruptions caused by noise under the control of the railroad.

The information collected under this rule is used by FRA to ensure railroads operating camp cars comply with all the requirements mandated in this regulation to protect the health and safety of camp car occupants.

<table>
<thead>
<tr>
<th>CFR section</th>
<th>Respondent universe</th>
<th>Total annual responses</th>
<th>Average time per response</th>
<th>Total annual burden hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>228.323—Copy—Water Hydrant/Hoses/Nozzle Inspections.</td>
<td>1 railroad ...............</td>
<td>740 Inspections ........</td>
<td>3 minutes ...............</td>
<td>37</td>
</tr>
<tr>
<td>—Hydrant/Hoses/Nozzle Inspections—Records.</td>
<td>1 railroad ...............</td>
<td>740 Records ...........</td>
<td>2 minutes ...............</td>
<td>25</td>
</tr>
<tr>
<td>—Copy of records at Central Location ..........</td>
<td>1 railroad ...............</td>
<td>740 Record copies ......</td>
<td>10 seconds ..............</td>
<td>2</td>
</tr>
<tr>
<td>—Training—For Individuals to Fill Potable Water Systems.</td>
<td>1 railroad ...............</td>
<td>5 Trained employees ...</td>
<td>15 minutes ..............</td>
<td>1</td>
</tr>
<tr>
<td>—Certification from State/Local Health Authority.</td>
<td>1 railroad ...............</td>
<td>666 Certificates ......</td>
<td>1 hour ..................</td>
<td>666</td>
</tr>
<tr>
<td>—Certification by Laboratory ....................</td>
<td>1 railroad ...............</td>
<td>74 Certificates .......</td>
<td>20 minutes ..............</td>
<td>25</td>
</tr>
<tr>
<td>—Certification Copies ..........................</td>
<td>1 railroad ...............</td>
<td>740 Certification copies</td>
<td>10 seconds ..............</td>
<td>2</td>
</tr>
<tr>
<td>—Draining/Flushing and Record ..................</td>
<td>1 railroad ...............</td>
<td>111 Records ...........</td>
<td>30 minutes ..............</td>
<td>56</td>
</tr>
<tr>
<td>—Occupant Report of Taste Problem ..............</td>
<td>1 railroad ...............</td>
<td>10 Taste reports ......</td>
<td>10 seconds ..............</td>
<td>0.028</td>
</tr>
</tbody>
</table>
The rule also requires most employers to conduct periodic oversight of their own employees and annual written reviews of their training programs to close performance gaps. Additionally, the rule requires specific training and qualification of operators of roadway maintenance machines that can hoist, lower, and horizontally move a suspended load.

Finally, the rule clarifies the existing training requirements for railroad and contractor employees who perform brake system inspections, tests, or maintenance.

FRA will use the information collected to ensure each employer—railroad or contractor—conducting operations subject to new part 243 develops, adopts, submits, and complies with a training program for each category and subcategory of safety-related railroad employee. Each program must have training components identified so that FRA will understand how the program works when it reviews the program for approval. Further, FRA will review the required training programs to ensure they include initial, ongoing, and on-the-job criteria; testing and skills evaluation measures designed to foster continual compliance with Federal standards; and the identification of critical safety defects and plans for immediate remedial actions to correct them.

In response to petitions for reconsideration, FRA has extended the effective date for developing the required Training Program under § 243.101 for employers with 400,000 or more total annual employee work hours to January 1, 2019, and for employers with less than 400,000 total annual employee work hours to May 1, 2020.

Form Number(s): N/A.

Affected Public: Businesses.

Respondent Universe: 1,550 railroads/contractors/training organizations/learning institutions.

<table>
<thead>
<tr>
<th>CFR section</th>
<th>Respondent universe</th>
<th>Total annual responses</th>
<th>Average time per response</th>
<th>Total annual burden hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>214.357—Training and Qualification Program for Operators of Roadway Maintenance Machines (RMM) Equipped with a Crane</td>
<td>535 railroads/contractors</td>
<td>535 revised programs</td>
<td>4 hours</td>
<td>2,140 hours</td>
</tr>
<tr>
<td>—Initial Training/Qualification of RMM Operators (Crane)</td>
<td>1,796 roadway workers</td>
<td>1,796 trained workers</td>
<td>1 hour</td>
<td>17,396 hours</td>
</tr>
<tr>
<td>—Periodic Training/Qualification of RMM Operators (Crane)</td>
<td>1,796 roadway workers</td>
<td>15 minutes</td>
<td>4,349 hours</td>
<td></td>
</tr>
<tr>
<td>—Records of Training/Qualification</td>
<td>1 railroad</td>
<td>10 Records</td>
<td>30 minutes</td>
<td>5</td>
</tr>
<tr>
<td>243.101—Training Programs Submissions by Employers subject to this Part with 400,000 total annual employee work hours more or by Jan. 1, 2018.</td>
<td>56 railroads/contractors</td>
<td>18 programs</td>
<td>6,480 hours</td>
<td>116,640 hours</td>
</tr>
<tr>
<td>—Submissions by Employers subject to this Part with less than 400,000 total annual work hours by May 1, 2020.</td>
<td>1,461 railroads/contractors</td>
<td>496 programs</td>
<td>20 hours</td>
<td>9,920 hours</td>
</tr>
<tr>
<td>—Submission by New Employers Commencing Operations after Jan. 1, 2019.</td>
<td>5 New Railroads</td>
<td>5 programs</td>
<td>40 hours</td>
<td>200 hours</td>
</tr>
<tr>
<td>—Validation documents sent from contractors that train their own safety-related employees to railroads that are using their training programs.</td>
<td>795 railroad contractors/subcontractors</td>
<td>50 documents</td>
<td>15 minutes</td>
<td>13 hours</td>
</tr>
<tr>
<td>—Copies of contractor validation documents kept by railroads.</td>
<td>795 railroads</td>
<td>50 copies</td>
<td>10 minutes</td>
<td>8 hours</td>
</tr>
<tr>
<td>243.103—Training Programs required to be modified by FRA due to essential missing/inadequate components.</td>
<td>1,489 railroads/contractors</td>
<td>73 programs</td>
<td>10 hours</td>
<td>730 hours</td>
</tr>
</tbody>
</table>

Total Estimated Annual Responses: 11,206.

Total Estimated Annual Burden: 1,043 hours.

Type of Request: Extension without Change of a Currently Approved Collection.

Title: Training, Qualification, and Oversight for Safety-Related Railroad Employees.

OMB Control Number: 2130–0597.

Abstract: On November 7, 2014, FRA published a final rule—49 CFR parts 214, 232, and 243—establishing minimum training standards for all safety-related railroad employees, as required by the Rail Safety Improvement Act of 2008. The final rule requires each railroad or contractor that employs one or more safety-related employees to develop and submit a training program to FRA for approval and to designate the minimum training qualifications for each occupational category of employee.
<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
<th>Time Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>243.105</td>
<td>Optional Model Program Development.</td>
<td>56 railroads/contractors/or Learning Institution</td>
</tr>
<tr>
<td>243.109</td>
<td>Initial Training Programs Found Non-Conforming to this Part by FRA—Revisions to Programs.</td>
<td>106 railroads/contractors/or Learning Institution</td>
</tr>
<tr>
<td>243.111</td>
<td>Written Request by Training Organization/Learning Institution Previously Providing Training Services to Railroads Prior to Jan. 1, 2018, to Provide Such Services after Jan. 1, 2019.</td>
<td>50 RR labor organizations/learning institutions</td>
</tr>
<tr>
<td>243.113</td>
<td>Required Employer Information Sent to FRA Prior to First Electronic Submission (Employers with 400,000 Annual Work Hours or More).</td>
<td>106 railroads/contractors/or Learning Institution/associations</td>
</tr>
<tr>
<td>243.201</td>
<td>Designation of Existing Safety-related Employees by Job Category—Lists (Employer with 400,000 Annual Work Hours or More).</td>
<td>106 railroads/contractors/or Learning Institution</td>
</tr>
<tr>
<td>Task Description</td>
<td>Number of Subjects</td>
<td>Total Estimated Annual Responses</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------------</td>
<td>--------------------</td>
<td>----------------------------------</td>
</tr>
<tr>
<td><strong>243.202—Electronic Recordkeeping—Systems Set Up to Meet FRA Requirements</strong></td>
<td>106</td>
<td>68 tests + 68 records</td>
</tr>
<tr>
<td><strong>243.203—Transfer of Records to Successor Employer</strong></td>
<td>106</td>
<td>20 systems</td>
</tr>
<tr>
<td><strong>243.205—Modified Training Resulting from Periodic Oversight Tests and Inspections</strong></td>
<td>106</td>
<td>20 records</td>
</tr>
<tr>
<td><strong>243.207—Written Annual Review of Safety Data (RRs with 400,000 Annual Employee Work Hours or More)</strong></td>
<td>18</td>
<td>4 reviews</td>
</tr>
<tr>
<td><strong>243.208—RR Identification of Supervisory Employees Who Conduct Periodic Periodic Oversight Tests by Category/Subcategory</strong></td>
<td>18</td>
<td>45 trained employees</td>
</tr>
<tr>
<td><strong>243.209—Railroad Maintained List of Contractors Utilized</strong></td>
<td>106</td>
<td>1 list</td>
</tr>
<tr>
<td><strong>243.210—Employer Records of Periodic Oversight</strong></td>
<td>106</td>
<td>175 notices + 175 notices</td>
</tr>
<tr>
<td><strong>243.211—Contractor Conduct of Periodic Oversight Tests/Inspections of Its Safety-related Employees</strong></td>
<td>56</td>
<td>5,490 records</td>
</tr>
<tr>
<td><strong>243.212—Contractor Periodic Tests/Inspections Conducted by RR Supervisory Employee</strong></td>
<td>795</td>
<td>795 tests/inspections</td>
</tr>
<tr>
<td><strong>243.213—Contractor Adjustment of Its Training Program Based on RR Information</strong></td>
<td>11</td>
<td>45 trained employees</td>
</tr>
<tr>
<td><strong>243.214—Notification by RR of Contractor Employee Non-Compliance with Federal Laws/Regulations/Orders to Employee and Employee’s Employer</strong></td>
<td>106</td>
<td>10 identification</td>
</tr>
<tr>
<td><strong>243.215—Contractor Periodic Tests/Inspections Conducted by RR Supervisory Employee</strong></td>
<td>106</td>
<td>175 notices + 175 notices</td>
</tr>
<tr>
<td><strong>243.216—Contractor Periodic Tests/Inspections Conducted by RR Supervisory Employee</strong></td>
<td>106</td>
<td>175 notices + 175 notices</td>
</tr>
<tr>
<td><strong>243.217—Contractor Periodic Tests/Inspections Conducted by RR Supervisory Employee</strong></td>
<td>106</td>
<td>175 notices + 175 notices</td>
</tr>
<tr>
<td><strong>243.218—Contractor Periodic Tests/Inspections Conducted by RR Supervisory Employee</strong></td>
<td>106</td>
<td>175 notices + 175 notices</td>
</tr>
<tr>
<td><strong>243.219—Contractor Periodic Tests/Inspections Conducted by RR Supervisory Employee</strong></td>
<td>106</td>
<td>175 notices + 175 notices</td>
</tr>
<tr>
<td><strong>243.220—Contractor Periodic Tests/Inspections Conducted by RR Supervisory Employee</strong></td>
<td>106</td>
<td>175 notices + 175 notices</td>
</tr>
</tbody>
</table>

**Total Estimated Annual Responses:** 71,752.

**Total Estimated Annual Burden:** 281,752 hours.

Under 44 U.S.C. 3507(a) and 5 CFR 1320.5(b) and 1320.8(b)(3)(vi), FRA informs all interested parties that it may not conduct or sponsor, and a respondent is not required to respond to, a collection of information unless it displays a currently valid OMB control number.


Brett A. Jortland,
Acting Chief Counsel.
[FR Doc. 2017–19354 Filed 9–12–17; 8:45 am]
BILLING CODE 4910–06–P

DEPARTMENT OF TRANSPORTATION
Federal Transit Administration
[FTA Docket No. FTA 2017–0022]
Agency Information Collection Activity Under OMB Review

**AGENCY:** Federal Transit Administration, DOT.

**ACTION:** Notice of request for comments.

**SUMMARY:** In compliance with the Paperwork Reduction Act of 1995, this notice announces that the Information Collection Requirements [ICRs] abstracted below have been forwarded to the Office of Management and Budget (OMB) for review and comment. The ICR describe the nature of the information collection and their expected burdens. The Federal Register notice with a 60-day comment period soliciting comments on the following collection of information was published on June 19, 2017.

**DATES:** Comments must be submitted on or before October 13, 2017.

**FOR FURTHER INFORMATION CONTACT:** Tia Swain, Office of Administration, Management Planning Division, 1200 New Jersey Avenue SE., Mail Stop TAD–10, Washington, DC 20590 (202) 366–0354 or tia.swain@dot.gov.

OMB may approve paperwork packages. 44 U.S.C. 3506, 3507; 5 CFR 1320.5, 1320.8(d)(1), 1320.12. On June 19, 2017, FTA published a 60-day notice (82 FR 27956) in the Federal Register soliciting comments on the ICR that the agency was seeking OMB approval. FTA received no comments after issuing this 60-day notice. Accordingly, DOT announces that these information collection activities have been re-evaluated and certified under 5 CFR 1320.5(a) and forwarded to OMB for review and approval pursuant to 5 CFR 1320.12(c).

Before OMB decides whether to approve these proposed collection of information, it must provide 30 days for public comment. 44 U.S.C. 3507(b); 5 CFR 1320.12(d). Federal law requires OMB to approve or disapprove paperwork packages between 30 and 60 days after the 30 day notice is published. 44 U.S.C. 3507(b)–(c); 5 CFR 1320.12(d); see also 60 FR 44978, 44983, Aug. 29, 1995. OMB believes that the 30 day notice informs the regulated community to file relevant comments and affords the agency adequate time to digest public comments before it renders a decision. 60 FR 44983, Aug. 29, 1995. Therefore, respondents should submit their respective comments to OMB within 30 days of publication to best ensure having their full effect. 5 CFR 1320.12(c); see also 60 FR 44983, Aug. 29, 1995.

The summary below describes the nature of the information collection requirements (ICRs) and the expected burden. The requirements are being submitted for clearance by OMB as required by the PRA.

Title: Generic Clearance for the Collection of Qualitative Feedback on Agency Service Delivery.

OMB Control Number: 2132–0572.

Type of Request: Revision of a currently approved information collection.

Abstract: The information collection activity will garner qualitative customer and stakeholder feedback in an efficient, timely manner, in accordance with the Administration’s commitment to improving service delivery. By qualitative feedback we mean information that provides useful insights on perceptions and opinions, but are not statistical surveys that yield quantitative results that can be generalized to the population of study. This feedback will provide insights into customer or stakeholder perceptions, experiences and expectations, provide an early warning of issues with service, or focus attention on areas where communication, training or changes in operations might improve delivery of products or services. These collections will allow for ongoing, collaborative and actionable communications between the Federal Transit Administration and its customers and stakeholders. It will also allow feedback to contribute directly to the improvement of program management. Feedback collected under this generic clearance will provide useful information, but it will not yield data that can be generalized to the overall population. This type of generic clearance for qualitative information will not be used for quantitative information collections that are designed to yield reliably actionable results, such as monitoring trends over time or documenting program performance. Such data uses require more rigorous designs that address: The target population to which generalizations will be made, the sampling frame, the sample design (including stratification and clustering), the precision requirements or power calculations that justify the proposed sample size, the expected response rate, methods for assessing potential nonresponse bias, the protocols for data collection, and any testing procedures that were or will be undertaken prior to fielding the study. Depending on the degree of influence the results are likely to have, such collections may still be eligible for submission for other generic mechanisms that are designed to yield quantitative results.

Annual Estimated Total Number of Respondents: 2,700.

Annual Estimated Total Burden Hours: 581 hours.

ADDRESSES: All written comments must refer to the docket number that appears at the top of this document and be submitted to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725–17th Street NW., Washington, DC 20503, Attention: FTA Desk Officer.

Alternatively, comments may be sent via email to the Office of Information and Regulatory Affairs (OIRA), Office of Management and Budget, at the following address: oira_submissions@omb.eop.gov.

Comments are Invited On: Whether the proposed collection of information is necessary for the proper performance of the functions of the Department, including whether the information will have practical utility; the accuracy of the Department’s estimate of the burden of the proposed information collection; ways to enhance the quality, utility, and clarity of the information to be collected; and ways to minimize the burden of the collection of information on respondents, including the use of automated collection techniques or other forms of information technology. A comment to OMB is best assured of having its full effect if OMB receives it within 30 days of publication of this notice in the Federal Register.

William Hyre,
Deputy Associate Administrator for Administration.

[FR Doc. 2017–19402 Filed 9–12–17; 8:45 am]

BILLING CODE 4910–57–P

DEPARTMENT OF TRANSPORTATION

Maritime Administration

Meeting Notice—U.S. Maritime Transportation System National Advisory Committee

AGENCY: Maritime Administration, Department of Transportation.

ACTION: Notice of advisory committee public meeting.

SUMMARY: The Maritime Administration (MARAD) announces a public meeting of the U.S. Maritime Transportation System National Advisory Committee (MTSNAC) to discuss advice and recommendations for the U.S. Department of Transportation on issues related to the maritime transportation system. The MTSNAC will consider the adoption of new bylaws and update the committee on activities of the subcommittees and their work plans and recommendations.

DATES: The meeting will be held at 9:30 a.m. on Wednesday, September 27, 2017.

ADDRESSES: The meetings will be held at the DOT Conference Center at the U.S. Department of Transportation Headquarters, 1200 New Jersey Avenue SE., Washington, DC 20590.

FOR FURTHER INFORMATION CONTACT: Jeffrey Flamigian. Designated Federal Officer, at MTSNAC@dot.gov or at (212) 668–2064. Please visit the MTSNAC Web site at http://www.marad.dot.gov/ports/marine-transportation-systems/marine-transportation-system-national-advisory-committee-mtsnac/.

SUPPLEMENTARY INFORMATION: The MTSNAC is a Federal advisory committee that advises the U.S. Department of Transportation and MARAD on issues related to the maritime transportation system. The MTSNAC was originally established in 1999 and mandated in 2007 by the Energy Independence and Security Act of 2007. The MTSNAC operates in accordance with the provisions of the Federal Advisory Committee Act (FACA).
Agenda

The agenda will include brief remarks by the Maritime Administrator, an introduction to the Committee on the Maritime Workforce Working Group subcommittee, updates to the Committee on other subcommittee work, administrative items, and public comments.

Public Participation

The meeting will be open to the public. Members of the public who wish to attend in person must RSVP to MTSNAC@dot.gov with your name and affiliation no later than 5:00 p.m. EDT on Wednesday, September 20, 2017, to facilitate entry. Seating will be limited and available on a first-come-first-serve basis.

Services for Individuals with Disabilities: The public meeting is physically accessible to people with disabilities. Individuals requiring accommodations, such as sign language interpretation or other ancillary aids are asked to notify Eric Shen at: (202) 308–8968, or Jeffrey Flumigian at (212) 668–2064 or MTSNAC@dot.gov five (5) business days before the meeting.

Public Comments: A public comment period will commence at approximately 11:15 a.m. and again at 3:00 p.m. on the day of the meeting. To provide time for as many people to speak as possible, speaking time for everyone will be limited to three minutes. Members of the public who would like to speak are asked to contact the Designated Federal Officer via email: MTSNAC@dot.gov. Commenters will be placed on the agenda in the order in which notifications are received. If time allows, additional comments will be permitted. Copies of oral comments must be submitted in writing at the meeting or preferably emailed to MTSNAC@dot.gov. Additional written comments are welcome and must be filed as indicated below.

Written comments: Persons who wish to submit written comments for consideration by the Committee must email MTSNAC@dot.gov, or send them to MTSNAC Designated Federal Officers via email: MTSNAC@dot.gov, Maritime Transportation System National Advisory Committee, 1200 New Jersey Avenue SE., W21–307, Washington, DC 20590 no later than 5:00 p.m. Wednesday, September 20, 2017, to provide sufficient time for review.


* * * * *


T. Mitchell Hudson, Jr.,
Secretary, Maritime Administration.

Summary:

In accordance with the procedures governing the application for, and the processing of, special permits from the Department of Transportation’s Hazardous Material Regulations, notice is hereby given that the Office of Hazardous Materials Safety has received the application described herein. Each mode of transportation for which a particular special permit is requested is indicated by a number in the “Nature of Application” portion of the table below as follows: 1—Motor vehicle, 2—Rail freight, 3—Cargo vessel, 4—Cargo aircraft only, 5—Passenger-carrying aircraft.

DATES: Comments must be received on or before September 28, 2017.

ADDRESSES: Record Center, Pipeline and Hazardous Materials Safety Administration U.S. Department of Transportation Washington, DC 20590.

Comments should refer to the application number and be submitted in triplicate. If confirmation of receipt of comments is desired, include a self-addressed stamped postcard showing the special permit number.


Supplementary Information: Copies of the applications are available for inspection in the Records Center, East Building, PHH–30, 1200 New Jersey Avenue Southeast, Washington DC or at http://regulations.gov.

This notice of receipt of applications for special permit is published in accordance with part 107 of the Federal hazardous materials transportation law (49 U.S.C. 5117(b); 49 CFR 1.53(b)).

Issued in Washington, DC, on August 31, 2017.

Donald Burger,
Chief, Office of the Special Permits and Approvals.

Special Permits Data

<table>
<thead>
<tr>
<th>Application No.</th>
<th>Docket No.</th>
<th>Applicant</th>
<th>Regulation(s) affected</th>
<th>Nature of the special permits thereof</th>
</tr>
</thead>
<tbody>
<tr>
<td>14768-M ..........</td>
<td>.............</td>
<td>Tobin &amp; Sons Moving &amp; Storage, Inc.</td>
<td>173.196(a), 173.196(b), 173.199 ....</td>
<td>To modify the special permit to adjust the allowable temperature range and other editorial corrections. (Mode 1).</td>
</tr>
<tr>
<td>14933-M ..........</td>
<td>.............</td>
<td>Tobin &amp; Sons Moving &amp; Storage, Inc.</td>
<td>173.196(a), 173.196(b), 173.199, 178.609.</td>
<td>To modify the permit to authorize a change in the operating temperature range. (Mode 1).</td>
</tr>
<tr>
<td>14951-M ..........</td>
<td>.............</td>
<td>Hexagon Lincoln, Inc</td>
<td>173.301(f), 173.302(a)</td>
<td>To authorize the manufacture, mark, sell and use of a 12,000-liter cylinder. (Modes 1,2,3).</td>
</tr>
<tr>
<td>16232-M ..........</td>
<td>.............</td>
<td>Linde Gas North America LLC</td>
<td>171.23(a), 171.23(a)(2)(ii), 171.23(a)(3), 173.301(f)(3), 173.301(g).</td>
<td>To modify the special permit to authorize additional cylinders for the transportation of Xenon/Krypton. (Modes 1,2,3).</td>
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## SPECIAL PERMITS DATA—Continued

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<th>Application No.</th>
<th>Docket No.</th>
<th>Applicant</th>
<th>Regulation(s) affected</th>
<th>Nature of the special permits thereof</th>
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<td>20232–M</td>
<td>............</td>
<td>Leidos Biomedical Research, Inc</td>
<td>173.196, 178.503(f), 178.609 ......</td>
<td>To modify the special permit to authorize an additional Division 6.1 material. (Mode 1).</td>
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<td>20352–M</td>
<td>............</td>
<td>Schlumberger Technology Corp ...</td>
<td>173.201(c), 173.202(c), 173.203(c), 173.301(f), 173.302(a), 173.304(a), 173.304(d).</td>
<td>To modify the special permit to authorize cargo only aircraft transportation and to include additional testing requirements. (Modes 1,2,3,4).</td>
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[FR Doc. 2017–19343 Filed 9–12–17; 8:45 am]
BILLING CODE 4909–60–P
Part II

Bureau of Consumer Financial Protection

12 CFR Part 1003
Home Mortgage Disclosure (Regulation C); Rule
SUMMARY: The Bureau of Consumer Financial Protection (Bureau) is amending Regulation C to make technical corrections to and to clarify certain requirements adopted by the Bureau’s Home Mortgage Disclosure (Regulation C) Final rule (2015 HMDA Final Rule), which was published in the Federal Register on October 28, 2015. The Bureau is also amending Regulation C to increase the threshold for collecting and reporting data on open-end lines of credit for a period of two years so that financial institutions originating fewer than 500 open-end lines of credit in either of the preceding two years would not be required to begin collecting such data until January 1, 2020. The Bureau also is adopting a new reporting exclusion.

DATES: This rule is effective on January 1, 2018, except that the amendments to §1003.5 in amendatory instruction 8, the amendments to §1003.6 in amendatory instruction 9, and the amendments to supplement I to part 1003 in amendatory instruction 10 are effective on January 1, 2019; and the amendments to §1003.2 in amendatory instruction 11, the amendments to §1003.3 in amendatory instruction 12, the amendments to §1003.5 in amendatory instruction 13, the amendments to §1003.6 in amendatory instruction 14, and the amendments to supplement I to part 1003 in amendatory instruction 15 are effective on January 1, 2020. See part VI for more information.


I. Summary of the Final Rule

Regulation C implements the Home Mortgage Disclosure Act (HMDA), 12 U.S.C. 2801 through 2810. For over four decades, HMDA has provided the public and public officials with information about mortgage lending activity within communities by requiring financial institutions to collect, report, and disclose certain data about their mortgage activities. The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) amended HMDA, transferring rulemaking authority to the Bureau and expanding the scope of information that must be collected, reported, and disclosed under HMDA, among other changes. In October 2015, the Bureau issued the 2015 HMDA Final Rule implementing the Dodd-Frank Act amendments to HMDA. The 2015 HMDA Final Rule modified the types of institutions and transactions subject to Regulation C, the types of data that institutions are required to collect, and the processes for reporting and disclosing the required data. In addition, the 2015 HMDA Final Rule established transactional thresholds that determine whether financial institutions are required to collect data on open-end lines of credit or closed-end mortgage loans. The closed-end threshold was set at 25 loans in each of the two preceding calendar years, and the open-end threshold was set at 100 open-end lines of credit in each of the two preceding calendar years. Most of the 2015 HMDA Final Rule takes effect on January 1, 2018.

The Bureau has identified a number of areas in which implementation of the 2015 HMDA Final Rule could be facilitated through clarifications, technical corrections, or minor changes. On April 25, 2017, the Bureau published a notice of proposed rulemaking (April 2017 HMDA Proposal) that would make certain amendments to Regulation C to address those areas. Since issuing the 2015 HMDA Final Rule, the Bureau also has heard concerns that the open-end threshold at 100 transactions is too low. On July 20, 2017, the Bureau published a proposal (July 2017 HMDA Proposal) to address the threshold for reporting open-end lines of credit. The Bureau is publishing final amendments to Regulation C pursuant to the April 2017 HMDA Proposal and the July 2017 HMDA Proposal.

This final rule temporarily increases the open-end threshold to 500 or more open-end lines of credit for two years (calendar years 2018 and 2019). In addition, the final rule corrects a drafting error by clarifying both the open-end and closed-end thresholds so that only financial institutions that meet the threshold for two years in a row are required to collect data in the following calendar years. With these amendments, financial institutions that originated between 100 and 499 open-end lines of credit in either of the two preceding calendar years will not be required to begin collecting data on their open-end lending before January 1, 2020. This temporary increase in the open-end threshold will provide time for the Bureau to consider whether to initiate another rulemaking to address the appropriate level for the open-end threshold for data collected beginning January 1, 2020.

The final rule establishes transition rules for two data points, loan purpose and the unique identifier for the loan originator. The transition rules require, in the case of loan purpose, or permit, in the case of the unique identifier for the loan originator, financial institutions to report not applicable for these data points when reporting certain loans that they purchased and that were originated before certain regulatory requirements took effect. The final rule also makes additional amendments to clarify certain key terms, such as multifamily dwelling, temporary financing, and automated underwriting system, and to create a new reporting exception for certain transactions associated with New York State consolidation, extension, and modification agreements. In addition, the 2017 HMDA Final Rule facilitates reporting the census tract of the property securing or, in the case of an application, proposed to secure a covered loan that is required to be reported by Regulation C. The Bureau plans to make available on its Web site a geocoding tool that financial institutions may use to identify the census tract in which a property is located. The final rule establishes that a financial institution would not violate Regulation C by reporting an incorrect census tract for a particular property if the financial institution obtained the incorrect census tract number from the geocoding tool on the Bureau’s Web site, provided that the financial institution...
entered an accurate property address into the tool and the tool returned a census tract for the address entered. Finally, the final rule also makes certain technical corrections. These technical corrections include, for example, a change to the calculation of the check digit under § 1003.4(a)(1)(ii) and replacement of the word “income” with the correct word “age” in comment 4(a)(10)(ii)-3.

II. Background

HMDA requires certain banks, savings associations, credit unions, and for-profit nondepository institutions to collect, report, and disclose data about originations and purchases of mortgage loans, as well as mortgage loan applications that do not result in originations (for example, applications that are denied or withdrawn). When the statute was originally adopted, Congress stated the purposes of HMDA as providing the public and public officials with information to help determine whether financial institutions are serving the housing needs of the communities in which they are located and to assist public officials in their determination of the distribution of public sector investments in a manner designed to improve the private investment environment. Congress later expanded HMDA to require, among other things, financial institutions to report racial characteristics, gender, and income information on applicants and borrowers. In light of these amendments, the Board of Governors of the Federal Reserve System (Board) subsequently recognized a third HMDA purpose of identifying possible discriminatory lending patterns and enforcing antidiscrimination statutes, which now is recited with HMDA’s other purposes in Regulation C.

In 2010, Congress enacted the Dodd-Frank Act, which amended HMDA and also transferred HMDA rulemaking authority and other functions from the Board to the Bureau. Among other changes, the Dodd-Frank Act expands the scope of information relating to mortgage applications and loans that must be collected, reported, and disclosed under HMDA. New data points specified in the Dodd-Frank Act include the age of loan applicants and mortgagors, information relating to the points and fees payable at origination, the difference between the annual percentage rate (APR) associated with the loan and a benchmark rate or rates, the term of any prepayment penalty, the value of real property to be pledged as collateral, the term of the loan and of any introductory interest rate for the loan, the presence of contract terms allowing nonamortizing payments, the origination channel, and the credit scores of applicants and mortgagors. The Dodd-Frank Act also authorizes the Bureau to require, “as it may determine to be appropriate,” a unique identifier that identifies the loan originator, a universal loan identifier, and the parcel number that corresponds to the real property pledged or proposed to be pledged as collateral for the mortgage loan. The Dodd-Frank Act also provides the Bureau with the authority to require “such other information as the Bureau may require.” In addition, the Dodd-Frank Act mandated that the Bureau, in consultation with other appropriate agencies, develop regulations after notice and comment that (1) prescribe the format for such disclosures, the method for submission of the data to the appropriate agency, and the procedures for disclosing the information to the public; (2) require the collection of data required to be disclosed under HMDA section 304(b) with respect to loans sold by each institution reporting under this title; (3) require disclosure of the class of the purchaser of such loans; (4) permit any reporting institution to submit in writing to the Bureau or to the appropriate agency such additional data or explanations as it deems relevant to the decision to originate or purchase mortgage loans; and (5) modify or require modification of itemized information, for the purpose of protecting the privacy interests of the mortgage applicants or mortgagors that is or will be available to the public.

III. Summary of Rulemaking Process

In October 2015, the Bureau issued the 2015 HMDA Final Rule, which implemented the Dodd-Frank Act amendments to HMDA. The 2015 HMDA Final Rule modifies the types of institutions and transactions subject to Regulation C, the types of data that institutions are required to collect, and the processes for reporting and disclosing the required data. Most of the provisions of the 2015 HMDA Final Rule will become effective on January 1, 2018.

The 2015 HMDA Final Rule requires some financial institutions to begin collecting data on certain dwelling-secured, open-end lines of credit, including home-equity lines of credit. Current Regulation C allows, but does not require, reporting of home-equity lines of credit. In amending Regulation C, the Bureau explained that it believed collection of data on these products was important because of the risks posed by these products to consumers and local markets and the lack of visibility into these products. The Bureau noted in the 2015 HMDA Final Rule that overleveraging due to open-end mortgage lending and defaults on open-end lines of credit contributed to the foreclosure crises that many communities experienced in the late 2000s. More generally, as the Bureau also noted in the 2015 HMDA Final Rule, open-end lines of credit can increase borrowers’ risk of losing their homes to foreclosure when property values decline. The Bureau concluded that including data on such lines within the HMDA dataset would help the public and public officials understand how financial institutions are meeting the housing needs of communities, would inform public officials identify areas for targeted investment, and would assist the public and public officials in identifying potential fair lending violations. For these and other reasons articulated in the 2015 HMDA Final Rule, the Bureau decided to improve visibility into this key segment of the mortgage market by requiring reporting of open-end lines of credit.

As noted in the July 2017 HMDA Proposal and in the 2015 HMDA Final Rule, in expanding coverage to include mandatory reporting of open-end lines of credit, the Bureau recognized that doing so would impose one-time and ongoing operational costs on reporting institutions; that the one-time costs of modifying processes and systems and training staff to begin open-end line of credit reporting likely would impose significant costs on some institutions; and that institutions’ ongoing reporting costs would increase as a function of...
their open-end lending volume. The Bureau sought to avoid imposing these costs on small institutions with limited open-end lending, where the benefits of reporting the data do not justify the costs of reporting. In seeking to draw such a line, the Bureau acknowledged that it was handicapped by the lack of available data concerning open-end lending. This created challenges both in estimating the distribution of open-end origination volume across financial institutions and in estimating the one-time and ongoing costs that would be incurred by institutions of various sizes in collecting and reporting data on open-end lending.

Concerning open-end origination volume, the Bureau used multiple data sources, including credit union Call Reports, Call Reports for banks and thrifts, and data from the Bureau’s Consumer Credit Panel to develop estimates for different potential thresholds in the 2015 HMDA Final Rule. The Bureau assumed that all of the depository institutions that were exempted from HMDA reporting under Regulation C because of their location or asset size would continue to be exempt. Concerning the remaining depositories, the Bureau developed the following estimates:

<table>
<thead>
<tr>
<th>Potential open-end-line-of-credit threshold</th>
<th>Number of reporting financial institutions</th>
<th>Number of open-end lines of credit (rounded to nearest ten thousand)</th>
<th>Percentage of market covered</th>
<th>Number of reporting financial institutions that also report closed-end mortgage loans</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed</td>
<td>4,146</td>
<td>910,000</td>
<td>94</td>
<td>0</td>
</tr>
<tr>
<td>25</td>
<td>1,770</td>
<td>900,000</td>
<td>93</td>
<td>0</td>
</tr>
<tr>
<td>50</td>
<td>1,155</td>
<td>870,000</td>
<td>91</td>
<td>55</td>
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<tr>
<td>100</td>
<td>749</td>
<td>850,000</td>
<td>88</td>
<td>24</td>
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<tr>
<td>500</td>
<td>231</td>
<td>730,000</td>
<td>76</td>
<td>3</td>
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<tr>
<td>1,000</td>
<td>123</td>
<td>650,000</td>
<td>68</td>
<td>0</td>
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<tr>
<td>5,000</td>
<td>25</td>
<td>440,000</td>
<td>48</td>
<td>0</td>
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</tbody>
</table>

The Bureau noted that expansions or contractions in the number of financial institutions, or changes in product offerings and demands during implementation could alter the estimated impacts. To estimate the one-time and ongoing costs of collecting and reporting data under HMDA in the 2015 HMDA Final Rule, the Bureau identified seven “dimensions” of compliance operations and used those to define three broadly representative financial institutions according to the overall level of complexity of their compliance operations: “tier 1” (high-complexity); “tier 2” (moderate-complexity); and “tier 3” (low-complexity). In estimating costs specific to collecting and reporting data for open-end lines of credit, the Bureau assumed that tier 1 institutions each originate more than 7,000 such lines of credit, that tier 2 institutions each originate between 200 and 7,000 such lines of credit, and that tier 3 institutions each originate fewer than 200 such lines of credit. The Bureau then sought to estimate one-time and ongoing costs for the average-size institution in each tier.

Concerning one-time costs, the Bureau recognized in the 2015 HMDA Final Rule that the one-time cost of reporting open-end lines of credit could be substantial because most financial institutions do not report open-end lines of credit currently and thus would have to develop completely new systems to begin reporting these data. As a result, there would be one-time costs to create processes and systems for open-end lines of credit. However, for tier 3, low-complexity institutions, the Bureau believed that the additional one-time costs of open-end reporting would be relatively low because these institutions are less reliant on information technology systems for HMDA reporting and that they may process open-end lines of credit on the same system and in the same business unit as closed-end mortgage loans, so that these one-time costs would be derived mostly from new training and procedures adopted for the overall changes in the final rule, not distinct from costs related to changes in reporting of closed-end mortgage loans.

Concerning ongoing costs, the Bureau acknowledged that costs for open-end reporting vary by institutions due to many factors, such as size, operational structure, and product complexity, and that this variance exists on a continuum that was impossible to capture fully. At the same time, the Bureau stated it believed that the HMDA reporting process and ongoing operational cost structure for open-end reporting would be fundamentally similar to closed-end reporting. Thus, using the ongoing cost estimates developed for closed-end reporting, the Bureau estimated that for the average tier 1 institutions the ongoing operational costs would be

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19 Id. at 66161.
20 Id. at 66149.
21 Id.
22 Id. at 66261, 66275 n.477. As the Bureau explained, credit union Call Reports provide the number of originations of open-end lines of credit secured by real estate but exclude lines of credit with first-lien status and may include business loans that are excluded from reporting under the 2015 HMDA Final Rule. Id. at 66281 n.489.
23 Id. at 66281 n.489. The Bureau limited its estimate to depositories because it believes that most nondepositories do not originate open-end lines of credit. Id. at 66281.
24 The first row in the chart, labeled “Proposed,” assumed that financial institutions would be
25 The first row in the chart, labeled “Proposed,” assumed that financial institutions would be
26 The first row in the chart, labeled “Proposed,” assumed that financial institutions would be
27 For purposes of calculating aggregate costs, the Bureau assumed that the average tier 1 institution received 30,000 applications for open-end lines of credit; the average tier 2 institution received 1,000 such applications; and the average tier 3 institution received 150 such applications. Id. at 66286.
28 Id. at 66264; see also id. at 66284–85.
29 Id. at 66265; see also id. at 66284.
30 Id. at 66285.
31 Id.
32 Id.
$273,000 per year; for the average tier 2 institution $434,400 per year; and for the average tier 3 institution $8,600 per year.\textsuperscript{33} These translated into average costs per HMDA record of $9, $43, and $57 respectively.\textsuperscript{34} Importantly, the Bureau acknowledged that, precisely because no good source of publicly available data exists concerning open-end lines of credit, it was difficult to predict the accuracy of the Bureau’s cost estimates but also stated its belief that they were reasonably reliable.\textsuperscript{35}

Drawing on all of these estimates, the Bureau decided to establish an open-end threshold that would require institutions that originate 100 or more open-end lines of credit to collect and report data. The Bureau estimated that this threshold would avoid imposing the burden of establishing open-end reporting on approximately 3,000 predominantly smaller-sized institutions with low-volume open-end lending\textsuperscript{36} and would require reporting by only 749 financial institutions, all but 24 of which would also report data on their closed-end mortgage lending.\textsuperscript{37} The Bureau explained that it believed this threshold appropriately balanced the benefits and burdens of covering institutions based on their open-end mortgage lending.\textsuperscript{38}

To effectuate this decision, the 2015 HMDA Final Rule amended Regulation C to define two discrete thresholds that were intended to work in tandem. First, the rule established an institutional coverage threshold that limits the definition of “financial institution” to include only those institutions that either originated at least 25 covered closed-end mortgages in each of the preceding years or that originated at least 100 covered open-end lines of credit in each of the two preceding years.\textsuperscript{39} Second, the rule separately established a transactional coverage threshold for open-end lines of credit by providing that an open-end line of credit is an excluded transaction if the financial institution originated fewer than 100 open-end lines of credit in each of the two preceding calendar years.\textsuperscript{40}

April 2017 HMDA Proposal

Since issuing the 2015 HMDA Final Rule, the Bureau has conducted outreach with financial institutions, HMDA vendors, and other interested parties. As part of these efforts and through its own analysis of the 2015 HMDA Final Rule, the Bureau identified certain technical errors in the Final Rule, potential ways to ease burden of reporting certain data requirements, and clarification of key terms that will facilitate compliance with Regulation C. On April 13, 2017, the Bureau issued the April 2017 HMDA Proposal, which was published in the \textit{Federal Register} on April 25, 2017,\textsuperscript{41} addressing these issues.

The comment period for the April 2017 HMDA Proposal closed on May 25, 2017. The Bureau received a total of 51 comments from financial institutions, financial trade associations, consumer advocacy groups, and individuals. The Bureau has considered all the comments and discusses the responsive comments below and now issues this final rule with certain changes and adjustments, as described below. As discussed in a number of instances below, the Bureau received comments on topics related to the 2015 HMDA Final Rule, but not relevant to those topics the Bureau had raised in the April and July 2017 HMDA Proposals. The Bureau considered all the comments but, as discussed further below, in many instances, found that these comments did not raise points relevant to the Bureau’s decisions raised in its proposals.

July 2017 HMDA Proposal

Since the Bureau issued the 2015 HMDA Final Rule, many industry stakeholders have expressed concerns over the levels for the transactional coverage thresholds. Recent credit union Call Report data, coupled with the evidence as to the number of institutions that would be covered by the open-end threshold contained in the 2015 HMDA Final Rule, led the Bureau to seek comment to determine whether an adjustment to the threshold is appropriate. On July 14, 2017, the Bureau issued the July 2017 HMDA Proposal, which was published in the \textit{Federal Register} on July 20, 2017.\textsuperscript{42} The proposal would have increased temporarily the open-end threshold for both institutional and transactional coverage so that institutions originating fewer than 500 open-end lines of credit in either of the two preceding calendar years would not have been required to commence collecting or reporting data on their open-end lines of credit until January 1, 2020.

The comment period for the July 2017 HMDA Proposal closed on July 31, 2017. The Bureau received 35 comments, which were from financial institutions, financial trade associations, consumer advocacy groups, and individuals. The Bureau has considered all comments and now finalizes the amendments as proposed for the reasons discussed below.

The Bureau consulted or offered to consult with the appropriate Federal agencies concerning both proposals, at both the proposed and final rule stages of the rulemaking. The Bureau consulted or offered to consult with the Board, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, the National Credit Union Administration, the Department of Housing and Urban Development, the Securities and Exchange Commission, the Department of Justice, the Department of Veterans Affairs, the Federal Housing Finance Agency (FHFA), the Department of the Treasury, the Department of Agriculture, the Federal Trade Commission, and the Federal Financial Institutions Examination Council (FFIEC).

\textbf{IV. Legal Authority}

The Bureau is issuing this final rule pursuant to its authority under the Dodd-Frank Act and HMDA. This final rule consists of amendments and corrections to the 2015 HMDA Final Rule and a temporary change to the threshold for reporting open-end lines of credit established in the 2015 HMDA Final Rule. Section 1061 of the Dodd-Frank Act transferred to the Bureau the

\textsuperscript{31} Id. at 66286.
\textsuperscript{32} Id.
\textsuperscript{33} Id. at 66162.
\textsuperscript{34} Id. The estimate of the number of institutions that would be excluded by the transaction coverage threshold was relative to the number that would have been covered under the Bureau’s proposal that led to the 2015 HMDA Final Rule. Under that proposal, a financial institution would have been required to report its open-end lines of credit if it had originated at least 25 closed-end mortgage loans in each of the preceding two years without regard to how many open-end lines of credit the institution originated. See Humne Mortgage Disclosure (Regulation C), 79 FR 9173 (Aug. 20, 2014).
\textsuperscript{35} 2015 HMDA Final Rule, 80 FR 66128, 66281 (Oct. 28, 2015).
\textsuperscript{36} Id. at 66162.
\textsuperscript{37} Revised § 1003.2(g)(1)(v) and (g)(2)(ii). The 2015 HMDA Final Rule excludes certain transactions from the definition of covered loans and those excluded transactions do not count towards the institutional transaction threshold.
\textsuperscript{38} Revised § 1003.3(c)(12). As discussed below, the exclusion as adopted in the 2015 HMDA Final Rule was intended to apply if the financial institution originated fewer than 25 closed-end mortgage loans in each of the two preceding calendar years. Id. at § 1003.3(c)(11). As discussed below, the Bureau is adopting a proposal to change the “each” in this text to “either.”
\textsuperscript{39} April 2017 HMDA Proposal, 82 FR 19142 (Apr. 25, 2017).
\textsuperscript{40} July 2017 HMDA Proposal, 82 FR 33455 (July 20, 2017).
“consumer financial protection functions” previously vested in certain other Federal agencies, including the Board.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.”44 Section 1022(b)(1) of the Dodd-Frank Act authorizes the Bureau’s Director to prescribe rules “as may be necessary or appropriate to carry out the purposes and objectives of the Federal consumer financial laws, and to prevent evasions thereof.”45 Both HMDA and title X of the Dodd-Frank Act are Federal consumer financial laws.46 Accordingly, the Bureau has authority to issue regulations to administer HMDA.

HMDA section 305(a) broadly authorizes the Bureau to prescribe such regulations as may be necessary to carry out HMDA’s purposes.47 These regulations may include “classifications, differentiations, or other provisions, and may provide for such adjustments and exceptions for any class of transactions, as in the judgment of the Bureau are necessary and proper to effectuate the purposes of [HMDA], and prevent circumvention or evasion thereof, or to facilitate compliance therewith.”48

A number of HMDA provisions specify that covered institutions must compile and make their HMDA data publicly available “in accordance with regulations of the Bureau” and “in such formats as the Bureau may require.”49 HMDA section 304(j)(1) authorizes the Bureau to issue regulations to define the loan/application register information that HMDA reporters must make available to the public upon request and to specify the form required for such disclosures.50 HMDA section 304(j)(2)(B) provides that “[t]he Bureau shall require, by regulation, such deletions as the Bureau may determine to be appropriate to protect—(i) any privacy interest of any applicant . . . and (ii) a depository institution from liability under any Federal or State privacy law.”51 HMDA section 304(j)(7) also directs the Bureau to make every effort in prescribing regulations under the section to minimize the costs incurred by a depository institution in complying with such regulations.52 HMDA section 304(e) directs the Bureau to prescribe a standard format for HMDA disclosures required under HMDA section 304.53 As amended by the Dodd-Frank Act, HMDA section 304(h)(1) requires HMDA data to be submitted to the Bureau or to the appropriate agency for the reporting financial institution “in accordance with rules prescribed by the Bureau.”54 HMDA section 304(h)(1) also directs the Bureau, in consultation with other appropriate agencies, to develop regulations after notice and comment that (1) prescribe the format for such disclosures, the method for submission of the data to the appropriate agency, and the procedures for disclosing the information to the public; (2) require the collection of data required to be disclosed under HMDA section 304(b) with respect to loans sold by each institution reporting under this title; (3) require disclosure of the class of the purchaser of such loans; (4) permit any reporting institution to submit in writing to the Bureau or to the appropriate agency such additional data or explanations as it deems relevant to the decision to originate or purchase mortgage loans; and (5) modify or require modification of itemized information, for the purpose of protecting the privacy interests of the mortgage applicants or mortgagors that is or will be available to the public.55

HMDA also authorizes the Bureau to issue regulations relating to the timing of HMDA disclosures.56

As amended by the Dodd-Frank Act, HMDA section 304 requires itemization of specified categories of information and “such other information as the Bureau may require.”57 Specifically, HMDA section 304(b)(5)(D) requires reporting of “such other information as the Bureau may require” for mortgage loans and applications. HMDA section 304 also identifies certain data points that are to be included in the itemization “as the Bureau may determine to be appropriate.”58 It provides that age and other categories of data shall be modified prior to release “as the Bureau determines to be necessary” to satisfy the statutory purpose of protecting the privacy interests of the mortgage applicants or mortgagors.59

The Dodd-Frank Act amendments to HMDA also authorize the Bureau’s Director to develop or assist in the improvement of methods of matching addresses and census tracts to facilitate HMDA compliance by depository institutions in as economical a manner as possible.60 The Bureau, in consultation with the Secretary of HUD, may also exempt for-profit mortgage-lending institutions that are comparable within their respective industries to a bank, savings association, or credit union that has total assets of $10 million or less.61

In preparing this final rule, the Bureau has considered the changes below in light of its legal authority under HMDA and the Dodd-Frank Act. The Bureau has determined that each of the changes addressed below is consistent with the purposes of HMDA and is authorized by one or more of the sources of statutory authority identified in this part.

HMDA section 304(h)(2)(A), 12 U.S.C. 2803(b)(2)(A) (setting maximum disclosure periods except as provided under other HMDA subsections and regulations prescribed by the Bureau); HMDA section 304(n), 12 U.S.C. 2803(n).


HMDA section 304(b)(6)(F), (G), (H), 12 U.S.C. 2803(b)(6)(F), (G), (H).


HMDA section 307(a), 12 U.S.C. 2806(a) (authorizing the Bureau’s Director to utilize, contract with, act through, or compensate any person or agency to carry out this subsection).

HMDA section 306(a), 12 U.S.C. 2808(a).
V. Section-by-Section Analysis

The discussion below uses the following terminology to refer to provisions or proposed provisions of Regulation C, as applicable: “Current § 1003.X” refers to the provision currently in effect, which does not reflect amendments to Regulation C made by the 2015 HMDA Final Rule that have not yet taken effect; “Revised § 1003.X” refers to the provision as revised by the 2015 HMDA Final Rule; “§ 1003.X as adopted by the 2015 HMDA Final Rule,” refers to a provision newly adopted by the 2015 HMDA Final Rule; and “Proposed § 1003.X” refers to the proposed amendments from the April 2017 HMDA Proposal or the July 2017 HMDA Proposal, pursuant to which this final rule is adopted.

Section 1003.2 Definitions

2(d) Closed-End Mortgage Loan

In the 2015 HMDA Final Rule, the Bureau adopted § 1003.2(d) to provide that a closed-end mortgage loan is a dwelling-secured extension of credit that is not an open-end line of credit. Comment 2(d)–2, as adopted by the 2015 HMDA Final Rule, provides guidance on what constitutes an extension of credit, including an example of a transaction that would not be a closed-end mortgage loan because no credit is extended. Comment 2(d)–2 also explains that, for purposes of Regulation C, an extension of credit refers to the granting of credit pursuant to a new debt obligation. The comment provides that if a transaction modifies, renews, extends, or amends the terms of an existing debt obligation without satisfying and replacing the original debt obligation with a new debt obligation, the transaction generally is not an extension of credit under Regulation C. The Bureau proposed certain clarifying amendments to comment 2(d)–2.

As adopted by the 2015 HMDA Final Rule, the example in comment 2(d)–2 illustrating a transaction in which there is no extension of credit discussed installment land sales contracts and included a specific description of an installment land sales contract that would not be considered an extension of credit. The Bureau proposed to remove this specific description from comment 2(d)–2, while also providing more generally that installment land sales contracts, depending on the facts and circumstances, may or may not involve extensions of credit rendering the transactions closed-end mortgage loans. Three commenters expressed support for the proposed change. One stated that the new language would add clarity by acknowledging the complexity of the determination of whether the transaction involves an extension of credit. Two industry commenters expressed opposition to the proposal, stating that it would introduce additional ambiguity and reporting challenges.

For the reasons discussed below, the Bureau is adopting the provision as proposed. The Bureau believes that the specific description of an installment land sales contract that would not be an extension of credit, which was included in the 2015 HMDA Final Rule, is not helpful for illustrating a transaction in which there is no extension of credit. Whether an installment land sales contract is an extension of credit is a fact-specific inquiry that depends on the particular installment contract’s terms and other facts and circumstances. A short description without relevant details does not accurately illustrate the complexity of such a determination. Although making this determination may be challenging for some financial institutions, it is not feasible for the Bureau to provide specific examples, due to the numerous and complex forms of installment land sales contracts and situations in which they arise.

Comment 2(d)–2.i, as adopted by the 2015 HMDA Final Rule, also provides a narrow exception to revised Regulation C’s general rule that an extension of credit occurs only when a new debt obligation is created. Under that exception, a transaction completed pursuant to a New York State consolidation, extension, and modification agreement and classified as a supplemental mortgage under New York Tax Law section 255, such that the borrower owes reduced or no mortgage recording taxes (New York CEMA), is deemed an extension of credit. The Bureau proposed no changes to the extension of credit exception for New York CEMAs in comment 2(d)–2.i but did propose to include in it a clarifying reference to the new § 1003.3(c)(13) exclusion for preliminary transactions consolidated into New York CEMAs, discussed below. There were no comments on this clarifying reference, and the Bureau is adopting it as proposed with minor edits for clarity.

2(f) Dwelling

The Bureau proposed to revise comment 2(f)–2 as adopted by the 2015 HMDA Final Rule by adding language to clarify treatment of multi-location loans.

The Bureau is revising the proposed language, and is incorporating that language into new comment 2(n)–3, as discussed below.

In addition to the multi-location loan clarification, the Bureau proposed a technical correction to comment 2(f)–2. The Bureau proposed to change the term “complexes” to “housing complexes” for clarity, with no change in meaning intended. The Bureau received only one comment on this change, and the commenter expressed support for the change. The Bureau is now adopting this technical correction as proposed.

2(g) Financial Institution

Section 1003.2(g) defines financial institution for purposes of Regulation C, and sets forth Regulation C’s institutional coverage for depository financial institutions and nondepository financial institutions. The Bureau proposed amendments to § 1003.2(g) and associated commentary to increase temporarily the level of open-end originations required to trigger collection and reporting responsibilities and to make conforming changes related to a new reporting exclusion for preliminary transactions providing new funds before consolidation as part of a New York CEMA. The Bureau is adopting the proposed amendments as proposed for the reasons discussed below.

Open-End Line of Credit Threshold

Section 1003.2(g), as adopted by the 2015 HMDA Final Rule, conditions Regulation C’s institutional coverage for depository financial institutions and nondepository financial institutions. The Bureau is adopting for clarity, with no change in meaning intended. The Bureau received only one comment on this change, and the commenter expressed support for the proposed change. The Bureau is now adopting this technical correction as proposed.
Proposal, the Bureau proposed to amend §1003.2(g)(1)(v)(B) and (g)(2)(ii)(B), effective January 1, 2018, to increase the open-end threshold from 100 to 500 and, effective January 1, 2020, to amend §1003.2(g)(1)(v)(B) and (g)(2)(ii)(B) to restore the threshold to 100. The Bureau proposed conforming amendments to comments 2(g)–3 and –5. As discussed in the section-by-section analysis of §1003.3(c)(12), the Bureau also proposed conforming amendments to the open-end threshold in §1003.3(c)(12). For the reasons discussed below, the Bureau is finalizing the amendments as proposed.

As noted in the 2015 HMDA Final Rule, the Bureau believes that including dwelling-secured lines of credit within the scope of Regulation C is a reasonable interpretation of HMDA section 303(2), which defines “mortgage loan” as a loan secured by residential real property or a home improvement loan. In the 2015 HMDA Final Rule, the Bureau interpreted “mortgage loan” to include dwelling-secured lines of credit, as they are secured by residential real property and they may be used for home improvement purposes. As further noted in the 2015 HMDA Final Rule, pursuant to section 305(a) of HMDA, the Bureau believes that requiring reporting of dwelling-secured, consumer purpose open-end lines of credit is necessary and proper to effectuate the purposes of HMDA and prevent evasions thereof.

In establishing the open-end threshold at 100 in the 2015 HMDA Final Rule, the Bureau drew on estimates of the distribution of open-end origination volume across financial institutions and estimates of the one-time and ongoing costs that would be incurred by institutions of various sizes in collecting and reporting data on open-end lines of credit. The Bureau explained that it believed this threshold appropriately balanced the benefits and burdens of covering institutions based on their open-end mortgage lending. 1003.3(c)(11) and (12) were intended to be complementary exclusions. This final rule corrects a drafting error. April 2017 HMDA Proposal, 82 FR 19142, 19149 (Apr. 25, 2017).


Id. (noting “HMDA and Regulation C are designed to provide citizens and public officials sufficient information about mortgage lending to ensure that financial institutions are serving the housing needs of their communities, to assist public officials in distributing public sector investments, and to identify possible discriminatory lending patterns” and that the “Bureau believes that collecting information about all dwelling-secured, consumer-purpose open-end lines of credit serves these purposes.”). 64 Id. at 66162. The Bureau also explained that it believed “that adopting a 100-open-end line of credit threshold will avoid imposing the burden of establishing open-end reporting on many small institutions with low open-end lending volumes.” Id. at 66149.

In striking this balance, the Bureau estimated that, based on 2013 data, 749 depository institutions would be required to report their open-end lines of credit under the 100-loan threshold. However, as discussed in part III above, the Bureau lacked robust data for the estimates that were used to establish the open-end threshold in the 2015 HMDA Final Rule.

As explained in the July 2017 HMDA Proposal, since 2013 the number of dwelling-secured open-end lines of credit originated has increased by 36 percent and continues to grow. To the extent that institutions that had been originating fewer than 100 open-end lines of credit share in that growth, the number of institutions at the margin that will be required to report under the 2015 HMDA Final Rule open-end threshold will also increase. In the July 2017 HMDA Proposal, the Bureau explained that its available data concerning open-end lines of credit extended by banks and thrifts are not sufficiently robust to allow the Bureau to estimate with any precision the number of such institutions that have crossed over the open-end threshold adopted in the 2015 HMDA Final Rule. The Bureau also explained, however, that there are reliable data concerning credit unions that are required to report open-end originations in their Call Reports. The Bureau’s review of credit union Call Report data for the July 2017 HMDA Proposal indicates that the number of credit unions that originated 100 or more open-end lines of credit in 2015 was up 31 percent over 2013 the most recent data cited by the Bureau for its analysis of the 2015 HMDA Final Rule. The Bureau explained in the July 2017 HMDA Proposal that, if there were a comparable increase among banks and thrifts, the total number of open-end reporters exceeding the transactional coverage threshold could be estimated at 980, as compared to the estimate of 749 in the 2015 HMDA Final Rule, which was based on 2013 data.

Additionally, in the July 2017 HMDA Proposal, the Bureau explained that information received by the Bureau since issuing the 2015 HMDA Final Rule has caused the Bureau to question its assumption that tier 3, low-complexity institutions process home-equity lines of credit on the same data platforms as closed-end mortgages, which in turn drove the Bureau’s assumption that the one-time costs for these institutions would be minimal. After issuing the 2015 HMDA Final Rule, the Bureau had heard anecdotal evidence suggesting that one-time costs to begin reporting open-end lines of credit could be as high as $100,000 for tier 3, low-complexity institutions. The Bureau likewise had heard anecdotal evidence suggesting that the ongoing costs for these institutions to report open-end lines of credit, which the Bureau estimated would be under $10,000 per year and add under $60 per line of credit, could be at least three times higher.

Based on this anecdotal evidence regarding one-time and ongoing costs and new data indicating that more institutions would have reporting responsibilities under the 100-loan open-end threshold than estimated in the 2015 HMDA Final Rule, the Bureau believed it was appropriate to seek comment on whether a temporary increase in the open-end threshold was advisable to allow for additional data collection and assessment. The temporary increase proposed in the July 2017 HMDA Proposal would allow the Bureau to do such an evaluation without requiring financial institutions originating fewer than 500 open-end lines of credit per year to collect and report data concerning open-end lines of credit in the meantime.

The Bureau sought comment on whether to increase the open-end threshold temporarily and, if so, whether to raise the threshold to 500 or to a larger or smaller number. The Bureau also sought comment on what time period to increase the open-end threshold, should it do so.

Comments regarding the proposed changes to the open-end threshold in both §§1003.2(g) and 1003.3(c)(12) are discussed below. Industry commenters expressed support for increasing the threshold, but requested that the Bureau further raise the threshold to exclude more financial institutions from the obligation to report open-end lines of credit. Commenters most often requested that the Bureau raise the open-end threshold to 1,000. Many commenters also requested that the Bureau make the open-end threshold increase permanent instead of temporary. Some commenters also urged the Bureau to reverse the 2015 HMDA Final Rule’s decision to require some financial institutions to report data on open-end lines of credit, and, instead, to maintain optional reporting. Further, many commenters requested that the Bureau also increase the closed-end threshold.
Consumer advocacy groups opposed the Bureau’s proposal. These commenters expressed concern about the gaps in the HMDA data resulting from the proposed increase in the threshold. They noted that these gaps in the HMDA data would make it harder for them and other members of the public to understand whether open-end credit lending is conducted in a responsible and non-discriminatory manner, and whether credit needs are being met in communities, particularly if the major lenders in their areas are institutions below the temporarily raised threshold. They stated that the benefits of reporting were clear and based on concrete evidence, but that the costs of reporting were not clear.

arguing that industry cost estimates relied on by the Bureau in the proposal were based on anecdotal evidence. They suggested that only by allowing open-end reporting to begin as provided in the 2015 HMDA Final Rule would the Bureau learn the concrete costs. Further, they expressed support for the Bureau’s decision not to propose changes to the closed-end threshold.

The Bureau is finalizing the proposed temporary increase in the open-end threshold to 500 loans. The Bureau is amending § 1003.2(g)(1)(v)(B) and (g)(2)(iii)(B) and comment 2(g)–3 and –5, effective January 1, 2018, to increase the open-end threshold from 100 to 500 and, effective January 1, 2020, to restore the threshold to 100.71

The Bureau does not believe that increasing the threshold to 1,000 is appropriate at this time. The Bureau believes that the temporary increase in the threshold will avoid imposing the costs of reporting on tier 3, low-complexity institutions, while the Bureau studies the appropriate level of the threshold in light of the market conditions described in the July 2017 HMDA Proposal. The Bureau estimates that, in 2015, 289 depository institutions originated 500 or more open-end lines of credit as compared to an estimated 980 depository institutions that originated at least 100 open-end lines of credit.72 On average, the institutions that would be excluded by increasing the open-end threshold from 100 to 500 loans originated fewer than 250 open-end lines of credit per year.73 Under a 500-loan open-end threshold, approximately three quarters of the loan application volume in the open-end market would be reported.74 Increasing the open-end threshold to 1,000 would reduce the number of institutions reporting open-end lines of credit by 90 in 2016 relative to a 500-loan threshold.75 While this represents a relatively low number of institutions relative to the number under a 500-loan open-end threshold, in 2016, those institutions originated, on average, close to 1,000 open-end lines of credit per year.76 The Bureau believes that institutions with that level of loan volume have moderately-complex operations able to collect and report data on their open-end lines of credit without major disruptions or burdens to their existing operations.77 Thus, increasing the threshold to 1,000 is not needed to achieve the Bureau’s goal of avoiding imposing costs on, and only on, tier 3, low-complexity institutions while the Bureau studies the appropriate level of the threshold. None of the commenters advocating for a higher threshold took issue with the Bureau’s estimate as to the number of institutions that would be affected by increasing the threshold to 1,000 open-end lines of credit nor did any of the commenters provide evidence inconsistent with the Bureau’s estimate of the compliance costs for moderately complex, tier 2, institutions.

Additionally, the Bureau agrees generally with consumer advocacy groups about the importance of increasing visibility into the open-end line of credit market. Increasing the threshold from 100 to 500 will decrease visibility into the open-end line of credit market. The Bureau believes, however, that the limited loss of visibility occasioned by increasing the threshold from 100 to 500, at least for the next two years while the Bureau further studies the issue, is justified by the uncertainty surrounding the costs of reporting borne by tier 3, low-complexity institutions and the recent trends in the market. However, the Bureau is not persuaded that the limited benefits of an even higher threshold would justify any additional loss of data.

The Bureau is not making the threshold increase for open-end lines of credit permanent at this time. As discussed in the July 2017 HMDA Proposal, the Bureau believes it is vitally important to begin the collection and reporting of data on the growing market for open-end lines of credit and that the increase in open-end origination volume since 2013 further demonstrates the importance of these data. However, the Bureau recognizes that anecdotal evidence and recent market trends suggest that costs associated with the 100-loan open-end threshold may be significantly higher and affect more institutions than the Bureau estimated in the 2015 HMDA Final Rule. The two-year period will allow time for the Bureau to decide, through an additional rulemaking, whether any adjustments to the open-end threshold are needed. The Bureau intends to make that determination in sufficient time so that if institutions are covered under any permanent threshold set by the Bureau but not under the temporary threshold, those institutions will be able to resume and complete their implementation processes.78

Similarly, the Bureau declines to retain optional reporting of open-end lines of credit. As discussed in the 2015 HMDA Final Rule, improved visibility into this key segment of the mortgage market is critical because of the risks posed by these products to consumers and local markets and the lack of other publicly available data about these products.79 However, the Bureau agrees that optional reporting should be allowed for those financial institutions that do not meet the open-end threshold and is providing for optional reporting, as discussed below in the section-by-section analysis of § 1003.3(c)(12).

The Bureau, as explained in the July 2017 HMDA Proposal, does not believe increasing the closed-end threshold is appropriate.80 Unlike open-end lines of credit, when adopting the 2015 HMDA Final Rule, the Bureau had robust data to make a determination about the number of transactions that would be reported and the costs, both one-time and ongoing, that industry would face. Additionally, unlike open-end lines of credit, there is no evidence of a similar change in market conditions post-issuance of the 2015 HMDA Final Rule.
for closed-end mortgage loans. None of the commenters advocating a change in the closed-end threshold took issue with the Bureau’s estimates of costs for closed-end reporters or offered any data inconsistent with the Bureau’s estimates.

As discussed in the 2015 HMDA Final Rule, the Bureau adopted § 1003.2(g)(1) pursuant to its authority under section 305(a) of HMDA to provide for such adjustments and exceptions for any class of transactions that the Bureau judges are necessary and proper to effectuate the purposes of HMDA. Pursuant to section 305(a) of HMDA, for the reasons given in the 2015 HMDA Final Rule, the Bureau found that the exception in § 1003.2(g)(1) is necessary and proper to effectuate the purposes of HMDA. By reducing burden on financial institutions and establishing a consistent loan-volume test applicable to all financial institutions, the Bureau found that the provision will facilitate compliance with HMDA’s requirements. 79 Similarly, the Bureau believes that the temporary change in the open-end threshold in § 1003.2(g)(1) is necessary and proper to effectuate the purposes of HMDA, including to facilitate compliance and reduce burden. Additionally, as discussed in the 2015 HMDA Final Rule, the Bureau adopted § 1003.2(g)(2) pursuant to its interpretation of HMDA sections 303(3)(B) and 303(5), which require persons other than banks, savings associations, and credit unions that are “engaged for profit in the business of mortgage lending” to report HMDA data. The Bureau stated that it interprets these provisions, as the Board also did, to evince the intent to exclude from coverage institutions that make a relatively small volume of mortgage loans. 80 Pursuant to its authority under section 305(a) of HMDA, and for the reasons discussed above, the Bureau finds that the temporary change of the open-end threshold from 100 to 500 for two years in both § 1003.2(g)(1) and 1003.2(g)(2) is necessary and proper to facilitate compliance.

Conforming Amendment Related to New York CEMA

As discussed below, the Bureau proposed an exclusion from reporting, in proposed § 1003.3(c)(13), for any preliminary transaction providing new funds before consolidation as part of a New York CEMA. Consistent with that proposal, the Bureau proposed a conforming change to

§ 1003.2(g)(1)(v)(A) and (2)(ii)(A), as adopted by the 2015 HMDA Final Rule, in the definition of “financial institution,” which would add the new exclusion to a list of exclusions referenced in that definition regarding closed-end mortgage loans.

The Bureau received no comments on this conforming change, and now adopts the provision as proposed.

2(i) Home Improvement Loan

HMDA section 303(2) defines a mortgage loan as a loan that is secured by residential real property or a home improvement loan. Regulation C currently defines home improvement loan and provides guidance in commentary about mixed-use property, i.e., a dwelling used for both residential and commercial purposes. Pursuant to the Bureau’s authority under HMDA section 305(a), the Bureau revised the current definition of home improvement loan in § 1003.2(i), as adopted by the 2015 HMDA Final Rule, and revised the accompanying commentary regarding mixed-use property. In the April 2017 HMDA Proposal, the Bureau proposed to amend the commentary to § 1003.2(i) to clarify further the reporting requirements for home improvement loans secured by mixed-use property. Specifically, the Bureau proposed to amend comment 2(i)–4 to clarify that the comment applies only to multifamily dwellings.81 For the reasons discussed below, the Bureau is adopting comment 2(i)–4 as proposed, with a minor amendment for further clarity.

Several State trade associations and one large financial institution supported the proposed amendments to comment 2(i)–4. One commenter stated that the proposal would ease the compliance burden regarding mixed-use properties. Another commenter stated that it shared the Bureau’s concern that, as adopted by the 2015 HMDA Final Rule, comments 2(i)–4 and 3(c)(10)–3.iii could be interpreted as providing inconsistent guidance. The commenter stated that it agreed that loans or lines of credit to improve primarily the commercial portion of a multifamily dwelling should not be reported because they involve relatively small housing components and large commercial components of the dwelling in comparison to loans or lines of credit to improve primarily the commercial portion of a non-multifamily dwelling. A few commenters recommended alternative reporting requirements for

81 As discussed in more detail in the section-by-section analysis of § 1003.3(c)(10), the Bureau proposed to revise the example in comment 3(c)(10)–3.ii to clarify that it applies to dwellings other than multifamily dwellings.
primarily the commercial portion of a multifamily dwelling. As discussed in the April 2017 HMDA Proposal, such loans or lines of credit involve relatively small housing components and large commercial components of the dwelling in comparison to loans or lines of credit to improve primarily the commercial portion of a dwelling other than a multifamily dwelling. Consequently, reporting such loans would provide limited information, at best, toward HMDA’s purpose of helping determine whether financial institutions are serving the housing needs of the communities in which they are located. The Bureau also declines to exclude all loans or lines of credit where any portion of the loan proceeds will be used to improve the commercial portion of a mixed-use property or to exclude all commercial-purpose loans. Regulation C currently covers closed-end, commercial-purpose loans made to purchase, refinance, or improve a dwelling, including certain loans to improve mixed-use property, and the Bureau has not proposed or seen any new reason to decrease the coverage of commercial-purpose transactions from its current level.82 Finally, as discussed in more detail in the section-by-section analysis of § 1003.2(f) above, the Bureau believes the revisions adopted in comment 2(f)–2 regarding the definition of multifamily dwellings address potential uncertainty that may have arisen regarding how proposed comment 2(f)–2 would have applied to the Bureau’s guidance regarding reporting requirements for loans to improve various types of mixed-use property.

2(j) Home Purchase Loan

Current § 1003.2 provides a definition of home purchase loan and provides guidance in commentary. The 2015 HMDA Final Rule revised the current definition of home purchase loan in § 1003.2(j) and revised the current home purchase loan commentary to conform to revised § 1003.2(j) and to provide additional clarifications. As discussed in more detail in the section-by-section analysis of § 1003.3(c)(3), the Bureau proposed certain amendments to the § 1003.3(c)(3) commentary regarding temporary financing. The Bureau proposed conforming amendments to comment 2(j)–3 to reflect the proposed revisions to the § 1003.3(c)(3) commentary. Commenters supported the proposed amendments to comment 2(j)–3. The Bureau is adopting comment 2(j)–3 as proposed, with a minor amendment to conform to a clarification the Bureau is adopting in the commentary to § 1003.3(c)(3).

2(n) Multifamily Dwelling

In revised § 1003.2(f) and comment 2(f)–2, the 2015 HMDA Final Rule revised and clarified the definition of “dwelling” in Regulation C to provide, among other things, that multifamily residential structures include housing complexes and manufactured home communities and that such communities are dwellings. Revised § 1003.2(n) provides that a “multifamily dwelling” is a dwelling that contains five or more individual dwelling units. To apply this definition and ease compliance, the Bureau proposed to add language to comment 2(f)–2 that would have clarified that a loan secured by five or more separate dwellings in more than one location is a loan secured by a multifamily dwelling and provided an example.

Revised § 1003.4(a) excludes several data points for covered loans secured by or applications proposed to be secured by multifamily dwellings because such data may not be easily available, relevant, or useful for multifamily transactions. During implementation of the 2015 HMDA Final Rule, the Bureau was asked whether loans that are secured by five or more separate dwellings that each contain fewer than five individual dwelling units in more than one location are loans secured by multifamily dwellings and, thus, may take advantage of the exclusions for covered loans secured by or applications proposed to be secured by multifamily dwellings in revised § 1003.4(a). For example, a landlord might use a covered loan to improve five or more single-family dwellings in different locations, with those properties securing the loan. At the time of the April 2017 HMDA Proposal, the Bureau believed that such a loan should be reported as secured by a multifamily dwelling. The Bureau believed that with loans that are secured by multifamily dwellings in one location, the information that would be excluded from reporting under revised § 1003.4(a), such as the debt-to-income ratio, might also not be easily available, relevant, or useful for loans secured by five or more multifamily dwellings in more than one location. Consequently, the Bureau proposed to add language to comment 2(f)–2 making clear that a loan secured by five or more separate dwellings in more than one location is a loan secured by a multifamily dwelling and providing an example.

The Bureau received 14 comments discussing the proposed change to comment 2(f)–2. Five commenters expressed support for the change, and nine expressed opposition to it. The commenters supporting the change stated that it would ease compliance, and one wanted clarification of how loans with cross-collateralization clauses, which the commenter stated are often used in the multi-location loans that are implicated in the change, should be reported.

The commenters opposing the proposed change stated several different objections. Several commenters stated that the change would not ease compliance but, instead, would make it more confusing and difficult. Commenters said that the new provision conflicted with Regulations X, Z, and B, as well as the Call Report instructions that they were required to follow and the definition of multifamily under the Community Reinvestment Act (CRA). They stated that the proposed change to Regulation C’s definition of multifamily would require double tracking of multifamily loans under HMDA and CRA. Two commenters pointed out that the proposed change appeared to conflict with the proposed clarification on home improvement loans in comment 2(f)–4 because that provision relies on non-multifamily status to determine a loan’s purpose, but the change to comment 2(f)–2 would make non-multifamily structures potentially part of multifamily dwellings, muddling their status. One commenter suggested that the proposed change could make rural lending to investors look like loans secured by apartment buildings. Another commenter stated that the proposed language would conflict with

82 Every national bank, State member bank, insured nonmember bank, and savings association is required by its primary Federal regulator to file consolidated Reports of Condition and Income, also known as Call Reports, for each quarter as of the close of business on the last day of each calendar quarter. The specific reporting requirements depend upon the size of the institution, the nature of its activities, and whether it has any foreign offices. See, e.g., FDIC, “Consolidated Reports of Condition and Income,” https://www.fdic.gov/regulations/resources/call/index.html (last visited Aug. 13, 2017). Credit unions that are not privately insured are also required to report Call Report data to NCUA. See, e.g., NCUA, “Credit Union and Corporate Call Report Data,” http://www.ncua.gov/DataApps/QCallPdfData/Pages/default.aspx (last visited Aug. 13, 2017).

83 12 U.S.C. 2901 et seq.
the definition of multifamily in Regulation C itself.

After careful consideration of all the comments received, the Bureau now believes that it is not appropriate to add language to comment 2(f)–2 providing that a loan secured by five or more separate dwellings in more than one location is a loan secured by a multifamily dwelling. To ensure clarity and facilitate compliance, the Bureau is now changing the language proposed in the April 2017 HMDA Proposal to provide explicitly that such a loan is not secured by a multifamily dwelling. The Bureau is also altering the example provided to clarify that the multi-location loan described in the example should not be reported as secured by a multifamily dwelling. In addition, the Bureau has incorporated the new language into new comment 2(n)–3, because the comment involves the definition of multifamily dwelling in §1003.2(n), rather than the definition of dwelling in §1003.2(f). The Bureau has also added to the new comment a description and example of a situation similar to that of multi-location loans, as discussed below.

The Bureau believes that the conflicts commenters described regarding the CRA and Call Reports would create the compliance burdens described by commenters. In addition, the Bureau acknowledges that additional clarification would be required to reconcile the proposed classification of multi-site loans language with the proposed change to the commentary on loans that contain commercial space in a non-multifamily dwellings in comment 2(i)–4. Consequently, the Bureau believes that the proposed language might have increased the compliance burden rather than decreased it as intended.

In addition, further review of the five data points that are excluded for multifamily loans suggests that it will be feasible for reporters of the multi-location loans that were the subject of the proposal to provide entries for them. If the borrower of such a loan is not a natural person, two of the data points, income and debt-to-income ratio, can be excluded. If the borrower is a natural person, these two data points will need to be reported only if they are relied on in making the credit decision or in processing the application. Similarly, the financial institution should be able to answer whether the application or covered loan involved a preapproval request. The two other data points that are excluded from reporting for loans secured by multifamily dwellings involve questions about manufactured housing that the financial institution should be able to answer for these loans. To the extent the clarifications in this rule require financial institutions to make technical changes, those changes require only minor adjustments, not significant system updates. In addition, the Bureau has issued this final rule in August, four months before 2018, which the Bureau believes will afford ample time to implement any necessary minor system adjustments. The Bureau is releasing implementation aids with this final rule to facilitate implementation.

During consideration of the public comments and consultation with the relevant Federal agencies, the Bureau became aware that it might also be useful to provide guidance on the treatment of covered loans that are secured by multiple dwellings within a multifamily dwelling, but not secured by the entire multifamily dwelling itself. The Bureau has been told that these loans potentially could increase similar issues for HMDA, CRA, and Call Report reporting requirements unless the Bureau clarifies that they are not secured by a multifamily dwelling. In addition, revised §1002.2(n)’s definition of a multifamily dwelling, stating that a multifamily dwelling is one that “contains” five or more individual dwelling units, is reasonably interpreted to mean that a loan secured by five or more separate dwellings located in a multifamily dwelling but not secured by the entire multifamily dwelling is not secured by a loan that “contains” five or more individual dwelling units, just as it is reasonably interpreted to mean that a loan secured by a multi-location loan is not secured by a dwelling that “contains” five or more dwelling units. Consequently, the Bureau is adding language to new comment 2(n)–2 stating that a covered loan secured by five or more separate dwellings that are located within a multifamily dwelling, but which is not secured by the entire multifamily dwelling (e.g., an entire apartment building or housing complex), is not secured by a multifamily dwelling as defined by §1003.2(n), and providing an example. The Bureau is also adding cross references and instructions to comment 2(n)–2 to facilitate reporting of both the multi-location loans and the loans secured by multiple dwellings within a multifamily dwelling.

Regarding the cross-collateralized loans, the Bureau notes that §1003.4(a)(31) requires reporting of the number of individual dwelling units related to the property “securing” the covered loan or, in the case of an application, proposed to “secure” the covered loan. If the documents for a multi-location loan or a loan secured by multiple dwellings within a multifamily dwelling include a cross-collateralization clause that results in the loan being secured by six dwelling units, the financial institution complies with §1003.4(a)(31) by reporting “6,” even though the loan is not secured by a multifamily dwelling. Nonetheless, the HMDA data will have a clear indication of whether a loan is in fact wholly or partially secured by a multifamily dwelling in the response to §1003.4(a)(32), which requires reporting of income restricted dwelling units if the property securing or proposed to secure the loan includes a multifamily dwelling. Revised comment 4(a)(32)–6 makes clear that when no multifamily dwelling is included in the collateral, the institution reports that the data point is not applicable. The Filing Instructions Guide for HMDA Data Collected in 2018 (2018 FIG)66 reflects this rule, further providing that when a multifamily dwelling is part of the collateral for a loan, the institution must report a number or “0,” and reports “NA” for not applicable if the requirement to report multifamily affordable units does not apply to the covered loan or application. Therefore, any correctly reported loan or application with a value of “NA” in response to §1003.4(a)(32) will not be either wholly or partially secured or proposed to be secured by a multifamily dwelling.

Section 1003.3 Exempt Institutions and Excluded Transactions
3(c) Excluded Transactions
3(c)(3)

Current Regulation C provides an exclusion for temporary financing in §1003.4(d)(3). The 2015 HMDA Final Rule revised the exclusion for temporary financing in §1003.3(c)(3) and adopted comment 3(c)(3)–1 to clarify the scope of the exclusion and to incorporate existing guidance included in a Federal Financial Institutions Examination Council (FFIEC) Frequently Asked Question (FAQ).67 As

67 See FFIEC, “Home Mortgage Disclosure Act: Regulatory & Interpretive FAQ s, Temporary
adopted by the 2015 HMDA Final Rule, comment 3(c)(3)–1 provides that temporary financing is excluded from coverage and explains that a loan or line of credit is temporary financing if it is designed to be replaced by permanent financing at a later time. The comment provides several illustrative examples to clarify whether a loan or line of credit is designed to be replaced by permanent financing. The Bureau proposed to clarify further the meaning of comment 3(c)(3)–1 and to add new comment 3(c)(3)–2 to clarify that a construction-only loan or line of credit is considered temporary financing and excluded under §1003.3(c)(3) if the loan or line of credit is extended to a person exclusively to construct a dwelling for sale. For the reasons discussed below, the Bureau is adopting the §1003.3(c)(3) commentary as proposed, with certain minor amendments for further clarity.

The majority of commenters supported the proposed changes to the §1003.3(c)(3) commentary. Several expressed support for the proposed clarifications generally, while a few State and national trade associations stated that the proposal would reduce burden and uncertainty. A few commenters indicated that construction-only loans are often originated through separate channels from residential loans and that it would be expensive to develop systems to report construction-only loans. A few commenters that supported the proposed clarifications regarding construction-only loans or lines of credit stated that buyers of the newly-constructed dwellings would often seek permanent financing that would be reportable under HMDA.

One national trade association stated that the proposal would not clarify what constitutes temporary financing and that temporary financing may be structured in different ways, may involve a change in lender, or may involve only a single set of loan documents that does not reflect the permanent financing. This commenter suggested that the Bureau define temporary financing as any dwelling-secured loan to a borrower for any purpose where the initial advance of funds will be replaced by permanent financing at a later date. One State trade association requested further clarification on which loans would be excluded as temporary financing and expressed the belief that the proposal did not sufficiently distinguish between one-time closing home purchase loans and short-term construction loans with permanent financing to be obtained at a later date. A few commenters requested additional clarification on the treatment of bridge loans or construction loans that are paid in full with proceeds from the sale of the borrower’s current dwelling without the borrower obtaining permanent financing.

The Bureau is adopting the amendments to the §1003.3(c)(3) commentary substantially as proposed, with minor clarifications to comment 3(c)(3)–1. Final comment 3(c)(3)–1 states that §1003.3(c)(3) provides that closed-end mortgage loans or open-end lines of credit obtained for temporary financing are excluded transactions. The comment then provides that a loan or line of credit is considered temporary financing and excluded under §1003.3(c)(3) if the loan or line of credit is designed to be replaced by separate permanent financing extended by any financial institution to the same borrower at a later time. The Bureau is also adopting revisions to the illustrative example in comment 3(c)(3)–1.i to provide that the borrower obtains permanent financing for his or her new home either from the same lender or from another lender.

Final comment 3(c)(3)–1 thus clarifies further that the applicability of the temporary financing exclusion does not depend on whether the financial institution that originates the permanent financing is the same institution that originated the loan or line of credit the permanent financing is designed to replace. The Bureau notes that, as adopted by the 2015 HMDA Final Rule, comment 3(c)(3)–1.i provides an illustrative example of a construction loan that is excluded because it is designed to be replaced by permanent financing from either the lender that originated the loan or another lender. Nevertheless, the Bureau believes that the additional revisions adopted here to comment 3(c)(3)–1 clarify further that the determination of whether a loan or line of credit is temporary financing does not depend on the identity of the financial institution that originates the permanent financing to replace that loan or line of credit. Final comment 3(c)(3)–1 also omits proposed language regarding “except as provided in comment 3(c)(3)–4” because both comments 3(c)(3)–1 and –2 set forth independent criteria for determining whether a loan or line of credit is considered temporary financing.

Final comment 3(c)(3)–2 provides that a construction-only loan or line of credit is considered temporary financing and excluded under §1003.3(c)(3) if the loan or line of credit is extended to a person exclusively to construct a dwelling for sale and cross-references comment 3(c)(3)–1.i through .iv for examples of the reporting requirement for construction loans that are not extended to a person exclusively to construct a dwelling for sale.

The Bureau declines to adopt further revisions to the §1003.3(c)(3) commentary as it believes the guidance adopted in this final rule provides a clear standard that serves HMDA’s purposes. Regarding the treatment of loans that close in a single transaction, the 2015 HMDA Final Rule explained that “the loan is temporary financing if it is designed to be replaced by longer-term financing at a later time (e.g., financing completed through a separate closing that will pay off the short-term loan).” Final comment 3(c)(3)–1 clarifies further that, for the temporary financing exclusion to apply, the permanent financing must be separate from the loan or line of credit it is designed to replace. Regarding the treatment of loans that are paid in full without the borrower obtaining separate permanent financing, except as provided in comment 3(c)(3)–2, the applicability of the temporary financing exclusion depends on whether the loan or line of credit is designed to be replaced by separate permanent financing extended to the same borrower at a later time. As discussed in the 2015 HMDA Final Rule, the commentary to §1003.3(c)(3) will help to ensure reporting of short-term transactions that function as permanent financing while excluding those transactions that will be captured by the separate reporting of the longer-term financing, if it otherwise is covered by Regulation C.

3(c)(10)

Regulation C currently covers closed-end, commercial-purpose loans made to purchase, refinance, or improve a dwelling. The 2015 HMDA Final Rule adopted §1003.3(c)(10) to provide that loans and lines of credit made primarily for a commercial or business purpose are excluded transactions unless they are for the purpose of home purchase under §1003.2(j), home improvement under §1003.2(i), or refinancing under


89 Id.
The Bureau proposed to amend the example in comment 3(c)(10)–3.i to clarify that its guidance applies in the case of a dwelling other than a multifamily dwelling and to provide an additional illustration.90

Comments addressing the proposed changes to both comments 2(i)–4 and 3(c)(10)–3.i and comments related to the proposed clarifications regarding reporting requirements for loans to improve mixed-use property generally are discussed above in the section-by-section analysis of § 1003.2(i). One large financial institution expressed the belief that the examples in proposed comment 3(c)(10)–3.i would lead to uncertainty and stated that neither a doctor’s office nor a daycare center is considered a dwelling for purposes of HMDA reporting because they are commercial properties without any residential purposes.

The Bureau is adopting comment 3(c)(10)–3.i as proposed. The Bureau notes that final comment 3(c)(10)–3.i provides an illustrative example regarding a doctor’s office or a daycare center located in a dwelling other than a multifamily dwelling. Final comment 3(c)(10)–3.i does not affect the definition of dwelling in § 1003.2(f) or the guidance in comment 2(f)–4 regarding the determination of whether a property used for both residential and commercial purposes is a dwelling for purposes of Regulation C.

3(c)(11)

Section 1003.2(g), as adopted by the 2015 HMDA Final Rule, provides loan-volume thresholds for closed-end mortgage loans and open-end lines of credit for Regulation C’s coverage of financial institutions. The threshold for closed-end mortgage loans is 25 loans originated in each of the two preceding calendar years. Section 1003.3(c)(11), as adopted by the 2015 HMDA Final Rule, provides a complementary exclusion for financial institutions with loan volumes below the thresholds, providing that a closed-end mortgage loan is an excluded transaction if a financial institution originated fewer than 25 closed-end mortgage loans in either of the two preceding calendar years.92 Using the word “each” would increase the reporting requirements for smaller volume financial institutions, as one commenter explained, but the decision regarding how to apply the thresholds was carefully considered and explained when the Bureau adopted the 2015 HMDA Final Rule.93 and commenters have not provided a basis to restructure the two-year look-back period in a way that would avoid re-introducing the reporting uncertainty that the structure of the thresholds aims to eliminate. The April 2017 HMDA Proposal did not envision increasing small entity reporting requirements. In addition, the Bureau did not propose additional compliance examples, and does not believe they are needed at this time. With the change from “each” to “either,” the application of the thresholds and complementary exclusions should be much clearer than before.

The Bureau also adopted a technical clarification to the example in comment 3(c)(11)–1 to describe more thoroughly the reporting requirements for financial institutions whose origination totals for the prior two years are above the threshold. The clarification would specify that the financial institution must report purchased loans, as well as originated loans and applications, as required by §§ 1003.4(a) and 1003.5(a). One commenter stated its support for the change, without further discussion, and no other commenters discussed it. The Bureau now adopts the clarification as proposed.

Optional Reporting

Although the 2015 HMDA Final Rule did not specifically state that optional reporting of the loans excluded by § 1003.3(c)(11) is allowed, comment 3(c)(11)–1 states that a financial institution that is below the 25-mortgage loan threshold “need not” report such loans, suggesting that it might choose to report them. The Bureau proposed to clarify further that it interprets the exclusion in § 1003.3(c)(11), providing that the requirements of Regulation C do not apply to a closed-end mortgage loan if the financial institution originated fewer than 25 closed-end mortgage loans in either of the two preceding calendar years, to permit a financial institution to report closed-end mortgage loans and applications for closed-end mortgage loans voluntarily. The Bureau also solicited comment on whether a financial institution that reports such transactions voluntarily should be required to report all such transactions, and whether the voluntary reporting provision should be included in the regulation text, as well as the commentary.

The Bureau received six comments discussing the voluntary reporting clarification. Four commenters expressed support for the provision and none expressed opposition. One commenter stated that voluntary reporting would reduce burden on smaller institutions. Another stated that voluntary reporting would allow financial institutions to prepare for implementation before they are required to report. A third commenter stated that a financial institution may prefer

90 As discussed in more detail in the section-by-section analysis of § 1003.2(i), the Bureau proposed to revise comment 2(i)–4 to clarify that it applies to multifamily dwellings.

91 As noted in the April 2017 HMDA Proposal, this provision as adopted by the 2015 HMDA Final Rule states the test as “fewer than 100 open-end lines of credit in either of the two preceding calendar years,” but this was a drafting error; the intent was to require that a financial institution exceeded the threshold in both of the two preceding calendar years. See April 2017 HMDA Proposal, 82 FR 19142, 19148–49 (Apr. 25, 2017).

92 The preamble to the 2015 HMDA Final Rule reflected this intention: “The institutional and transactional coverage thresholds are designed to operate in tandem. Under these thresholds, a financial institution will report closed-end mortgage loans only if it satisfies the closed-end mortgage threshold and will report open-end lines of credit only if it satisfies the separate open-end credit threshold.” 2015 HMDA Final Rule, 80 FR 66128, 66149 (Oct. 28, 2015).

93 Id. at 66150.
voluntary reporting because it may continue to use the same compliance processes without incurring additional cost by switching implementation on and off from year to year, should its loan volumes vary above and below the threshold over time. However, one commenter stated that it did not believe that the information from voluntary reporting would be useful for fair lending analyses and that it would not itself choose to voluntarily report.

Another commenter suggested that the Bureau explicitly state that the voluntary reporting provision includes and authorizes voluntary collection of demographic and other information. This commenter also requested that the Bureau clarify how the “permissible” collection of such information referenced in Regulation B relates to voluntary reporting. Regulation B generally prohibits the collection of certain consumer information unless such collection is required or permitted by law. The Bureau recently issued a proposed rule that would amend Regulation B.44 Under that proposal, proposed Regulation B § 1002.5(a)(4)(i) would permit certain voluntary collection of information as discussed in greater detail below.

Three commenters expressed support for the inclusion of a requirement that voluntary reporters report all the relevant excluded covered loans and applications. No commenters expressed opposition to including this requirement. One industry commenter stated that requiring the reporting of all excluded covered loans and applications would give financial institutions a more complete understanding of the HMDA requirements. A consumer advocacy group commented that selective reporting of excluded transactions could hide fair lending violations and compromise CRA exams.

Two commenters expressed support for including the voluntary reporting provision in the regulation text rather than just the comment. No commenters expressed opposition. One of these commenters said that including the provision in the regulation text would avoid confusion, and the other stated that it would highlight the Bureau’s demonstrated attempts to harmonize regulations to reduce obligations on smaller institutions.

The Bureau has considered the comments and is adopting the provision allowing optional reporting of the loans excluded by § 1003.3(c)(11) as proposed, and is placing it in the rule text with additional explanation in the commentary. Final § 1003.3(c)(11) includes new language stating that a financial institution may collect, record, report, and disclose information, as described in §§ 1003.4 and 1003.5, a closed-end mortgage loan that would otherwise be excluded under § 1003.3(c)(11) because of the threshold as though it is a covered loan, provided that the financial institution complies with such requirements for all applications for closed-end mortgage loans which it receives, closed-end mortgage loans that it originates, and closed-end mortgage loans that it purchases during the calendar year during which final action is taken on the closed-end mortgage loan. As noted above, the Bureau recently proposed to amend Regulation B to add § 1002.5(a)(4)(i), which would permit a creditor that is a financial institution under 12 CFR 1003.2(g) to collect information regarding the ethnicity, race, and sex of an applicant for a closed-end mortgage loan that is an excluded transaction under 12 CFR 1003.3(c)(11) if it submits HMDA data concerning such closed-end mortgage loans and applications or if it submitted HMDA data concerning closed-end mortgage loans for any of the preceding five calendar years. The Bureau is in the process of reviewing the comments and considering whether to issue a final rule, which the Bureau expects would be issued soon after the date this rule is issued. The Bureau may offer additional clarification about the relationship between permissible collection and reporting at that time.

The Bureau believes that the exclusion in § 1003.3(c)(11) (and, as discussed below, in § 1003.3(c)(12)), differs from the exclusions in § 1003.3(c)(10), and the new § 1003.3(c)(13), discussed below, because the applicability of the § 1003.3(c)(11) exclusion is not intrinsic to the loan. Whether the loan is excluded can be determined only by reference to the financial institution’s origination activity over two years. The Bureau believes that financial institutions that choose to report when they are not required to, particularly when the institution’s total of closed-end mortgage loans may fluctuate above or below the threshold, may reduce their regulatory burden by doing so. In addition, the Bureau believes that requiring financial institutions that choose to report such excluded loans to report all such covered loans and applications will help ensure the accuracy and usefulness of the HMDA data reported and prevent selective reporting that could disguise fair lending violations. The Bureau agrees that including the optional reporting provision in the regulation text will avoid confusion and facilitate compliance.

As discussed in the 2015 HMDA Final Rule, the Bureau adopted § 1003.2(g)(1) pursuant to its authority under section 305(a) of HMDA to provide for such adjustments and exceptions for any class of transactions that the Bureau judges are necessary and proper to effectuate the purposes of HMDA. Pursuant to section 305(a) of HMDA, for the reasons given in the 2015 HMDA Final Rule, the Bureau found that the exception in § 1003.2(g)(1) exception is necessary and proper to effectuate the purposes of HMDA. The Bureau found that by reducing burden on financial institutions and establishing a consistent loan-volume test applicable to all financial institutions, the provision will facilitate compliance with HMDA’s requirements.45 As discussed in the 2015 HMDA Final Rule, the Bureau adopted § 1003.2(g)(2) pursuant to its interpretation of HMDA sections 303(3)(B) and 303(5), which require persons other than banks, savings associations, and credit unions that are “engaged for profit in the business of mortgage lending” to report HMDA data. The Bureau stated that it interprets these provisions, as the Board also did, to evince the intent to exclude from coverage institutions that make a relatively small volume of mortgage loans.46 The Bureau implemented § 1003.3(c)(11) (and, for similar reasons, § 1003.3(c)(12), as discussed further below), because the Bureau does not believe that it is unusual to burden such institutions with reporting closed-end mortgage data merely because their open-end lending exceeded the separate, open-end loan volume threshold in § 1003.2(g).47 As discussed above, the Bureau believes that permitting optional reporting of these excluded loans by a financial institution is consistent with the statute and will reduce burden on certain financial institutions.

In addition to the comments directly addressing the voluntary reporting provision, two commenters suggested that the Bureau provide a safe harbor in relation to voluntary reporting. One of these commenters stated that the Bureau should provide voluntary reporters a safe harbor or other relief from liability

44 Amendments to Equal Credit Opportunity Act (Regulation B) Ethnicity and Race Information Collection, 82 FR 16307 (Apr. 4, 2017).
46 Id. at 66153.
47 Id. at 66173.
under Regulation C. The other suggested that financial institutions should be given a safe harbor to collect demographic data if they are using the information for fair lending self-testing in accordance with Regulation B or the institution has met the reporting threshold in either of the previous two years.

The Bureau did not propose a safe harbor for voluntary reporters of excluded transactions below the origination threshold and therefore does not believe that adopting one in this final rule would be appropriate. A safe harbor may weaken the reliability of the data reported, and the Bureau has not had the benefit of notice and public comment in considering this complex issue.

As adopted in the 2015 HMDA Final Rule, § 1003.3(c)(12) provides an exclusion from the requirement to report open-end lines of credit for institutions that did not originate at least 100 such loans in each of the two preceding calendar years. This threshold was intended to complement an open-end reporting threshold included in the definition of financial institution in § 1003.2(g), which sets forth Regulation C’s institutional coverage. The Bureau proposed amendments to § 1003.3(c)(12) and its commentary to raise temporarily the open-end threshold to 500 loans and to make the same clarifying amendments, including optional reporting, as in § 1003.3(c)(11), which addresses the reporting threshold for closed-end mortgage loans. The Bureau is finalizing the proposed amendments as discussed below.

Level of Threshold

Section 1003.3(c)(12), as adopted by the 2015 HMDA Final Rule, provides an open-end line of credit exclusion, and thus not subject to Regulation C, if the financial institution originated fewer than 100 open-end lines of credit in each of the two preceding calendar years. As discussed in more detail in the section-by-section analysis of § 1003.3(c)(12), the Bureau proposed to raise temporarily the open-end threshold to 500 loans. The Bureau proposed conforming amendments to § 1003.3(c)(12) and comment 3(c)(12)–1, and to proposed new comment 3(c)(12)–2, which was included in the April 2017 HMDA Proposal, as discussed in more detail below, to provide guidance regarding voluntary reporting. Under proposed § 1003.3(c)(12), for calendar years 2018 and 2019, a financial institution that originated between 100 and 499 open-end lines of credit in either of the two preceding calendar years would not be required to begin collecting data on such open-end lines of credit before 2020. Comments regarding the proposed temporary adjustment to the open-end threshold are discussed in the section-by-section analysis of § 1003.3(c)(12), now providing that the Bureau is adopting the amendments as proposed, increasing the open-end line of credit threshold to 500 for calendar years 2018 and 2019.

Optional Reporting and Other Technical and Clarifying Amendments

Section 1003.2(g), as adopted by the 2015 HMDA Final Rule, provides loan-volume thresholds, for closed-end mortgage loans and open-end lines of credit, for Regulation C’s coverage of financial institutions. As discussed above, the 2015 HMDA Final Rule set the threshold for open-end lines of credit at 100 open-end lines originated in each of the two preceding calendar years. Section 1003.3(c)(12), as adopted by the 2015 HMDA Final Rule, provides an exclusion for loans below a given threshold, providing that an open-end line of credit is an excluded transaction if a financial institution originated fewer than 100 open-end lines of credit in each of the two preceding calendar years. The use of the word “each” in § 1003.3(c)(12) is a drafting error. For the same reason as described above in the section-by-section analysis of § 1003.3(c)(11), the Bureau proposed to amend § 1003.3(c)(12) and comment 3(c)(12)–1 by replacing the word “each” with “either” to clarify how a financial institution applies the exclusion. The Bureau is now adopting that correction. Comments generally discussing the open-end lines of credit in each of the two preceding calendar years and satisfy the other applicable coverage criteria. That threshold and the transactional coverage threshold in 12 CFR 1003.3(c)(11) and (12) were intended to be complementary exclusions. April 2017 HMDA Proposal, 82 FR 19142, 19149 (Apr. 25, 2017).

As noted above and as explained in the April 2017 HMDA Proposal, under the institutional coverage threshold adopted by the 2015 HMDA Final Rule, the definition of financial institution included only institutions that originate either 25 or more closed-end mortgage loans or 100 or more closed-end mortgage loans or 100 or more

In the 2015 HMDA Final Rule, the Bureau adopted § 1003.2(d) to provide that a closed-end mortgage loan is a dwelling-securitized extension of credit that is not an open-end line of credit. Revised comment 2(d)–2 explains that, for purposes of Regulation C, an “extension of credit” refers to the...
transactions completed pursuant to a New York State consolidation, extension, and modification agreement and classified as a supplemental mortgage under New York Tax Law section 255, such that the borrower owes reduced or no mortgage recording taxes (New York CEMAs). To facilitate the newly required reporting of New York CEMAs, the Bureau proposed an exclusion from reporting for preliminary transactions that provide new funds that are then consolidated into New York CEMAs, as explained below, and an associated comment. The Bureau is adopting this provision largely as proposed, with language added to the associated comment to clarify use of the exclusion.

New York CEMAs are loans secured by dwellings located in New York. They generally are used in place of traditional refinancings, either to amend a transaction’s interest rate or loan term, or to permit a borrower to take cash out. However, unlike a traditional refinancing, the existing debt obligation is not satisfied and replaced by a new obligation. Instead, the existing obligation or obligations are consolidated into a new loan, either by the same or a different lender, and either with or without new funds being added to the existing loan balance through a preliminary credit transaction that then becomes part of the consolidation. Under New York State law, if no new money is added by a preliminary, subsequently consolidated transaction, there is no “new” mortgage, and the borrower avoids paying the mortgage recording taxes that would have been imposed if a traditional refinancing had been used and the original obligation had been satisfied and replaced. If new money is added through a preliminary transaction that then becomes part of the consolidated loan, the borrower pays mortgage recording taxes only on the new money.

While generally used in place of traditional refinancings, New York CEMAs also can be used for home purchases (i.e., to complete an assumption), where the seller and buyer agree that the buyer will assume the seller’s outstanding principal balance, and that balance is consolidated with a new loan to the borrower for the remainder of the purchase price that the buyer is financing.

The Bureau explained in the 2015 HMDA Final Rule preamble that New York CEMAs are to be reported because the Bureau believed that they present a situation where a new debt obligation is created in substance, if not in form, and that the benefits of requiring such transactions to be reported justify the burdens.

Such transactions are relatively common in New York, and the Bureau believed that reporting of New York CEMAs would provide useful information about this segment of the market. The provision interpreting “extension of credit” to include New York CEMAs in comment 2(d)–2.ii as adopted by the 2015 HMDA Final Rule was meant to clarify the reporting requirements regarding New York CEMAs.

In treating New York CEMAs as extensions of credit, the 2015 HMDA Final Rule departed from prior guidance from the Board that CEMAs, which modify and consolidate existing debt while generally extending the loan term, were not covered transactions because they did not meet the definition of a refinancing.

Comment 2(d)–2.ii, as adopted by the 2015 HMDA Final Rule, explains that a New York CEMA should be considered an extension of credit for purposes of Regulation C, and a financial institution must report New York CEMAs if they are otherwise covered transactions. To facilitate the reporting of New York CEMAs, the Bureau’s April 2017 HMDA Proposal would include an exclusion from reporting for preliminary transactions that provide new funds that are then consolidated into New York CEMAs, as explained above. The exception would provide that the transaction is excluded only if final action on the consolidation was taken in the same calendar year as final action on the new funds.

Four commenters discussed the proposed exclusion. Three expressed support for the exclusion, and the fourth only objected to the proposed timing requirement, as discussed below. A consumer advocacy group commenter stated that the proposal would eliminate double counting and lead to a more accurate picture of how successful financial institutions are at meeting credit needs. Although they expressed support for the proposal, two industry commenters objected to the 2015 HMDA Final Rule’s treatment of New York CEMAs as extensions of credit, and another requested that the proposed exclusion for preliminary transactions be expanded to include non-New York consolidations.

The Bureau has considered the comments and is adopting the proposed exclusion as proposed, with the clarifications discussed below. The Bureau is adopting the exclusion to simplify and clarify reporting requirements regarding transactions associated with New York CEMAs. As explained above, a borrower may enter into a CEMA that consolidates both the prior debt and new funds. The new funds are added through a preliminary credit transaction in which the borrower obtains an extension of credit providing only the new funds. Then, the CEMA consolidates the new-funds transaction with the original mortgage loan into a single loan. Because the initial transaction is an extension of credit, it would be reportable under revised Regulation C if it were otherwise a covered loan. Regarding New York CEMAs, this would lead to double reporting of the new funds, once through reporting of the preliminary transaction, and again through reporting of the full New York CEMA, which includes the new funds. The Bureau believes that such an outcome would elevate the form of the transaction over the substance of the resulting consumer indebtedness and could present challenges in interpreting the reported data. Therefore, the Bureau believes it is appropriate to require that only the New York CEMA, i.e., the single, consolidated loan that results after both sequential transactions are completed, be reported. Insofar as a New York CEMA is the functional equivalent of a refinancing achieved by other means purely for tax reasons, a New York CEMA that consolidates a preliminary extension of new funds is generally the functional equivalent of a refinancing with new funds extended, i.e., a “cash-out” refinancing, which is clearly a single transaction and thus is reported as such.

To achieve this outcome, the Bureau is adopting § 1003.3(c)(13), which provides that any transaction providing or, in the case of an application, proposing to provide new funds in advance of a consolidation as part of a New York CEMA is an excluded transaction. The Bureau also adopts proposed comment 3(c)(13)–1 explaining the application of the new § 1003.3(c)(13) exclusion. The Bureau believes that this exclusion will clarify and simplify reporting of New York CEMAs, eliminating double reporting.

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100 2015 HMDA Final Rule, 80 FR 66128, 66143 (Oct. 28, 2015).
102 See id. at 66142.
103 See id. at 66143.
104 See N.Y. Tax Law section 255 (McKinney. (Oct. 28, 2015)).
and facilitating compliance for financial institutions that provide New York CEMAs. The exclusion does not change the exception in comment 2(d)–2.ii that requires New York CEMAs to be reported as extensions of credit, which the Bureau continues to believe is appropriate and necessary for the reasons stated above and in the 2015 HMDA Final Rule. In addition, the Bureau chose not to change the treatment of preliminary, new money transactions regarding CEMAs made pursuant to the law of States other than New York because the problem of double counting does not exist when the CEMA is not itself being reported, as is the case outside New York.

One industry commenter expressed support for the timing requirement of the §1003.3(c)(13) exclusion, which requires that the preliminary transaction and the consolidation occur within the same calendar year, stating that it would provide a clear timeline for reporting. Two other industry commenters objected to the timing requirement, stating that it was unnecessary because the preliminary transaction and consolidation usually happens about the same time. One of these commenters said that the timing provision was potentially confusing and problematic, and could create difficulties for year-end transactions. That commenter suggested that the Bureau should instead limit the exclusion to cases where the borrower applies for the new money and the consolidation at the same time. That commenter also requested that, if the timing provision is not changed, the Bureau clarify that an earlier, unrelated loan that occurs in the same year and is later consolidated in a New York CEMA is not required to be excluded, which would otherwise create tracking and compliance challenges. In addition, the industry commenter that expressed support for the timing provision requested that the Bureau clarify that a consolidation will be considered as having been concluded in a calendar year even if the right of rescission extends into January of the next year.

The Bureau has considered the comments on the timing provision and is adopting the provision as proposed, clarifying that the exclusion applies only to a transaction that is consolidated in a New York CEMA if the final action on the consolidation has been taken before the end of the calendar year in which the transaction occurred. The Bureau is also adding new language to comment 3(c)(13)–1 to address how the exclusion relates to earlier, unrelated transactions that are consolidated into New York CEMAs in the same calendar year and how to report New York CEMAs that involve assumptions.

The Bureau believes that consolidation of a prior transaction into the New York CEMA qualifies it as an excluded transaction, thus final action on the consolidation must occur within the relevant final reporting period in order for the HMDA data to be accurate and reporting requirements to be clear. As two of the commenters pointed out, the preliminary new funds transaction and the consolidation will generally occur at about the same time, and therefore in the vast majority of these situations the timing requirement will not even be potentially implicated. In addition, the three-day right of rescission has no bearing on the date of the action taken on the originated preliminary transaction or the New York CEMA, which would occur at closing. As long as the consolidation occurs on or before December 31 of the year final action was taken on the preliminary transaction, it would be excluded. For those very few situations in which the two transactions might straddle the year’s end, the financial institution can avoid this problem through a scheduling change, or can report the two transactions separately.

The Bureau chooses not to adopt the suggestion that the proposed timing requirement be replaced with a requirement that the applications for the preliminary transaction and the consolidation into the New York CEMA occur at the same time. Such a provision would lack the clarity regarding reporting requirements that a definite year-end cutoff provides.

To clarify the exclusion’s timing requirement, the Bureau is adding language to comment 3(c)(13)–1 to clarify that a transaction that occurs earlier in the same year and is later consolidated in a New York CEMA is not excluded if the financial institution did not, when originated, intend to later consolidate it into a New York CEMA. The comment now states that the exclusion applies only if, at the time of the transaction that provided or proposed to provide new funds, the financial institution intended to consolidate the loan into a New York CEMA. The Bureau believes that this language will clarify and simplify reporting requirements in this situation because the financial institution will not need to track earlier, unrelated loans and can apply the exclusion based on its own knowledge of the transaction.

The commenters who discussed New York CEMAs also asked for certain clarifications of how the proposed exclusion and the 2015 HMDA Final Rule provision will work. One commenter requested clarification of how to report a new money transaction preliminary to a consolidation outside of New York. Another commenter asked the Bureau to clarify whether preliminary, new money transactions that are consolidated into New York CEMAs involving assumptions will be covered by the new exclusion. In addition, one commenter asked for clarification that the Bureau’s interpretation of New York CEMAs as extensions of credit is not meant to preempt State law interpretations of New York Tax Law section 255.

Consolidation transactions similar to New York CEMAs occur in States other than New York, although the Bureau believes they are far less common. Non-New York CEMAs may be called CEMAs or MECAs (modification, extension and consolidation agreements). In the 2015 HMDA Final Rule, the Bureau limited the reporting requirement in comment 2(d)–2.ii to New York CEMAs. As with New York CEMAs, similar transactions in other States may involve preliminary transactions the proceeds of which become part of the consolidation. In addition to the interpretation discussed above, comment 3(c)(13)–1 explains that the exclusion for preliminary transactions consolidated into New York CEMAs does not apply to similar preliminary transactions that are consolidated pursuant to the law of States other than New York, providing an example. The comment also explains that, if such a preliminary transaction providing or proposing to provide new funds is a covered loan or application, it must be reported. In addition, the comment also states that if the associated consolidation and modification agreement is carried out pursuant to the law of a State other than New York and is not an extension of credit under Regulation C, it may not be reported.

Regarding the method for reporting these preliminary transactions for CEMAs or MECAs outside New York, if the eventual consolidation is not an extension of credit, as described by comments 2(d)–2 as adopted by the 2015 HMDA Final Rule, the financial institution should report data related only to the terms of the preliminary, new funds transaction and treat the CEMA or MECA that follows as if it were an unrelated transaction. As noted in the 2015 HMDA Final Rule, the Bureau believes that limiting the scope...
of reportable MECAs/CEMAs to those covered by New York Tax Law section 255 will permit New York CEMAs to be reported while avoiding the confusion that, as the Board worried, could result from departing from a bright-line “satisfies and replaces” rule for the definition of refinancings generally.

New York CEMAs are sometimes carried out in a transaction involving an assumption. The Bureau notes that the 2015 HMDA Final Rule, the April 2017 HMDA Proposal, and this final rule all include references to home purchase by assumption using a New York CEMA.105 As long as the CEMA fits the description of a New York CEMA in comment 2(d)–2.ii, and the preliminary new money transaction meets the requirements of § 1003.3(c)(13), the financial institution should report the New York CEMA, pursuant to comment 2(d)–2.ii, and should not report the preliminary transaction, pursuant to § 1003.3(c)(13). In this way, the assumption is reported under Regulation C. The Bureau is adding language to comment 3(c)(13)–1 to make this clear.

Regarding the comment requesting clarification of the relation of Regulation C’s requirement to report New York CEMAs to New York State’s interpretation of New York Tax Law section 255, the Bureau points out that Regulation C and HMDA set out requirements for collecting, recording, and reporting information. The requirement to report New York CEMAs as extensions of credit for HMDA purposes is not intended to preempt or otherwise affect the proper interpretation of New York Tax Law section 255.

HMDA section 305(a) authorizes the Bureau to prescribe such regulations as may be necessary to carry out HMDA’s purposes.106 These regulations may include “classifications, differentiations, or other provisions, and may provide for such adjustments and exceptions for any class of transactions, as in the judgment of the Bureau are necessary and proper to effectuate the purposes of [HMDA], and prevent circumvention or evasion thereof, or to facilitate compliance therewith.”107 As explained above, the new exception would effectuate the purposes of HMDA and facilitate compliance by eliminating double reporting of preliminary transactions that are subsequently consolidated in New York CEMA transactions.

Section 1003.4 Compilation of Reportable Data
4(a) Data Format and Itemization
4(a)(1)
4(a)(1)(i)

HMDA section 304(b)(6)(G), as amended by Dodd-Frank Act section 1904(b)(3)(A)(iv), authorizes the Bureau to require a universal loan identifier (ULI), as it may determine to be appropriate.108 Current § 1003.4(a)(1) requires financial institutions to report an identifying number for each covered loan or application reported. As adopted by the 2015 HMDA Final Rule, § 1003.4(a)(1)(i) requires financial institutions to provide a universal loan identifier (ULI) for each covered loan or application reported. Section 1003.4(a)(1)(i) and its associated commentary also address ULI requirements for purchased covered loans and applications that are reconsidered or reinstated during the same calendar year. In addition, § 1003.4(a)(1)(i), as adopted by the 2015 HMDA Final Rule, requires a check digit as part of the ULI. The check digit is meant to enable financial institutions to identify and correct errors in the ULI, which would ensure a valid ULI, and therefore enhance data quality. As part of the 2015 HMDA Final Rule, the Bureau published new appendix C that includes the methodology for generating a check digit and instructions on how to validate a ULI using the check digit. In the April 2017 HMDA Proposal, the Bureau proposed certain amendments to appendix C and to the commentary to § 1003.4(a)(1)(i).

Previous to the April 2017 HMDA Proposal, the Bureau had become aware of a typographical error that occurs twice in appendix C and makes one method of computing the check digit inaccurate. The Bureau proposed to revise appendix C by substituting 97 for .97 in two places in the relevant instructions in appendix C.

All the commenters that discussed the proposed technical correction to appendix C expressed support for the change. One industry commenter stated that it had noticed the error and had begun implementation assuming that it was wrong.

The Bureau is adopting the technical correction as proposed. Step 3 of the method for computing the check digit has two alternatives. Appendix C mistakenly provided that the second of the alternatives requires multiplication by .97 when the named operation requires multiplication by 97 for the result to be accurate. The same typographical error occurred in Step 3 of the example based on this alternative method. The computation result presented in the example, 59.946, can be reached only by multiplying by 97, not .97. To ensure correct computation of the check digit, the Bureau now substitutes 97 for .97 in the two places where the error occurred.

For those financial institutions that do not wish to calculate the check digit themselves, the Bureau also notes that it will provide a check digit tool on its Web site before the effective date of the 2015 HMDA Final Rule.

In addition to the check digit technical correction, the Bureau proposed to amend comments 4(a)(1)(i)–3 and –4 to reflect the different effective dates for data reporting requirements adopted by the 2015 HMDA Final Rule. Specifically, the Bureau proposed to amend comments 4(a)(1)(i)–3 and –4, effective January 1, 2018, to remove the references to quarterly reporting, and to amend comments 4(a)(1)(i)–3 and –4, effective January 1, 2020, to reincorporate the references to quarterly reporting. The Bureau also proposed certain non-substantive clarifications to comments 4(a)(1)(i)–3 and –4. For the reasons discussed below, the Bureau is adopting comments 4(a)(1)(i)–3 and –4, effective January 1, 2018, and as amended again effective January 1, 2020, as proposed, with minor technical revisions.

Several commenters expressed support for the proposed clarifications to comments 4(a)(1)(i)–3 and –4 regarding purchased loans and reconsidered or reinstated applications. One national trade association stated that the guidance regarding reinstated or reconsidered applications generally reflects the operations of most lenders. A few vendor commenters expressed concern with the term “assigned” as used in proposed comment 4(a)(1)(i)–3 and requested that it be removed or that a definition of the term be provided. These commenters also stated that, because the loan identification number is often part of the ULI, not being able to use the same ULI for a reconsidered or reinstated application more than once would result in lenders needing to restart the application process to obtain a unique ULI. A few commenters expressed concern that multiple entities involved in a transaction could assign a ULI and requested additional guidance on which ULI to report in such instances. One commenter requested additional guidance on whether a new

107 Id.
ULI should be generated and reported in the case of assumptions while another commenter stated that uncertainty remained over how the ULI will be transferred between lenders, investors, and servicers. The Bureau is adopting comments 4(a)(1)(i)–3 and –4 effective January 1, 2018, and as amended effective January 1, 2020, as proposed, with minor technical revisions. Final comment 4(a)(1)(i)–3 does not change any substantive reporting requirements regarding purchased covered loans with previously assigned ULIs. Rather, it clarifies further the requirement in § 1003.4(a)(1)(i)(D) that, for a purchased covered loan that any financial institution has previously assigned or reported with a ULI under Regulation C, the financial institution that purchases the covered loan must use the ULI that was assigned or previously reported for the covered loan. Regarding commenters’ concerns about reinstated or reconsidered applications, final comment 4(a)(1)(i)–4 does not change the substantive requirements regarding when a financial institution may or may not use a previously reported ULI. Final comment 4(a)(1)(i)–4, effective January 1, 2020, clarifies that a financial institution may not use a ULI previously reported if it reinstates or reconsidered an application that was reported in a prior calendar year, but that a financial institution does have the option to report a ULI previously reported if an application is reconsidered or reinstated during the same calendar year. As explained in the 2015 HMDA Final Rule, “the Bureau believes that providing this option for financial institutions will reduce burden associated with assigning a new ULI for a later transaction that a financial institution considers as a continuation of an earlier transaction.”

As to questions regarding the assignment of a ULI in situations where more than one entity is involved in a transaction, § 1003.4(a)(1) requires that, if a financial institution is required to report an application or origination under C, then, except as set forth in § 1003.4(a)(1)(i)(D) and (E), that financial institution is responsible for assigning and reporting a unique ULI for that application or origination. Comment 4(a)(1)(i)–1 clarifies that a financial institution should assign only one ULI to any particular covered loan or application, and each ULI should correspond to a single application and ensuing loan if the application is approved and a loan is originated.

Comment 4(a)(1)(i)–1 clarifies further that a financial institution may use a ULI that was reported previously to refer only to the same loan or application for which the ULI was used previously or a loan that ensues from an application for which the ULI was used previously. Under comment 4(a)–2.i, if more than one financial institution is involved in the origination of a covered loan, then the institution that makes the credit decision approving the application before loan closing or account opening reports the origination and pursuant to § 1003.4(a)(1) assigns a unique ULI to the covered loan. Pursuant to comment 4(a)–2.ii, in the case of an application for a covered loan that did not result in an origination, a financial institution reports the action it took on that application, and pursuant to § 1003.4(a)(1) assigns a unique ULI to that application, if the financial institution made a credit decision on the application or was reviewing the application when the application was withdrawn or closed for incompleteness. Comment 4(a)–2.ii further provides that it is not relevant whether the financial institution received the application from the applicant or from another institution, such as a broker, or whether another financial institution also reviewed, reported an action taken, and assigned a ULI to the same application. Comment 4(a)(1)(i)–1 clarifies further that a financial institution may use a ULI that was reported previously to refer only to the same loan or application for which the ULI was used previously or a loan that ensues from an application for which the ULI was used previously. Under comment 4(a)–2.i, if more than one financial institution is involved in the origination of a covered loan, then the institution that makes the credit decision approving the application before loan closing or account opening reports the origination and pursuant to § 1003.4(a)(1) assigns a unique ULI to the covered loan. Pursuant to comment 4(a)–2.ii, in the case of an application for a covered loan that did not result in an origination, a financial institution reports the action it took on that application, and pursuant to § 1003.4(a)(1) assigns a unique ULI to that application, if the financial institution made a credit decision on the application or was reviewing the application when the application was withdrawn or closed for incompleteness. Comment 4(a)–2.ii further provides that it is not relevant whether the financial institution received the application from the applicant or from another institution, such as a broker, or whether another financial institution also reviewed, reported an action taken, and assigned a ULI to the same application.

4(a)(2)

HMDA section 304(b)(1) requires financial institutions to report “the number and dollar amount of mortgage loans which are insured under Title II of the National Housing Act or under Title V of the Housing Act of 1949 or which are guaranteed under chapter 37 of Title 38.” Current § 1003.4(a)(2) implements HMDA section 304(b)(1) by requiring financial institutions to report the type of loan or application. In the 2015 HMDA Final Rule, the Bureau revised § 1003.4(a)(2) to require financial institutions to report whether the covered loan is, or in the case of an application would have been, insured by the Federal Housing Administration, guaranteed by the Veterans Administration, or guaranteed by the Rural Housing Service or the Farm Service Agency. The Bureau adopted new comment 4(a)(2)–1 to provide further guidance. The Bureau proposed to substitute “Department of Veterans Affairs” for “Veterans Administration” in § 1003.4(a)(2) and comment 4(a)(2)–1. The Bureau received one comment in support of these proposed changes, and is adopting § 1003.4(a)(2) and comment 4(a)(2)–1 as proposed.

4(a)(3)

Current § 1003.4(a)(3) requires financial institutions to report the purpose of a covered loan or application using the categories home purchase, home improvement, or refinancing. The Bureau revised § 1003.4(a)(3) in the 2015 HMDA Final Rule to add an “other” category, a cash-out refinancing category, and to make changes to the commentary to implement these additional categories and provide instructions for reporting covered loans with multiple purposes. In the April 2017 HMDA Proposal the Bureau proposed to add new comment 4(a)(3)–6 to provide that, for purchased covered loans where the origination took place before January 1, 2018, a financial institution complies with § 1003.4(a)(3) by reporting that the requirement is not applicable.

The Bureau received many comments supporting the proposed clarification, and several commenters stated that it would alleviate burden for purchasers of loans originated before January 1, 2018. One vendor stated that many smaller financial institutions may be able to determine loan purpose because they review purchased loan files and recommended that financial institutions have the option to comply with § 1003.4(a)(3) by reporting the loan purpose or not applicable. A few commenters requested that the definitions of the loan purpose categories be changed to align with those set forth in Regulation Z § 1026.37(a)(9).

The Bureau is adopting comment 4(a)(3)–6 as proposed. The Bureau believes that final comment 4(a)(3)–6 provides a consistent standard that will facilitate compliance for financial institutions that purchase covered loans originated before January 1, 2018. The Bureau declines to revise § 1003.4(a)(3) to align with Regulation Z § 1026.37(a)(9). As explained in the 2015 HMDA Final Rule, the Bureau does not believe that aligning § 1003.4(a)(3) with Regulation Z § 1026.37(a)(9) would be appropriate because Regulation Z § 1026.37(a)(9) does not include a loan purpose for home improvement loans and does not include a separate cash-out refinancing purpose.

4(a)(8)

4(a)(8)(i)

Section 1003.4(a)(8)(i), as adopted by the 2015 HMDA Final Rule, requires financial institutions to report the action taken on covered loans and


110 Id. at 66180.
applications, and comment 4(a)(8)(i)–9 explains how to report the action taken when a financial institution makes a counteroffer to lend on terms different from the applicant’s initial request and the applicant does not accept the counteroffer or fails to respond. Comment 4(a)(8)(i)–13, as adopted by the 2015 HMDA Final Rule, provides guidance on how to report the action taken for different scenarios in which a conditional approval occurs. The Bureau proposed to clarify the guidance on reporting action taken for counteroffers, including its relation to the guidance on reporting action taken on conditional approvals.

The Bureau recognized that revised comments 4(a)(8)(i)–9 and 4(a)(8)(i)–13 may be read as in tension regarding how to report the action taken on an application for which a counteroffer is made, the applicant expresses interest in the new terms, and the financial institution provides a conditional approval to which the applicant does not respond or which otherwise does not result in an originated loan. Comment 4(a)(8)(i)–9 could be read to require the financial institution to report the action taken as a denial on the original loan terms applied for, while comment 4(a)(8)(i)–13 could be read to require the action taken to be reported as a denial, file closed for incompleteness, approved but not accepted, or application withdrawn, depending on the circumstances. In addition, the Bureau believed that limiting the reportable actions taken for counteroffers to only covered loan origination systems would rob many financial institutions of the ability to report accurately the specifics of the loan file at the time of final action without requiring additional adjustments.

In addressing inquiries raising this concern, the Bureau had provided informal guidance that a financial institution should follow comment 4(a)(8)(i)–13 when an application for which a counteroffer is made is followed by a conditional approval that does not result in an originated loan. In accordance with this informal guidance, and to address the need to provide a full range of options in reporting the action taken on an application when there is a counteroffer, the Bureau proposed to amend the language of comment 4(a)(8)(i)–9 to broaden the possible actions taken that could be reported. The Bureau proposed to clarify that, if the applicant agrees to proceed with consideration of the financial institution’s counteroffer, the counteroffer takes the place of the prior application, and the financial institution reports the action taken on the application under the terms of the counteroffer. In addition, the Bureau proposed to illustrate this interpretation by providing an example in comment 4(a)(8)(i)–9. The example would clarify that, if a financial institution makes a counteroffer, the applicant agrees to proceed with consideration of the counteroffer, and the financial institution sends a conditional approval letter stating the terms of the counteroffer, the financial institution reports the action taken on the application in accordance with comment 4(a)(8)(i)–13 regarding conditional approvals.

Five industry commenters expressed support for the changes to comment 4(a)(8)(i)–9, and three industry commenters expressed opposition. One commenter who expressed support for the changes stated that the guidance would ease the difficulties of reporting by allowing financial institutions’ systems to reflect more accurately the specifics of the loan file at the time of final action without requiring additional fields. One commenter who expressed opposition to the changes preferred that comment 4(a)(8)(i)–9 be read to require that the action taken be reported as loan denied whenever a counteroffer is made and the loan is not ultimately originated. This commenter also stated that the new language was a major change and that financial institutions would have problems implementing it before the effective date. Two commenters expressed concern that it might be difficult for financial institutions to determine and track whether an applicant agrees to proceed with a counteroffer. Two commenters stated that this difficulty would be greater in the case of commercial and multifamily transactions because the negotiations are often fluid and several counteroffers may go back and forth. One commenter suggested that a financial institution should only have to report something more than loan denied if the loan origination system has been updated with the applicant’s agreement to proceed. Another commenter suggested specific guidance for reporting action taken for different scenarios after a counteroffer.

Two commenters suggested that the language added to comment 4(a)(8)(i)–9 conflicts with the treatment of counteroffers in Regulation B, which one suggested does not treat a counteroffer as a new application when an applicant agrees to proceed. Two commenters objected to the idea of a counteroffer being treated as a new application, with one asking how the original application would then be reported. One commenter who expressed support for the changes stated that many financial institutions do not use conditional approval letters, and requested that the example in comment 4(a)(8)(i)–9 be changed to allow other indications of a conditional approval. Finally, one commenter requested that a deleted sentence stating that a financial institution should report the action taken as loan originated when a loan is originated after a counteroffer be put back into the comment.

The Bureau now adopts the amendment to comment 4(a)(8)(i)–9 largely as proposed, with some modifications to address commenters’ concerns. First, the example in comment 4(a)(8)(i)–9 no longer includes a reference to a conditional approval letter, which the Bureau did not intend to suggest was required for a conditional approval to exist. The Bureau believes that removing the reference to a conditional approval letter will broaden the applicability of the example and facilitate compliance. Second, the comment is revised to clarify that a financial institution reports the action taken based on the final disposition of the application in response to the terms of the counteroffer. Information such as the application date and ULI will not change as a result of the existence of a counteroffer with which the applicant is proceeding. An additional example is also added to the commentary.

The Bureau continues to believe that it is necessary to provide a full range of options in reporting the action taken on an application when there is a counteroffer. The Bureau agrees with the industry commenter who stated that the guidance would ease the difficulties of reporting by allowing financial institutions’ systems to reflect more accurately the specifics of the loan file at the time of final action. In addition, the Bureau believes that those institutions and vendors that were reading comments 4(a)(8)(i)–9 and –13 differently from this clarification will have adequate time to change their systems. To the extent the clarifications in this rule require financial institutions to make technical changes, those changes require only minor adjustments, not significant system updates. In addition, the Bureau has issued this final rule in August, four months before 2018, which the Bureau believes should afford ample time to implement any necessary minor system adjustments. The Bureau is releasing implementation aids with this final rule to facilitate implementation.

Although some financial institutions may find added difficulty in determining and tracking the action taken for counteroffers if they were previously interpreting the comments
differently, the majority of industry commenters support the clarification and do not appear to believe that undue burden will result. In addition, the Bureau believes that accurate reporting of the action taken in this situation will enhance the accuracy and usefulness of HMDA data. The Bureau does not believe that allowing compliance and accuracy to depend entirely on whether a financial institution has updated its loan origination system would provide the necessary accuracy or uniformity. Regarding commercial and multifamily transactions, the Bureau notes that a financial institution may report the action taken on an application that does not result in an originated loan by reference to the final counteroffer made and is not required to consider any previous negotiations. Although the Bureau appreciates the suggestion of new options for reporting action taken that were provided by one of the commenters, the Bureau believes that the combination of options provided by comments 4(a)(8)(i)–9 and –13 are sufficient, and the Bureau has not had the benefit of notice and public comment on this newly suggested guidance.

In addition, the Bureau does not believe that the new language in comment 4(a)(8)(i)–9 conflicts with the requirements of Regulation B. Regulation B and Regulation C address different requirements: The revisions to comment 4(a)(8)(i)–9 clarify reporting of the action taken field while Regulation B, 12 CFR 1002.9(a), sets forth when an adverse action notice is required. Thus, comment 4(a)(8)(i)–9 does not affect a financial institution’s obligation to comply with Regulation B.

Furthermore, the Bureau has replaced the language in the proposed comment stating that the counteroffer takes the place of the prior application. This change is meant to make clear that the revisions to comment 4(a)(8)(i)–9 do not treat a counteroffer as a new covered loan that must be reported as a separate entry in the loan/application register, but rather provide that for purposes of reporting action taken, where the applicant agrees to proceed with consideration of the financial institution’s counteroffer, the financial institution reports the action taken field as the disposition of the application based on the terms of counteroffer.

In addition to the change to comment 4(a)(8)(i)–9, the Bureau proposed a technical correction to comment 4(a)(8)(i)–6, as adopted by the 21015 HMDA Final Rule, correcting a citation that was intended to reference Regulation B, 12 CFR 1002.9(c)(1)(i). The citation read, “12 CFR 1002.9(c)(i).” The proposal would correct the typographical error by inserting the “(1)” paragraph designation missing from the citation. The Bureau received no comments on this technical correction and now adopts it as proposed. The Bureau is also adding language to clarify a different, correct citation in the comment.

4(a)(9)
4(a)(9)(i)

Section 1003.4(a)(9)(i) as adopted by the 2015 HMDA Final Rule requires financial institutions to report the property address of the property securing the covered loan or, in the case of an application, proposed to secure the covered loan. Comment 4(a)(9)(i)–3 as adopted by the 2015 HMDA Final Rule explains that this requirement is not applicable if the address of the property securing the covered loan is not known and provides an example. The Bureau proposed certain non-substantive amendments to comment 4(a)(9)(i)–3 to replace “indicating” with “reporting” for consistency with other comments providing similar guidance.

The Bureau did not receive any comments discussing the replacement of “indicating” with “reporting” in comment 4(a)(9)(i)–3. The Bureau is adopting the amendments to comment 4(a)(9)(i)–3 as proposed, replacing “indicating” with “reporting” for consistency with other comments providing similar guidance.

4(a)(9)(ii)

Current § 1003.4(a)(9) introductory text and (a)(9)(ii), as adopted by the 2015 HMDA Final Rule, both require financial institutions to report certain information for certain transactions about the location of the property related to the covered loan or application, including the State, county, and census tract. The Bureau proposed amendments to the commentary to § 1003.4(a)(9)(ii)(A) through (C) to provide guidance on what a financial institution should report if it has incomplete information about the location of the property when reporting an application.

A financial institution may have incomplete information about the location of a property when it takes final action on an application in certain situations. For example, an applicant may not identify a specific property or census tract, but may provide the financial institution with only the State and county where the applicant intends to purchase a home before the financial institution denies the application.

The Bureau proposed new comments 4(a)(9)(ii)(A)–1, 4(a)(9)(ii)(B)–2, and 4(a)(9)(ii)(C)–2 to clarify that, when reporting an application, the financial institution reports that the property location requirement is not applicable if the State, county, or census tract, respectively, was not known before the application was denied, withdrawn, or closed for incompleteness.

The Bureau received two comments on the proposed comments, and both expressed support for the change. One commenter stated that the new comments would be extremely helpful. The Bureau also received one comment urging the Bureau to clarify whether reporting State, county, or census tract is permissible when a property is not located in a Metropolitan Statistical Area (MSA) or Metropolitan Division (MD) in which a financial institution has a home or branch office. Instruction I.C.5 in current appendix A to Regulation C addresses the situations when a financial institution may report not applicable. It states that for loans on property located outside the MSAs and MDs in which an institution has a home or branch office, or for property located outside of any MSA or MD and for which the institution is not required to report such information by § 1003.4(e), the institution may choose one of the following two options: First, a financial institution may enter the property location information, and the information reported must accurately identify the property location. Second, a financial institution may indicate that the requirement to report the property location is not applicable. The Bureau agrees that it is appropriate to clarify that a financial institution may report not applicable in these circumstances and is finalizing new comment 4(a)(9)(ii)–1 to clarify that in

\[\text{to collect the location of property located outside MSAs and MDs in which the institution has a home or branch office, or outside of any MSA,}\]
certain circumstances where State, county, or census tract reporting is not required, financial institutions may report that the requirement is not applicable, or may voluntarily report the State, county, or census tract information.

In addition, the Bureau is adopting new comments 4(a)(9)(ii)(A)–1, 4(a)(9)(ii)(B)–2, and 4(a)(9)(ii)(C)–2 as proposed.

4(a)(10)
4(a)(10)(ii)

Section 1003.4(a)(10)(ii) as adopted by the 2015 HMDA Final Rule requires that a financial institution report the age of the applicant or borrower. Comment 4(a)(10)(ii)–3, as adopted by the 2015 HMDA Final Rule, contains a drafting error in providing guidance on treatment of purchased loans that refers to reporting income rather than age. The Bureau proposed to correct the drafting error in comment 4(a)(10)(ii)–3 by replacing the term “income” with “age” to clarify that a financial institution complies with § 1003.4(a)(10)(ii) by reporting that the requirement is not applicable when reporting a purchased loan for which the institution chooses not to report the age of the applicant or borrower.

The Bureau received one comment discussing this correction. The commenter expressed support for the change and asked for further guidance on reporting an applicant’s age for a purchased loan when a financial institution chooses to report age.

The Bureau adopts the technical correction as proposed. Regarding optional reporting of a borrower’s age for purchased loans, as explained in comment 4(a)(10)(ii)–1, a financial institution complies with § 1003.4(a)(10)(ii) by reporting the applicant’s age, as of the application date under § 1003.4(a)(1)(ii), as the number of whole years derived from the date of birth as shown on the application form.

4(a)(10)(iii)

HMDA section 304(b)(4) requires the reporting of income level for borrowers and applicants. The 2015 HMDA Final Rule requires in § 1003.4(a)(10)(iii) that a financial institution report the gross annual income relied on in making the credit decision or processing the application if a credit decision was not made. Comment 4(a)(10)(iii)–4

4(a)(10)(iv)

The Bureau is adopting the clarifying language in comment 4(a)(10)(iii)–4 as proposed, providing that a financial institution does not include as income amounts considered in making a credit decision based on factors that an institution relies on in addition to income, such as amounts derived from annuitization or depletion of an applicant’s remaining assets. The comment also states that the new comment language would also state that actual distributions from retirement accounts or other assets that are relied on by the financial institution as income should be reported as income, and that comment 4(a)(10)(iii)–4’s interpretation of income does not apply to § 1003.4(a)(23), which requires reporting of the debt-to-income ratio.

The Bureau proposed this clarification because it had become aware of uncertainty among financial institutions regarding how to determine which amounts are derived from annuitization or depletion of an applicant’s remaining assets. The Bureau explained in the proposal that the use of the modifier “remaining” regarding the assets referred to was meant to specify assets that are not in actual distribution, but are remaining. In addition, the word “derived” was meant to refer to the underwriting method by which hypothetical (not actual) distributions are calculated from the amounts of the remaining assets.

Four industry commenters discussed the proposed clarification, and all four expressed opposition to it. Commenters stated that the provision would require separate tracking of income and hypothetical income formulated from assets for HMDA compliance. One commenter stated that this would make compliance for covered loans difficult, and another suggested that filers should be able to report either the income and formulated asset depletion together as income or else that the income data point is not applicable when a financial institution relies on formulated asset depletion. Otherwise, one commenter suggested, the institution will be reporting partial information that could incorrectly raise fair lending red flags. Another commenter stated that failure to include the asset depletion information may result in false positives during an underwriting matched pair analysis. One commenter stated that applicants that have reportable income may use assets to qualify for the loan, such as when an applicant will be returning to work from an extended leave or is planning to retire shortly after receiving the loan.

One commenter asked that the Bureau create a special rule for reverse mortgages or else exclude them from the income reporting requirement. Another asked for guidance in reporting income as “0,” such as when an applicant becomes unemployed after applying for the loan.

The Bureau is adopting the clarifying language in comment 4(a)(10)(iii)–4 as proposed, providing that a financial institution does not include as income amounts considered in making a credit decision based on factors that an institution relies on in addition to income, such as amounts derived from underwriting calculations of the potential annuitization or depletion of an applicant’s remaining assets. The comment further provides that actual distributions from retirement accounts or other assets that are relied on by the financial institution as income should be reported as income. Because the determination of what to exclude depends on the underwriting method the financial institution applies in making the credit decision, the proposed clarification should facilitate implementation of the 2015 HMDA Final Rule. In addition, to avoid confusion and facilitate compliance, the Bureau also adopts the proposed language clarifying that the comment’s interpretation of income does not apply to § 1003.4(a)(23) as adopted in the 2015 HMDA Final Rule, which requires, except for purchased covered loans, the collection of the ratio of the applicant’s or borrower’s total monthly debt to the total monthly income relied on in making the credit decision.

The commenters’ objections to separate tracking of income and asset depletion were not relevant in assessing the proposed clarification. The 2015 HMDA Final Rule income reporting provision already required a separate determination when remaining assets were used, and the April 2017 HMDA Proposal would limit the number of times that separate tracking would be required. Similarly, although the Bureau believes that careful analysis will avoid fair lending misinterpretations, the

114 Revised § 1003.4(a)(10)(iii) also excluded from the reporting of this data point covered loans and applications for which the credit decision did not consider or would not have considered income. See the commentary to § 1003.4(a)(10)(iii) for more information and descriptions of different situations in which the income reporting requirement is not applicable.

115 Intermittent actual withdrawals from the remaining assets should not be reported if the financial institution does not consider them as income in its underwriting.
potential for such problems should actually be mitigated by the new language. The comments about the use of assets when income is available also appear more relevant to the provision adopted by the 2015 HMDA Final Rule, as opposed to the proposed clarification in the April 2017 HMDA Proposal. The Bureau did not propose revisions to the 2015 HMDA Final Rule’s treatment of the reliance on assets when income is not available and therefore the need for such revisions has not benefited from appropriate notice and comment regarding any such amendment. The comment does not provide a basis to change the approach proposed by the Bureau in the April 2017 HMDA Proposal. Accordingly, the Bureau declines to adopt such amendments in this final rule.

Similarly, the Bureau did not propose any change to the treatment of income reporting for reverse mortgages and so has not benefited from notice and comment on this complex issue. In addition, the 2015 HMDA Final Rule preamble noted that the reverse mortgage flag required by § 1003.4(a)(36) will ensure that data reported for reverse mortgages will not be commingled unknowingly with data reported for other covered loans.116

Finally, the Bureau notes that the 2015 HMDA Final Rule and the 2018 FIG do not include any language that would bar a financial institution from reporting an applicant’s gross annual income as “0” or even a negative number when that is the accurate figure that it relied on.117

4(a)(12)

HMDS section 304(b)(5)(B) requires financial institutions to report mortgage loan information, grouped according to measurements of “the difference between the annual percentage rate associated with the loan and a benchmark rate or rates for all loans.”118 Current § 1003.4(a)(12)(i) requires financial institutions to report, for originated loans subject to Regulation Z, 12 CFR part 1026, other than assumptions, purchased covered loans, and reverse mortgages, the difference between the covered loan’s APR and APOR for a comparable transaction as of the date the interest rate is set. The Bureau proposed certain amendments to § 1003.4(a)(12)(i) and to the § 1003.4(a)(12) commentary adopted by the 2015 HMDA Final Rule and proposed new comment 4(a)(12)–9 to address reporting requirements when a financial institution provides corrected disclosures. For the reasons discussed below, the Bureau is revising § 1003.4(a)(12)(i) to clarify its scope and is adopting § 1003.4(a)(12)(ii) and the associated commentary substantially as proposed, with certain additional amendments for clarity.

Scope

The Bureau is adopting an amendment to § 1003.4(a)(12)(i) to clarify that the reporting requirement applies to covered loans and applications that are approved but not accepted. Although the Bureau did not propose to revise § 1003.4(a)(12)(i), it believes this amendment will address potential uncertainty regarding the scope of § 1003.4(a)(12). As discussed above, the 2015 HMDA Final Rule revised § 1003.4(a)(12)(i) to require that financial institutions report, for covered loans subject to Regulation Z, other than assumptions, purchased covered loans, and reverse mortgages, the difference between the covered loan’s APR and the APOR for a comparable transaction as of the date the interest rate is set. However, as adopted in the 2015 HMDA Final Rule, comments 4(a)(12)–7 and –8 clarify the Bureau’s intent that § 1003.4(a)(12) also apply to applications and preapproval requests approved but not accepted. Several other data points revised or adopted by the 2015 HMDA Final Rule, such as loan purpose, interest rate, and prepayment penalty, specify that reporting is required for covered loans or applications.119 The Bureau believes it would improve clarity and consistency between § 1003.4(a)(12)(i) and its associated commentary to provide expressly in regulation text that the rate spread reporting requirement applies to covered loans and applications that are approved but not accepted. Thus, final § 1003.4(a)(12)(i) provides that, for covered loans and applications that are approved but not accepted subject to Regulation Z, other than assumptions, purchased covered loans, and reverse mortgages, the financial institution must report the difference between the covered loan’s APR and the APOR for a comparable transaction as of the date the interest rate is set.

Average Prime Offer Rate (APOR)

The Bureau calculates APORs on a weekly basis according to a methodology statement that is available to the public and then posts the APORs on the FFIEC Web site. In light of recent variability in the sources of survey data used to calculate APORs and the Bureau’s resulting revisions to the methodology statement,120 the Bureau proposed certain amendments to § 1003.4(a)(12)(ii). The Bureau proposed to amend revised comment 4(a)(12)–1 to conform to the proposed amendments to § 1003.4(a)(12)(ii). The Bureau proposed to amend comment 4(a)(12)–2 to explain that the Bureau publishes tables of current and historic APORs by transaction type and its methodology statement on its Web site (http://www.consumerfinance.gov), in addition to the FFIEC Web site, and to make certain other minor clarifications. The Bureau received no specific comments on the proposed changes to § 1003.4(a)(12)(ii) and comments 4(a)(12)–1 and –2 and, accordingly, is adopting those provisions as proposed, with a minor technical revision to comment 4(a)(12)–2.

Open-End Lines of Credit

The 2015 HMDA Final Rule revised comment 4(a)(12)–3 to clarify that the requirements of § 1003.4(a)(12)(i) refer to the covered loan’s APR. Revised

covered loan at closing or account opening. Revised § 1003.4(a)(22) requires a financial institution to report, for covered loans or applications subject to Regulation Z, 12 CFR part 1026, other than reverse mortgages or purchased covered loans, the term in months of any prepayment penalty, as defined in Regulation Z § 1026.32(b)(6)(i) or (ii), as applicable.


119 For example, revised § 1003.4(a)(3) requires a financial institution to report whether the covered loan is, or the application is for, a home purchase loan, a home improvement loan, a refinancing, a cash-out refinancing, or for a purpose other than home purchase, home improvement, refinancing, or cash-out refinancing. Revised § 1003.4(a)(21) requires a financial institution to report the interest rate applicable to the approved application or to the


117 See revised comment 4(a)(10)(iii)–1.

118 Section 1094(3)(A)(iv) of the Dodd-Frank Act amended HMDA by adding section 304(b)(5)(B), which expanded the rate spread reporting requirement beyond higher-priced mortgage loans.
comment 4(a)(12)–3 explains further that a financial institution complies with § 1003.4(a)(12)(i) by relying on the APR for the covered loan, as calculated and disclosed pursuant to Regulation Z § 1026.18 or § 1026.38 (for closed-end mortgage loans) or § 1026.40 (for open-end lines of credit), as applicable. The Bureau proposed to amend revised comment 4(a)(12)–3 to remove the reference to Regulation Z § 1026.40, which sets forth requirements regarding the disclosures provided at the time an application is provided to the consumer, and to replace it with a reference to Regulation Z § 1026.6, which sets forth the disclosure requirements for open-end lines of credit at account opening. For the reasons discussed below, the Bureau is adopting comment 4(a)(12)–3 substantially as proposed, with additional clarifications regarding open-end lines of credit and a cross-reference to comment 4(a)(12)–8.

A few commenters expressed support for the proposed clarification. One national trade association stated that information on rate spread would be more useful if calculated based on the account-specific APR disclosed on the account opening disclosures rather than on the non-specific APR disclosed at the time of application. Another national trade association suggested that a simple approach would be to require reporting based on the APR at the time of closing or account opening, and that in situations where the loan does not close, the lender rely on the last APR disclosed to the borrower. One commenter supported the proposed clarification stating that account opening disclosures may disclose more than one APR and recommended that the final rule clarify which APR to use in that circumstance. The commenter also sought clarification on whether rate spreads for open-end lines of credit under Regulation C should be calculated in the same manner as set forth in Regulation Z § 1026.32(a).

Final comment 4(a)(12)–3 explains that the requirements of § 1003.4(a)(12)(i) apply to the covered loan’s APR. It provides further that, for closed-end mortgage loans, a financial institution complies with § 1003.4(a)(12)(i) by relying on the APR for the covered loan, as calculated and disclosed pursuant to Regulation Z § 1026.18 or § 1026.38. Final comment 4(a)(12)–3 provides further that, for open-end lines of credit, a financial institution complies with § 1003.4(a)(12)(i) by relying on the APR for the covered loan, as calculated and disclosed pursuant to Regulation Z § 1026.6. The comment clarifies that, if multiple APRs are calculated and disclosed pursuant to Regulation Z § 1026.6, a financial institution relies on the APR in effect at the time of account opening. It provides that, if an open-end line of credit has a variable-rate feature and a fixed-rate and -term payment option during the draw period, a financial institution relies on the APR in effect at the time of account opening under the variable-rate feature, which would be a discounted initial rate if one is offered under the variable-rate feature. Finally, the comment includes a cross-reference to comment 4(a)(12)–8 for guidance regarding the APR a financial institution relies on in the case of an application or preapproval request that was approved but not accepted.

As to the request for clarification regarding Regulation Z § 1026.32(a) and the calculation of rate spreads for open-end lines of credit, the Bureau believes that existing provisions already address this question. Regulation Z § 1026.14(b) sets forth the method of calculating APR for purposes of the disclosures required under Regulation Z § 1026.6, and Regulation C § 1003.4(c)(2) and its associated commentary set forth the method of calculating rate spread for purposes of Regulation C.

Rate-Set Date
The 2015 HMDA Final Rule adopted new comment 4(a)(12)–5 to clarify that the relevant date to use to determine the APOR for a comparable transaction is the date on which the covered loan’s interest rate was set by the financial institution for the final time before closing or account opening. Comment 4(a)(12)–5 includes several illustrative examples. To reflect the renumbering of proposed comment 4(a)–4 to comment 4(a)–2 in the 2015 HMDA Final Rule, the Bureau proposed to amend comment 4(a)(12)–5.iii to replace the reference to comment 4(a)–4 with a reference to comment 4(a)–2. Comment 4(a)–2 provides guidance on a financial institution’s reporting responsibilities when a single transaction involves more than one institution. The Bureau did not receive specific comment on the proposed amendment to comment 4(a)(12)–5.iii. One commenter stated that it agreed that the rate-set date should be the date when the lender last set the rate for the transaction. One commenter expressed concern that a financial institution would need to update its loan/application register when a rate-lock agreement is extended, and another commenter stated that, where a rate-lock agreement is extended, using the date the interest rate was originally determined the APOR would provide more relevant pricing information. One commenter requested further clarification on how a financial institution may exercise discretion in setting the rate before closing.

The Bureau is adopting comment 4(a)(12)–5 as proposed, with minor amendments for further clarity. Final comment 4(a)(12)–5 explains that the relevant date to use to determine the APOR for a comparable transaction is the date on which the interest rate was set by the financial institution for the final time before final action is taken (i.e., the application was approved but not accepted or the covered loan was originated). Final comment 4(a)(12)–5.i also refers to the final time before final action is taken, rather than the final time before closing or account opening. Because § 1003.4(a)(12) also applies to applications that are approved but not accepted, the Bureau believes it is more appropriate to refer to final action rather than to closing or account opening. The Bureau has not seen any new reason to amend further the guidance adopted in the 2015 HMDA Final Rule regarding the determination of the rate-set date, and it does not believe that complying with § 1003.4(a)(12)(i) when a rate-lock agreement is extended will be unduly burdensome. The Bureau does not believe that it is appropriate to prescribe in Regulation C how a financial institution may exercise discretion in setting the rate.

Application or Preapproval Request Approved But Not Accepted
As adopted by the 2015 HMDA Final Rule, comment 4(a)(12)–8 explains that, in the case of an application or preapproval request that was approved but not accepted, § 1003.4(a)(12) requires the financial institution to report the applicable rate spread. As discussed above, final comment 4(a)(12)–3 provides that, for closed-end mortgage loans, a financial institution complies with § 1003.4(a)(12)(i) by relying on the APR for the covered loan as calculated and disclosed pursuant to Regulation Z § 1026.18 or § 1026.38 and that, for open-end lines of credit, a financial institution complies with § 1003.4(a)(12)(i) by relying on the APR as calculated and disclosed pursuant to Regulation Z § 1026.6. The Bureau proposed to amend comment 4(a)(12)–8 to clarify reporting requirements where an application or preapproval request is approved but not accepted and only the early disclosures required under Regulation Z § 1026.18 or § 1026.37 (for closed-end mortgage loans) or § 1026.40 (for open-end lines of credit) are provided. The Bureau is adopting comment 4(a)(12)–8 substantially as proposed, with a clarification to address...
situations where no Regulation Z disclosures are required for a transaction.

A few national trade associations and one large financial institution expressed support for the proposed clarifications to comment 4(a)(12)–8. Several commenters stated, however, that an application or a preapproval request for purposes of Regulation C may not meet the definition of application under Regulation Z, and thus would not trigger the early disclosure requirements under Regulation Z. One national trade association requested further guidance because, in such instances where no Regulation Z disclosures are required, the proposed guidance regarding relying on the APR disclosed pursuant to the early Regulation Z disclosures would not suffice. One large financial institution expressed concern that the proposal would require a financial institution to provide the early Regulation Z disclosures in situations where such disclosures would not otherwise be required under Regulation Z, merely to permit compliance with Regulation C. This commenter, along with a national trade association and another large financial institution, requested that applications or preapproval requests that do not trigger the Regulation Z disclosure requirements be excluded from the reporting requirements in § 1003.4(a)(12).

One national trade association stated that rate spreads should not be required for open-end lines of credit where the accrued interest is not required to be disclosed at the time of application is generic and would not provide useful data. Another national trade association stated that rate spreads would only be valuable for covered loans and recommended that this data point not apply to applications that do not result in a covered loan.

The Bureau is adopting comment 4(a)(12)–8 as proposed, with certain minor amendments for clarity and to address an issue discussed by several commenters. Final comment 4(a)(12)–8 provides that, in the case of an application or preapproval request that was approved but not accepted, § 1003.4(a)(12) requires a financial institution to report the applicable rate spread. The comment provides further that, in such cases, the financial institution would provide early disclosures under Regulation Z § 1026.18 or § 1026.37 (for closed-end mortgage loans) or § 1026.40 (for open-end lines of credit), but might never provide an assessment disclosure. Final comment 4(a)(12)–8 provides still further that, in such cases where no subsequent disclosures are provided, a financial institution complies with § 1003.4(a)(12)(i) by relying on the APR for the application or preapproval request, as calculated and disclosed pursuant to Regulation Z § 1026.18 or § 1026.37 (for closed-end mortgage loans) or § 1026.40 (for open-end lines of credit), as applicable. Final comment 4(a)(12)–8 includes an additional clarification that, for transactions subject to Regulation C for which no disclosures under Regulation Z are required, a financial institution complies with § 1003.4(a)(12)(i) by reporting that the requirement is not applicable.

The Bureau recognizes that an application or a preapproval request as defined under Regulation C may not meet the definition of application under Regulation Z and, in such instances, would not trigger the early Regulation Z disclosures. Where an application or a preapproval request under Regulation C is not an application under Regulation Z, then that application or preapproval request is not subject to Regulation Z and thus is not covered by the reporting requirements in § 1003.4(a)(12). Final § 1003.4(a)(12)(i) applies to closed loans and applications that are approved but not accepted subject to Regulation Z, other than assumptions, purchased covered loans, and reverse mortgages. The Bureau does not intend that a financial institution provide the early Regulation Z disclosures or calculate an APR for a transaction solely for purposes of complying with Regulation C where it is not otherwise required to do so under Regulation Z. Accordingly, this final rule clarifies further that the requirement to report under § 1003.4(a)(12) is not applicable if no Regulation Z disclosures are required for the transaction. The Bureau declines to specify further instances in which § 1003.4(a)(12) is not applicable for applications and preapproval requests that are approved but not accepted, as it continues to believe such data will further HMDA’s purposes and that reporting rate spreads for transactions for which Regulation Z disclosures are required will not be unduly burdensome.

Corrected Disclosures

The 2015 HMDA Final Rule does not explain how a financial institution complies with § 1003.4(a)(12)(i) where a financial institution provides a corrected disclosure under Regulation Z that reflects a corrected APR. Specifically, the 2015 HMDA Final Rule does not clarify whether a financial institution relies on the APR for the covered loan or application approved but not accepted as initially calculated and disclosed or as calculated and disclosed pursuant to the corrected disclosure. The Bureau proposed to add new comment 4(a)(12)–9 to provide that, if a financial institution provides a corrected disclosure under Regulation Z that reflects a corrected APR, the financial institution complies with § 1003.4(a)(12)(i) by comparing the corrected and disclosed APR to the most recently available APOR that was in effect for a comparable transaction as of the rate-set date, so long as the corrected disclosure was provided to the borrower before the end of the reporting period in which final action is taken. The Bureau also proposed to amend new comment 4(a)(12)–9, effective January 1, 2020, to include additional guidance pertaining to quarterly reporting. For the reasons discussed below, the Bureau is adopting new comment 4(a)(12)–9 effective January 1, 2018, and as amended effective January 1, 2020, substantially as proposed, with certain amendments for clarity.

A few commenters expressed support for the proposal to clarify reporting requirements under § 1003.4(a)(12) when a corrected disclosure is provided pursuant to Regulation Z. One national trade association noted that the proposed comment would apply to applications and preapproval requests that are approved but not accepted and stated that, because only the early Regulation Z disclosures could be provided in such instances, the proposed comment should apply to originated loans. This commenter also stated that the proposed guidance regarding the date on which the corrected disclosure was provided to the borrower would be helpful for transactions subject to Regulation Z § 1026.19(f) and requested additional guidance regarding the date on which the corrected disclosure was provided to the borrower for transactions subject to the disclosure requirements in Regulation Z § 1026.6(a) or § 1026.19(a). One national trade association that supported the proposal stated that the same guidance regarding the use of a corrected APR would also apply when a lender provides a corrected disclosure reflecting a corrected amount of total points and fees, total loan costs, borrower-paid origination charges, discount points, lender credits, or interest rate. This commenter stated that it would be simpler and more accurate if a financial institution were permitted to use the corrected information disclosed on the corrected disclosure so
long as the corrected disclosure was provided to the borrower before the institution’s submission of its loan/application register. One small financial institution that supported the proposed guidance regarding corrected disclosures nonetheless stated that many financial institutions begin gathering information to complete the loan/application register well before the end of a reporting period such that the proposal could increase significantly the number of adjustments made to the data when a corrected disclosure is provided before the end of the reporting period in which final action is taken. The Bureau is adopting new comment 4(a)(12)–9 substantially as proposed, with certain clarifications to address issues discussed by commenters. To correct an oversight in the April 2017 HMDA Proposal, the Bureau is adopting the first sentence of comment 4(a)(12)–9 with revisions to clarify that the guidance in comment 4(a)(12)–9 applies to covered loans and applications that are approved but not accepted. The Bureau recognizes that, where a financial institution provides a corrected version of the disclosures required under Regulation Z § 1026.19(a), pursuant to § 1026.19(a)(2), under Regulation Z § 1026.19(f), pursuant to § 1026.19(f)(2), or under Regulation Z § 1026.6(a), it is often doing so for a covered loan. The Bureau also understands that such corrected disclosures under Regulation Z could be provided in situations where the application is approved but not accepted and the loan is not originated or the account is not opened. Final comment 4(a)(12)–9 does not specifically refer to preapproval requests, which are included in the definition of application, because, in contrast to comment 4(a)(12)–8, the Bureau believes the situations described in comment 4(a)(12)–9 are not likely to arise in connection with preapproval requests. Final comment 4(a)(12)–9 is also revised to explain that, for purposes of § 1003.4(a)(12), the date the corrected disclosure was provided to the borrower is the date the disclosure was mailed or delivered to the borrower in person; the financial institution’s method of delivery does not affect the date provided. It includes an illustrative example providing that, where a financial institution provides a corrected version of the disclosures required under Regulation Z § 1026.19(f), pursuant to § 1026.19(f)(2), the date provided is the date disclosed pursuant to Regulation Z § 1026.38(a)(3)(i). Final comment 4(a)(12)–9 thus provides guidance applicable to all of the Regulation Z disclosures discussed in the comment regarding the date the corrected version of the disclosures is provided to the borrower for purposes of § 1003.4(a)(12). In addition, the Bureau is adopting comment 4(a)(12)–9 with a revision to explain that the provision of a corrected disclosure does not affect how a financial institution determines the rate-set date and to include a cross-reference to comment 4(a)(12)–5. The April 2017 HMDA Proposal explained that the corrected disclosure does not affect the rate-set date for a reference comment 4(a)(12)–5. The Bureau recognizes, however, that the rate-set date may be affected in a situation where a corrected disclosure reflects a corrected APR that changed because of a change in the interest rate. Thus, while the provision of a corrected disclosure does not, on its own, affect the rate-set date, the circumstances necessitating the provision of a corrected disclosure could affect the rate-set date. The final rule makes clear that the provision of a corrected disclosure does not change how a financial institution applies the guidance in comment 4(a)(12)–5 to determine the rate-set date.

The Bureau declines to permit financial institutions to update their reporting when a corrected disclosure is provided to the borrower after the end of the reporting period in which final action is taken. Comment 4(a)(12)–9 establishes a clear, bright-line standard for reporting that is consistent with Regulation C’s December 31 cutoff date for data collection and recording for the calendar year. Additionally, the Bureau believes that the instances in which a corrected disclosure reflecting a corrected APR is provided to the borrower after the calendar year in which final action is taken but before the March 1 deadline in the following calendar year for a financial institution’s submission of its annual loan/application register should be relatively limited and do not justify the potential inconsistencies in data that could result from permitting optional updates to data based on corrected disclosures provided after the end of the calendar year being reported. As to the burden associated with updating data when a corrected disclosure is provided before the end of the reporting period in which final action is taken, the guidance in final comment 4(a)(12)–9 is consistent with the guidance regarding corrected disclosures adopted in the 2015 HMDA Final Rule for the pricing data points in § 1003.4(a)(17) through (20). The Bureau believes such guidance will generally provide for greater accuracy in reporting without requiring that financial institutions continue to update their reportable data if corrected disclosures are provided after the reporting period in which final action is taken. 4(a)(15)

Section 1094(3)(A)(iv) of the Dodd-Frank Act amended section 304(b) of HMDA to require financial institutions to report the credit scores of borrowers and applicants “in such form as the May prescribe.” Section 1003.4(a)(15), as adopted by the 2015 HMDA Final Rule, requires that a financial institution report, except for purchased covered loans, the credit score or scores relied on in making the decision and the name and version of the scoring model used to generate each credit score. Comment 4(a)(15)–2, as adopted by the 2015 HMDA Final Rule, explains how to report the credit score and scoring model when there are multiple credit scores obtained or created by a financial institution. Comment 4(a)(15)–3, as adopted by the 2015 HMDA Final Rule, explains how to report credit scores when there are multiple applicants or borrowers. To facilitate the reporting of credit scores and credit scoring models, the Bureau proposed to add clarifying language to comments 4(a)(15)–2 and 3.

During implementation of the 2015 HMDA Final Rule, the Bureau had become aware that comments 4(a)(15)–2 and 3 might not explain clearly how to report the scoring model for a composite credit score and how to report a single credit score when there are multiple applicants or borrowers. Consequently, the Bureau proposed to amend comment 4(a)(15)–2 to clarify that, when a financial institution uses more than one credit scoring model and combines the scores into a composite credit score, the financial institution should report that score and report that more than one credit scoring model was used. In addition, the Bureau proposed to 123 Effective January 1, 2020, when quarterly reporting begins, revised comment 4(a)(12)–9 will provide that a financial institution does not report on its quarterly loan/application register the difference between the corrected APR and the most recently available APR that was in effect for a comparable transaction as of the rate-set date if the corrected disclosure was provided to the borrower after the end of the quarter in which final action is taken. However, a financial institution does report the difference between the corrected APR and the most recently available APR that was in effect for a comparable transaction as of the rate-set date on its annual loan/application register, provided that the corrected disclosure was provided to the borrower prior to the end of the calendar year in which final action is taken.

to amend comment 4(a)(15)–3 to clarify that, in a transaction involving two or more applicants or borrowers for which the financial institution obtains or creates a single credit score and relies on that credit score in making the credit decision for the transaction, the institution complies with § 1003.4(a)(15) by reporting that credit score for the applicant and reporting that the requirement is not applicable for the first co-applicant or, alternatively, by reporting that credit score for the first co-applicant and reporting that the requirement is not applicable for the applicant.

The Bureau received eight comments on the proposed changes to the credit score commentary. Four commenters expressed support for the changes, and no commenters expressed opposition to them. Two commenters stated that comment 4(a)(15)–3, which in certain situations requires a financial institution to report a credit score for the applicant or, alternatively, for the co-applicant, is not clear on whether the choice of the two alternatives is within the financial institution’s discretion. Commenters also stated that, when there are more than two applicants, a median or middle credit score may be used and that our proposal did not address this situation. One commenter said that our proposal would add clarity, but that these clarifications may not reflect how some lenders are programming their systems, and urged the Bureau to allow flexibility in treatment of these issues until the Bureau can propose further amendments to the Regulation C commentary with adequate time for implementation.

Commenters also asked for guidance on two issues not addressed in the April 2017 HMDA Proposal. Three commenters asked for guidance on reporting the credit score when a credit score is ordered but the applicant has no credit score. Another commenter asked that the Bureau adopt an exclusion from credit score reporting for loans to employees of the financial institution to protect their privacy.

The Bureau is adopting the clarifying language to comments 4(a)(15)–2 and –3 largely as proposed, with a small change to comment 4(a)(15)–3 to clarify the discretion a financial institution has in reporting a score for the applicant or, alternatively, the co-applicant, and a minor word edit. The commenters who expressed a position uniformly supported the proposed changes, and the Bureau believes that the adopted language will clarify and facilitate reporting of credit scores. Although there may be implementation challenges, the Bureau believes that financial institutions and their software vendors will have sufficient time to adjust to this minor change and that any such challenges will be outweighed by the implementation benefits of these clarifications.

Comment 4(a)(15)–3 as adopted states that, in a transaction involving two or more applicants or borrowers for whom the financial institution obtains or creates a single credit score and relies on that credit score in making the credit decision for the transaction, the institution complies with § 1003.4(a)(15) by reporting that credit score for the applicant and reporting that the requirement is not applicable for the first co-applicant or, at the institution’s discretion, by reporting that credit score for the first co-applicant and reporting that the requirement is not applicable for the applicant. This change to the language of the proposed comment will clarify that a financial institution may use its discretion in deciding whether to disclose a single credit score as the applicant’s or co-applicant’s score. The Bureau believes that any minor loss in the exactness of credit score reporting caused by this decision will be outweighed by the compliance benefits gained by not requiring financial institutions to calibrate systems and engage in ongoing compliance to account for the various situations likely to arise.

Regarding the comments discussing reporting when a median or middle credit score is relied on, the Bureau notes that comment 4(a)(15)–3 as adopted addresses this situation: A financial institution should report the median or middle credit score for the applicant or, at the financial institution’s discretion, for the co-applicant.

Regarding the request for guidance on reporting when a credit score is requested but none is available, § 1003.4(a)(15) requires reporting the credit score or scores relied on in making the credit decision, so a financial institution would report that the requirement is not applicable if it did not rely on a credit score. In regard to the comment on employee loans, the Bureau did not propose or seek comment about an exclusion from credit score reporting for loans to employees, and declines to adopt one.

4(a)(17)

Section 304(b)(5)(A) of HMDA provides for reporting of “the total points and fees payable at origination in connection with the mortgage as determined by the Bureau, taking into account 15 U.S.C. 1602(aa)(4).” Section 1003.4(a)(17), as adopted by the 2015 HMDA Final Rule, implements this provision and provides that, for covered loans subject to Regulation Z § 1026.43(c), other than purchased covered loans, a financial institution shall report the amount of total loan costs, as disclosed pursuant to Regulation Z § 1026.38(f)(4), if a disclosure is provided for the covered loan pursuant to Regulation Z § 1026.19(f), or the total points and fees charged for the covered loan, expressed in dollars and calculated pursuant to Regulation Z § 1026.32(b)(1), if the covered loan is not subject to the disclosure requirements in Regulation Z § 1026.19(f). As adopted by the 2015 HMDA Final Rule, comment 4(a)(17)(i)–3 explains that, if the amount of total loan costs changes because a financial institution provides a revised version of the disclosures required under Regulation Z § 1026.19(f), pursuant to § 1026.19(f)(2), the financial institution complies with § 1003.4(a)(17)(i) by reporting the revised amount, provided that the revised disclosure was provided to the borrower during the same reporting period in which closing occurred, and provides an illustrative example. Comments 4(a)(18)–3, 4(a)(19)–3, and 4(a)(20)–3 provide identical guidance for reporting the other data points derived from the Closing Disclosure. The Bureau proposed to amend comment 4(a)(17)(i)–3, effective January 1, 2018, to remove the reference to quarterly reporting, and to again amend comment 4(a)(17)(i)–3, effective January 1, 2020, to reincorporate the references to quarterly reporting. The Bureau also proposed other minor clarifications to comment 4(a)(17)(i)–3. Two commenters stated that the proposal to refer to “final action” instead of the date that “closing occurred” regarding reporting total loan costs would create ambiguity in proposed comment 4(a)(17)(i)–3. These commenters requested clarification on whether final action refers to: (1) The

125 15 U.S.C. 1602(aa)(4) is part of the Truth in Lending Act. Prior to amendments made by the Dodd-Frank Act, that section generally defined “points and fees” for the purpose of determining whether a transaction was a high-cost mortgage. Section 1100A of the Dodd-Frank Act redesignated section 1602(aa)(4) as section 1602(bb)(4), where it is currently codified. In light of that redesignation, the Bureau interprets HMDA section 304(b)(5)(A) as directing it to take into account 15 U.S.C. 1602(bb)(4) and its implementing regulations, as those provisions address “points and fees” and because current section 1602(aa)(4) is no longer relevant to a determination regarding points and fees.
date of disclosure; (2) the date of the corrected disclosure; (3) the date of the event that necessitated the corrected disclosure; or (4) the date the loan documents were recorded. One national trade association recommended that financial institutions be permitted to report corrected amounts reflected on a corrected disclosure so long as the disclosure was provided to the borrower before the financial institution’s submission of its loan/application register.

The Bureau is adopting comment 4(a)(17)(i)–3 effective January 1, 2018, and as amended again effective January 1, 2020, substantially as proposed. The Bureau is not adopting the proposal to refer to the date “final action is taken” instead of the date “closing occurs.”

The Bureau explained in the April 2017 HMDA Proposal that it believed that referring to the reporting period in which final action is taken, rather than when closing occurred, would improve clarity and consistency with the language used in Regulation C.126 However, in light of comments indicating potential uncertainty regarding the significance of this proposed change, the Bureau is adopting comment 4(a)(17)(i)–3 to include the phrase “closing occurs,” as adopted in the 2015 HMDA Final Rule. Because § 1003.4(a)(17)(i) applies to covered loans for which a Closing Disclosure is provided pursuant to Regulation Z § 1026.19(f), for purposes of comment 4(a)(17)(i)–3 final action means the date that closing occurs. Thus, the Bureau believes it is appropriate to refer to the date closing occurs in comment 4(a)(17)(i)–3. Regarding the cutoff date for reporting corrected amounts as disclosed on a corrected disclosure, the Bureau refers to the discussion in the section-by-section analysis of § 1003.4(a)(12) above.

Pursuant to HMDA sections 305(a) and 304(b)(5)(D), in the 2015 HMDA Final Rule the Bureau adopted § 1003.4(a)(20) to require financial institutions to report, for covered loans subject to the disclosure requirements in Regulation Z § 1026.19(f), the total amount of lender credits, as disclosed pursuant to § 1026.38(f)(1). As adopted by the 2015 HMDA Final Rule, comment 4(a)(20)–3 provides the same guidance concerning reporting of lender credits as provided in comment 4(a)(17)(i)–3 regarding reporting total loan costs in situations where a financial institution has issued a revised Closing Disclosure with a new amount of lender credits. The Bureau proposed parallel edits to comment 4(a)(20)–3 to those proposed to comment 4(a)(17)(i)–3. For the reasons discussed above in the section-by-section analysis of § 1003.4(a)(17), the Bureau is adopting comment 4(a)(20)–3 effective January 1, 2018, and as amended again effective January 1, 2020, substantially as proposed.

Pursuant to HMDA sections 305(a) and 304(b)(6)(f), the Bureau adopted § 1003.4(a)(21) in the 2015 HMDA Final Rule to require financial institutions to report the interest rate applicable to the approved application or to the covered loan at closing or account opening. Comment 4(a)(21)–1 clarifies the interest rate that financial institutions must report for covered loans or applications subject to the disclosure requirements of Regulation Z § 1026.19(e) or (f). The Bureau proposed to amend comment 4(a)(21)–1 to clarify that, if a financial institution provides a revised or corrected version of the disclosures required under Regulation Z § 1026.19(e) or (f), as applicable, the financial institution complies with § 1003.4(a)(21) by reporting the interest rate on the revised or corrected disclosure, provided that the revised or corrected disclosure was provided to the borrower before the end of the reporting period in which final action is taken. The Bureau also proposed certain other minor clarifications to comment 4(a)(21)–1. One national trade association recommended that financial institutions be permitted to report corrected amounts reflected on a corrected disclosure so long as the disclosure was provided to the borrower before the financial institution’s submission of its loan/application register. See the discussion above in the section-by-section analysis of § 1003.4(a)(12) concerning that comment. The Bureau is adopting comment 4(a)(21)–1 as proposed, with a minor clarification to specify the early and the final disclosure requirements in Regulation Z § 1026.19(e) and (f) and to add an omitted “the.”

Pursuant to its authority under sections 304(b)(6)(f) and 305(a) of HMDA, the Bureau adopted § 1003.4(a)(24) in the 2015 HMDA Final Rule to require, except for purchased covered loans, financial institutions to report the ratio of the total amount of debt secured by the property to the value of the property relied on in making the credit decision. The ratio of the total amount of debt secured by the property to the value of the property relied on in making the credit decision generally is referred to as the combined

loan-to-value (CLTV) ratio. The Bureau proposed a technical correction to comment 4(a)(24)–2 and to add new comment 4(a)(24)–6 to provide additional guidance on the requirement to report the CLTV ratio relied on in making the credit decision.

A few commenters requested exemptions from the reporting requirements in §1003.4(a)(24) for reverse mortgages, assumptions, or loans made by credit unions, with one commenter suggesting that the data point be removed entirely. One national trade association requested the Bureau clarify that, in the case of reverse mortgages, the total amount of debt secured by the property is limited to mortgage liens, while another national trade association requested resubmission guidelines for reporting CLTV ratio.

The Bureau is adopting comments 4(a)(24)–2 and –6 as proposed, with technical revisions for clarity. Regarding the calculation of the CLTV ratio, final comment 4(a)(24)–6 clarifies further that §1003.4(a)(24) does not require a financial institution to use a particular CLTV ratio calculation method but instead requires financial institutions to report the CLTV ratio relied on in making the credit decision. As to commenters’ requests for exemptions from §1003.4(a)(24), the Bureau notes that §1003.4(a)(24) does not require a financial institution to calculate a CLTV ratio and does not require a financial institution to rely on a CLTV ratio in making a credit decision. If a financial institution makes a credit decision without relying on a CLTV ratio, the financial institution complies with §1003.4(a)(24) by reporting that the requirement is not applicable. The Bureau also notes that, as provided in comment 2(d)–2i, assumptions are considered extensions of credit even if the new borrower assumes an existing debt obligation. Thus, if a financial institution that grants an assumption of a debt obligation relies on a CLTV ratio in making the credit decision related to the application for the assumption, the financial institution complies with §1003.4(a)(24) by reporting that CLTV ratio. A financial institution that grants an assumption of a debt obligation does not report the CLTV ratio relied on by the originating institution, unless it relied on that CLTV ratio in making the credit decision related to the application for the assumption. The same principles regarding reporting the CLTV ratio apply to reverse mortgages as defined under §1003.2(q).

4(a)(26)

The Bureau implemented HMDA section 304(b)(6)(B) in the 2015 HMDA Final Rule by adopting §1003.4(a)(26) to require that financial institutions collect and report data on the number of months, or proposed number of months in the case of an application, until the first date the interest rate may change after closing or account opening. The Bureau proposed additional commentary to §1003.4(a)(26) to clarify reporting requirements for non-monthly introductory interest rate periods.

A few commenters expressed support for the proposed clarification regarding non-monthly introductory rate periods, stating that the proposal would help facilitate implementation. A vendor that supported the proposal requested additional clarification on situations where a construction loan that converts to permanent financing features a different interest rate than the permanent financing and where a loan has a temporary buydown agreement that is separate from the note. A large financial institution expressed uncertainty regarding reporting when a variable-rate loan is tied to an index that can change at any time and requested that financial institutions be permitted to report “not applicable” in such circumstances. One national trade association recommended that the Bureau exempt purchases and assumptions of loans secured by multifamily dwellings, stating that reporting such information would provide limited public policy benefits. This commenter also suggested referring to the “initial rate period” instead of to the “introductory” rate to reduce confusion. One national trade association requested that reverse mortgages be exempt from §1003.4(a)(26).

4(a)(26)

The Bureau is adopting new comment 4(a)(26)–5 as proposed. Comment 4(a)(26)–5 provides that if a covered loan or application includes an introductory interest rate period measured in a unit of time other than months, the financial institution complies with §1003.4(a)(26) by reporting the introductory interest rate period for the covered loan or application using an equivalent number of whole months without regard for any remainder and provides an example. Regarding requests for further clarifications, §1003.4(a)(26) requires a financial institution to report the number of months, or proposed number of months in the case of an application, from closing or account opening until the first date the interest rate may change. Regarding the request for additional guidance on reporting when a construction loan converts to permanent financing, §1003.4(a)(26) provides a single standard for reporting that does not depend on loan type or loan purpose and that applies regardless of how the interest rate adjustment is characterized. Regarding the request for additional guidance on reporting when a loan has a temporary buydown agreement, §1003.4(a)(26) does not prescribe a specific method by which the change in interest rate must be reflected (i.e., on the note or in a separate agreement). As to situations where it is not known with certainty when the interest rate may change, §1003.4(a)(26) refers to the first date the interest rate may change, rather than will change, after closing or account opening. Comment 4(a)(26)–1 explains that §1003.4(a)(26) requires a financial institution to report the number of months based on when the first interest rate adjustment may occur, even if an interest rate adjustment is not required to occur at that time and even if the rates that will apply, or the periods for which they will apply, are not known at closing or account opening, and includes an illustrative example. The Bureau notes that §1003.4(a)(26) does not refer to “introductory” rates and that the commentary to §1003.4(a)(26) uses this term solely to illustrate, and not to change, the substantive requirements in §1003.4(a)(26). The Bureau declines to adopt further exemptions from §1003.4(a)(26). As the Bureau explained in the 2015 HMDA Final Rule, interest rate variability can be an important feature in affordability, and having such information on covered loans and applications could be used to identify possible discriminatory lending patterns. The Bureau also notes that, as adopted in the 2015 HMDA Final Rule, comments 4(a)(26)–3 and –4 exclude certain transactions from the reporting requirements in §1003.4(a)(26).

4(a)(34)

HMDA section 304(b)(6)(F) requires the reporting of “as the Bureau may determine to be appropriate,” a unique identifier that identifies the loan originator as set forth in “the Secure and Fair Enforcement for Mortgage Licensing Act (SAFE Act).”127 Section 1003.4(a)(34) as adopted by the 2015 HMDA Final Rule implements this provision by requiring the reporting of the unique identifier assigned to the loan originator by the National Mortgage Licensing System and Registry (NMLSR ID) for covered loans and applications.

including purchased loans. Comment 4(a)(34)–2 as adopted by the 2015 HMDA Final Rule explains that, if a mortgage loan originator has been assigned an NMLSR ID, a financial institution complies with § 1003.4(a)(34) by reporting the mortgage loan originator’s NMLSR ID regardless of whether the mortgage loan originator is required to obtain an NMLSR ID for the particular transaction being reported by the financial institution. To avoid difficulties that purchasers of loans are likely to experience in reporting the NMLSR ID during transition to the new reporting regime, the Bureau proposed new comment 4(a)(34)–4, which would provide two transitional rules for loan purchases.

The preamble to the 2015 HMDA Final Rule stated the Bureau’s belief that reporting the NMLSR ID would impose little to no ongoing cost for financial institutions because the information is required to be provided on certain loan documents pursuant to Regulation Z (the loan originator rules). However, the Bureau had become aware that financial institutions reporting covered loans that they purchase may sometimes have difficulty reporting this information because the NMLSR ID may not be listed on the loan documents of purchased loans that were originated before the ID disclosure requirement took effect. In addition, the loan documents for purchased loans that are not covered by Regulation Z may not include the NMLSR ID even when the loan originator has been assigned an NMLSR ID. A later purchaser must report the NMLSR ID according to the interpretation in comment 4(a)(34)–2, as adopted by the 2015 HMDA Final Rule, if it is a covered loan (e.g., a commercial purpose home purchase loan).

Consequently, the Bureau proposed two transitional rules for purchasers to facilitate the reporting of the NMLSR ID—one for loans covered by Regulation Z and originated before the effective date of the loan originator rules on January 10, 2014, and a second for loans not covered by Regulation Z and originated before January 1, 2018. Seven commenters discussed the NMLSR ID transition rules and all of them expressed support for the changes. Three of these commenters requested that the Bureau extend or make permanent the transitional rule for non-Regulation Z loans. One commenter stated that there will be difficulties when purchasing loans from an originating seller that is not itself a HMDA reporter. Another commenter said that the practical difficulties that the non-Regulation Z transitional rule is meant to allay will still exist after January 1, 2018. A third commenter suggested that the Bureau allow purchasers to report that the requirement is not applicable whenever there is no NMLSR ID on the loan documents.

Commenters also suggested that the transitional rules for purchasers be extended to data points beyond the NMLSR ID. One commenter suggested a transitional rule that would allow purchasers to report whatever data was originally reported on the loan. Another commenter requested a transitional rule for reporting of assumptions.

The Bureau has carefully considered the comments submitted and is adopting comment 4(a)(34)–4 as proposed. Commenters have pointed out that they may purchase after the effective date of the 2015 HMDA Final Rule loans that were originated before Regulation Z’s loan originator rules became effective on January 10, 2014. In such cases, the loan documents may not include the NMLSR ID, even when the loan originator had been assigned one. Comment 4(a)(34)–2, however, otherwise provides that § 1003.4(a)(34) requires reporting the NMLSR ID for such loans. In such a circumstance, this reporting may impose considerable challenges to require purchasers to acquire this information. Therefore, the transitional rule in new comment 4(a)(34)–4 explains that, if a financial institution purchases a covered loan that satisfies the coverage criteria of Regulation Z § 1026.36(g) and that was originated before January 10, 2014, the financial institution complies with § 1003.4(a)(34) by reporting that the requirement is not applicable.

As explained above, the loan documents for purchased loans that are not covered by Regulation Z but are nevertheless covered loans (e.g., a commercial purpose home purchase loan) also may not include the NMLSR ID, even when the loan originator has been assigned an NMLSR ID. Nevertheless, a later purchaser must report the NMLSR ID under comment 4(a)(34)–2, as adopted by the 2015 HMDA Final Rule. The Bureau believes that it is appropriate to provide sufficient time for originators and purchasers to develop processes that will ensure compliance in this situation. The Bureau also believes that originators and purchasers of such loans will be able to arrange for compliance given the extra transitional period provided under the new rule. Therefore, the Bureau adopts the second transitional rule in new comment 4(a)(34)–4 as proposed. The comment explains that, if a financial institution purchases a covered loan that does not satisfy the coverage criteria of Regulation Z § 1026.36(g) and that was originated before January 1, 2018, the financial institution complies with § 1003.4(a)(34) by reporting that the requirement is not applicable.

As adopted, new comment 4(a)(34)–4 also makes clear that purchasers of the loans exempted by the transitional rules discussed above may report the NMLSR ID voluntarily. The information may be useful, and the Bureau believes that, if the NMLSR ID is present in the loan data of purchased loans to which the transitional rules apply, it may add burden to require it to be removed.

Commenters’ suggestions about transitional rules for other data points and general treatment of purchased loans were not proposed, and the Bureau has not benefited from public comment concerning them. The transitional rules regarding the NMLSR ID are being adopted due to specific documentation issues that will create challenges for purchasers, and the absence of data that will result is reasonably well known and circumscribed. Commenters did not provide specific discussion of the challenges that other transitional rules would address and what potential burdens would exist.

In addition, the Bureau notes that assumptions are reportable under the current HMDA rule and are treated as new extensions of credit, so reporting will not require data from the previous origination of the loan being assumed. 4(a)(35)

In the 2015 HMDA Final Rule, pursuant to its authority under sections 305(a) and 304(b)(6)(J) of HMDA, the Bureau adopted § 1003.4(a)(35)(i) to require a financial institution to report, except for purchased covered loans, the name of the automated underwriting system (AUS) it used to evaluate the application and the result generated by that AUS. As adopted by the 2015 HMDA Final Rule, § 1003.4(a)(35)(ii) provides that an AUS means an electronic tool developed by a securitizer, Federal government insurer, or Federal government guarantor that provides a result regarding the credit risk of the applicant and whether the covered loan is eligible to be originated, purchased, insured, or guaranteed by that securitizer, Federal government insurer, or Federal government guarantor. The Bureau proposed to amend § 1003.4(a)(35)(ii) to clarify
further the definition of AUS. The Bureau proposed conforming amendments to comment 4(a)(35)–2 and proposed new comment 4(a)(35)–7 to provide guidance regarding a financial institution’s determination of whether the system it is using to evaluate an application is an AUS for purposes of § 1003.4(a)(35).

A few commenters supported the proposed clarifications to the definition of AUS and the additional guidance in proposed new comment 4(a)(35)–7. One national trade association stated that the 2015 HMDA Final Rule uses the term securitizer in the present tense, thereby indicating that, if the financial institution that developed the electronic system is no longer securitizing loans, that system would not meet the definition of AUS. It asserted that the proposal to clarify that a person is a securitizer if it has ever securitized a loan is a substantive change that should result in an additional implementation period. A software vendor commenter requested additional guidance on reporting requirements when a financial institution uses Technology Open to Approved Lenders (TOTAL) Scorecard in conjunction with other AUSs.

The Bureau is adopting § 1003.4(a)(35)(ii) and comments 4(a)(35)–2 and −7 as proposed, with minor amendments for clarity in comment 4(a)(12)–2. Accordingly, final § 1003.4(a)(35)(ii) explains that, for purposes of § 1003.4(a)(35), an AUS means an electronic tool developed by a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit that provides a result regarding the credit risk of the applicant and whether the covered loan is eligible to be originated, purchased, insured, or guaranteed by that securitizer, Federal government insurer, or Federal government guarantor. Final § 1003.4(a)(35)(ii) explains further that, a person is a securitizer, Federal government insurer, or Federal government guarantor. Final § 1003.4(a)(35)(ii) explains further that, a person is a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit, respectively, if it has securitized, provided Federal government insurance, or provided a Federal government guarantee for a closed-end mortgage loan or open-end line of credit at any point in time. It provides still further that, a person may be a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit, respectively, for purposes of § 1003.4(a)(35) even if it is not actively securitizing, insuring, or guaranteeing closed-end mortgage loans or open-end lines of credit at the time a financial institution uses the system in question. Additionally, final comment 4(a)(35)–2 clarifies that where the person that developed the electronic tool has never been a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit, respectively, at the time a financial institution uses the tool to evaluate an application, the financial institution complies with § 1003.4(a)(35) by reporting that the requirement is not applicable because an AUS was not used to evaluate the application. In addition to these conforming amendments, the Bureau is adopting final comment 4(a)(35)–2 with minor technical revisions.

The Bureau is adopting new comment 4(a)(35)–7 to add clarity regarding a financial institution’s determination of whether the system it is using to evaluate an application is an electronic tool developed by a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit. Comment 4(a)(35)–7 sets forth the definition of AUS under final § 1003.4(a)(35)(ii). It clarifies that if a financial institution knows or reasonably believes that the system it is using to evaluate an application is an electronic tool that has been developed by a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit, then the financial institution complies with § 1003.4(a)(35) by reporting the name of that system and the result generated by that system. Comment 4(a)(35)–7 explains that knowledge or reasonable belief could be based on a sales agreement or other related documents, the financial institution’s previous transactions or relationship with the developer of the electronic tool, or representations made by the developer of the electronic tool demonstrating that the developer of the electronic tool is a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit.

Additionally, comment 4(a)(35)–7 provides that if a financial institution does not know or reasonably believe that the system it is using to evaluate an application is an electronic tool that has been developed by a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit, the financial institution complies with § 1003.4(a)(35) by reporting that the requirement is not applicable, provided that the financial institution maintains procedures reasonably adapted to determine whether the electronic tool it is using to evaluate an application meets the definition in § 1003.4(a)(35)(ii). This comment explains that reasonably adapted procedures include attempting to determine with reasonable frequency, such as annually, whether the developer of the electronic tool is a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit. Finally, comment 4(a)(35)–7 includes illustrative examples demonstrating how a financial institution complies with § 1003.4(a)(35) depending on whether it knows or reasonably believes that the system it is using to evaluate an application is an electronic tool that has been developed by a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit. As to one commenter’s statement that the proposal would constitute a substantive change requiring a new implementation period, the Bureau notes that, as discussed in the April 2017 HMDA Proposed Final Rule, the Final Rule did not define the timeframe relevant to the determination of whether a person is a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit.

The Bureau is adopting conforming amendments to comment 4(a)(35)–2 to reflect final § 1003.4(a)(35)(ii). Final comment 4(a)(35)–2 clarifies that, to be covered by the AUS definition in § 1003.4(a)(35)(ii), a system must be an electronic tool that has been developed by a securitizer, Federal government insurer, or a Federal government guarantor of closed-end mortgage loans or open-end lines of credit. Final comment 4(a)(35)–2 provides further that, a person is a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit, respectively, if it has securitized, provided Federal government insurance, or provided a Federal government guarantee for a closed-end mortgage loan or open-end line of credit at any point in time. It provides still further that, a person may be a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit, respectively, for purposes of § 1003.4(a)(35) even if it is not actively securitizing, insuring, or guaranteeing closed-end mortgage loans or open-end lines of credit at the time a financial institution uses the system in question. Additionally, final comment 4(a)(35)–2 clarifies that where the person that developed the electronic tool has never been a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit, respectively, at the time a financial institution uses the tool to evaluate an application, the financial institution complies with § 1003.4(a)(35) by reporting that the requirement is not applicable because an AUS was not used to evaluate the application. In addition to these conforming amendments, the Bureau is adopting final comment 4(a)(35)–2 with minor technical revisions.

The Bureau is adopting new comment 4(a)(35)–7 to add clarity regarding a financial institution’s determination of whether the system it is using to evaluate an application is an electronic tool developed by a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit. Comment 4(a)(35)–7 sets forth the definition of AUS under final § 1003.4(a)(35)(ii). It clarifies that if a financial institution knows or reasonably believes that the system it is using to evaluate an application is an electronic tool that has been developed by a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit, then the financial institution complies with § 1003.4(a)(35) by reporting the name of that system and the result generated by that system. Comment 4(a)(35)–7 explains that knowledge or reasonable belief could be based on a sales agreement or other related documents, the financial institution’s previous transactions or relationship with the developer of the electronic tool, or representations made by the developer of the electronic tool demonstrating that the developer of the electronic tool is a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit.
Section 1003.5 Disclosure and Reporting

5(a) Reporting to Agency
5(a)(3)

Pursuant to HMDA section 305(a), in the 2015 HMDA Final Rule the Bureau adopted § 1003.5(a)(3), effective January 1, 2019, to require financial institutions to provide their Legal Entity Identifier (LEI) when reporting HMDA data and to set forth certain other requirements regarding the information a financial institution must include in its submission. Specifically, § 1003.5(a)(3)(ii) requires a financial institution to provide with its submission the calendar year the data submission covers pursuant to § 1003.5(a)(1)(i) or calendar quarter and year the data submission covers pursuant to § 1003.5(a)(1)(ii). The Bureau proposed to amend § 1003.5(a)(3)(ii) to reflect the different effective dates for annual reporting requirements in § 1003.5(a)(1)(i) and quarterly reporting requirements in § 1003.5(a)(1)(ii) adopted by the 2015 HMDA Final Rule. The Bureau received no comments regarding the proposed amendments and therefore is adopting § 1003.5(a)(3)(ii) as proposed.

Section 1003.6 Enforcement

6(a) Bona Fide Errors

Current § 1003.6(b) provides that “bona fide errors” are not violations of HMDA and Regulation C and provides guidance about what qualifies as a bona fide error. Current § 1003.6(b)(2) provides that an incorrect entry for a census tract number is deemed a bona fide error, and is not a violation of HMDA or Regulation C, if the financial institution maintains procedures reasonably adapted to avoid such errors. The Bureau proposed amendments to the commentary to § 1003.6(b) to clarify that incorrect entries reporting the census tract number of a property are not a violation of HMDA or Regulation C if the financial institution properly uses a geocoding tool made available through the Bureau’s Web site, the financial institution enters an accurate property address, and the tool provides a census tract number for the property address entered.

To ease the burden associated with reporting the census tract number required by Regulation C, the Bureau plans to make available on its Web site a geocoding tool to provide the census tract based on property addresses entered by users. The Bureau proposed new comment 6(b)–2 to clarify that obtaining census tract information for covered loans and applications from the geocoding tool on the Bureau’s Web site is an example of a procedure reasonably adapted to avoid incorrect entries for a census tract number under § 1003.6(b)(2). The proposed comment stated that a census tract error is not a violation of HMDA or Regulation C if the financial institution obtained the census tract number from the geocoding tool on the Bureau’s Web site after entering an accurate property address. The proposed comment stated, however, that a financial institution’s failure to provide the required census tract information for a covered loan or application on its loan/application register because the geocoding tool on the Bureau’s Web site did not provide a census tract for the property address entered by the financial institution is not excused as a bona fide error. The proposed comment also explained that a census tract error caused by a financial institution entering an inaccurate property address into the geocoding tool on the Bureau’s Web site is not excused as a bona fide error. The Bureau also proposed to add to comment 6(b)–1 a cross reference to proposed comment 6(b)–2.

The Bureau received nine comments from trade associations, financial institutions, and other industry participants on the proposed amendments. One commenter supported the safe harbor protections provided by using the geocoding tool on the Bureau’s Web site. Several commenters suggested that the bona fide error should include any error generated by the geocoding tool on the Bureau’s Web site, including the tool’s failure to return an address. One vendor commenter opposed providing a safe harbor for the geocoding tool on the Bureau’s Web site unless other geocoding tools receive a similar safe harbor. Several commenters expressed concern that the geocoding tool on the Bureau’s Web site would not be available in a timeframe that would allow for testing and implementation and suggested that the Bureau delay the effective date of the safe harbor provision.

The Bureau is finalizing comments 6(b)–1 and –2 largely as proposed. The Bureau does not agree with commenters that the scope of proposed comment 6(b)–2 is too narrow. To provide protections for all errors generated through the use of the geocoding tool on the Bureau’s Web site, regardless of the reason for the error, would be overbroad. Accurate information about the census tract of the property is essential to HMDA’s purposes. Therefore, the Bureau believes that an accurate census tract should be reported in as many cases as possible. At the same time, however, a financial institution should not face compliance risk for inaccuracies resulting from information provided by the geocoding tool on the Bureau’s Web site.

The Bureau believes that proposed comment 6(b)–2 appropriately balances those concerns by requiring financial institutions to enter an accurate property address. For the same reason, in cases when the geocoding tool on the Bureau’s Web site does not generate a census tract number for a particular address, the Bureau believes the burden is appropriately placed on financial institutions to, by other means, identify the census tract, as they do when using any other Geocoding Tool. Financial institutions bear the reporting responsibility under HMDA generally, to identify the census tract; financial institutions are in a better position to identify the census tract using other information that they have about property location, such as the local area or parcel number.

The Bureau did not intend, as commenters appear to have inferred, that only census tract errors generated by the geocoding tool on the Bureau’s Web site are bona fide errors. Current § 1003.6 states that an error in
compiling or recording data for a covered loan or application is not a violation if the error was unintentional and occurred despite the maintenance of procedures reasonably adapted to avoid such an error, and neither the 2015 HMDA Final Rule nor this final rule changes that provision. New comment 6(b)—2 merely clarifies that the geocoding tool on the Bureau’s Web site serves as one example of a procedure reasonably adapted to avoid geocoding errors, depending on the facts and circumstances. If a financial institution chooses to use an alternative geocoding tool that constitutes a procedure reasonably adapted to avoid geocoding and tract errors, the financial institution will receive the same safe harbor protections. The Bureau cannot extend safe harbor status to any and all such alternative geocoding tools, however, because it does not control the accuracy or reliability of such tools.

The Bureau declines to delay the effective date of these bona fide error protections, and is making the protections available beginning with data collected during the 2018 calendar year.131 The Bureau believes that financial institutions should be able to take advantage of the safe harbor as soon as the Bureau makes a geocoding tool available on its Web site. While some financial institutions may not adopt its use immediately, for those that do so, the safe harbor should be available without any delay. However, to avoid any confusion in the event that the Bureau does not make the geocoding tool available on its Web site before financial institutions begin collecting 2018 calendar year data the Bureau is modifying the language in proposed comment 6(b)—2 to clarify that the safe harbor is available only once the Bureau has made the geocoding tool available on its Web site. The Bureau also is making some technical changes to the comment for clarity.

6(c) Quarterly Recording and Reporting

Current § 1003.6(b)(3) provides that errors and omissions in data that a financial institution records on its loan/application register on a quarterly basis, as required under § 1003.4(a) are not violations of HMDA or Regulation C if the institution makes a good-faith effort to record all required data fully and accurately within thirty calendar days after the end of each calendar quarter and corrects or completes the data before reporting the data to its appropriate Federal agency. In the 2015 HMDA Final Rule, the Bureau moved the substance of current § 1003.6(b)(3) to new § 1003.6(c)(1) and added new § 1003.6(c)(2) to provide that a similar safe harbor applies to data reported on a quarterly basis pursuant to § 1003.5(a)(1)(ii). Pursuant to § 1003.6(c)(2), errors and omissions in the data submitted pursuant to § 1003.5(a)(1)(ii) will not be considered HMDA or Regulation C violations provided the same conditions that currently provide a safe harbor for errors and omissions in quarterly recorded data are satisfied. The Bureau proposed to amend § 1003.6(c)(2) so that its effective date aligns with the effective date for the quarterly reporting requirements in § 1003.5(a)(1)(ii), for which § 1003.6(c)(2) provides a safe harbor. Specifically, the Bureau proposed to remove § 1003.6(c)(2) and to redesignate § 1003.6(c)(1) as § 1003.6(c) effective January 1, 2019. The Bureau proposed to add § 1003.6(c)(2), as adopted by the 2015 HMDA Final Rule, and to redesignate § 1003.6(c) as § 1003.6(c)(1) effective January 1, 2020. The Bureau received no comments regarding this proposal and therefore is adopting the revisions to § 1003.6(c) effective January 1, 2019, and effective January 1, 2020, as proposed.

Appendix B to Part 1003—Form and Instructions for Data Collection of Ethnicity, Race, and Sex

HMDA and Regulation C currently require financial institutions to collect the ethnicity, race, and sex of an applicant or borrower for covered loans and applications.132 Current appendix B to Regulation C provides data collection instructions and a sample data collection form for use in collecting an applicant’s or borrower’s information. In the 2015 HMDA Final Rule, the Bureau revised the ethnicity, race, and sex data collection requirements and instructions.133 Among other changes, revised appendix B requires financial institutions to collect disaggregated ethnic and racial categories beginning January 1, 2018. To facilitate compliance and make various corrections, the Bureau proposed certain amendments to the instructions and sample data collection form contained in revised appendix B.

Ethnicity and Race Subcategories

Instruction 8 in revised appendix B provides that financial institutions must report the ethnicity, race, and sex of an applicant as provided by the applicant. The instruction provides the example that, if an applicant selects the Mexican ethnicity subcategory, the financial institution reports Mexican for the ethnicity of the applicant. Instruction 9.i similarly provides that a financial institution must report each ethnicity category and subcategory selected by the applicant. Instruction 9.i further provides that, if an applicant selects the Hispanic or Latino ethnicity category, the applicant may select up to four ethnicity subcategories.

To clarify the circumstances in which an applicant may select a subcategory and to address any perceived inconsistencies, the Bureau proposed to amend instructions 8 and 9.i. Specifically, the Bureau proposed to amend instruction 8 to provide that an applicant may select an ethnicity or race subcategory even if the applicant does not select an aggregate ethnicity or race category. The April 2017 HMDA Proposal also clarified that a financial institution should not report an aggregate category if not selected by the applicant. The Bureau further proposed to amend instruction 9.i to remove language suggesting that the selection of Hispanic or Latino is a precondition to selecting the ethnicity subcategories. For the reasons discussed below, the Bureau is adopting Instructions 8 and 9.i concerning the selection of ethnicity and race subcategories as proposed with minor revisions for clarity.

The majority of commenters addressing the proposed revisions to instruction 8 and 9.i expressed appreciation for the clarifications. Consumer advocacy groups and an industry commenter also supported the proposal because it would reflect an applicant’s preferences and identity.

Some industry commenters opposed the proposed revisions to instruction 8 and 9.i. One commenter argued that the proposed clarifications are contrary to the instructions in revised appendix B and would undermine implementation work already performed. The commenter further asserted that the proposed revisions would not promote...
self-identification or other benefits, as consumers submitting applications online know how to navigate through a variety of menu options. The commenter expressed the view that the proposed changes could instead have negative effects on consumers by providing too much information. The commenter further argued that the proposed revisions would require additional engineering and software development that may delay implementation. The commenter suggested that the Bureau defer making any amendments until the Bureau reviews ethnicity and race data submitted under revised appendix B.

Another industry commenter argued that the proposed revisions would not align with lender systems, which in some cases are programmed to trigger automatically the selection of a main category when a subcategory is selected. The industry commenter explained that permitting automatic selection of the aggregate category would also be important for data analysis. The commenter suggested that, if an applicant selects only a subcategory, the financial institution must also report the aggregate category to which the subcategory belongs.

The Bureau disagrees that the proposed revisions are inconsistent with the 2015 HMDA Final Rule, as revised appendix B does not definitively address the reporting of subcategories alone. Rather, as described above and in the April 2017 HMDA Proposal, the Bureau finds that revised appendix B instructions 8 and 9 provide potentially inconsistent instructions that may cause uncertainty on whether an applicant may select only a subcategory without the corresponding aggregate category. The Bureau therefore finds it necessary to provide certainty, and indeed several commenters have expressed support for the Bureau’s clarification of this issue. The clarification is also consistent with informal guidance provided to date by the Bureau.

The Bureau believes financial institutions can implement and test any adjustments that might be required as a result of the clarification before the effective date. To the extent the clarification requires certain financial institutions to make technical changes, those changes will require only minor adjustments rather than significant system updates. Moreover, commenters who expressed concern about the implementation period may not have expected this rule to be finalized so quickly, and industry more than four months time for implementation. For these reasons, the Bureau concludes that financial institutions will be capable of making the required changes in the several months remaining before the effective date of January 1, 2018.

The Bureau also disagrees that providing applicants the opportunity to select a subcategory alone will be confusing to applicants, and notes that the commenter provides no testing results or data for such a conclusion. Rather, the Bureau believes that providing applicants with the opportunity to view and select the enumerated subcategories will increase optionality for the applicant and promote self-identification. For example, an applicant may identify as Mexican, but not Hispanic or Latino, and providing the applicant the option to view and choose only Mexican therefore may increase the response rate. The Bureau believes that applicants should always be able to select only a subcategory if it best reflects their self-identification preferences.

The Bureau also disagrees that the alternative proposed by an industry commenter to require a financial institution to report the corresponding aggregate category if an applicant selects only a subcategory. While the Bureau understands that such a requirement may reflect some institutions’ systems, it may not reflect all financial institutions’ practices. The Bureau declines as part of this rulemaking to impose an additional requirement on financial institutions to report the aggregate category if a subcategory is selected. Moreover, as discussed above, the Bureau believes that some applicants may self-identify as a subcategory but not the corresponding aggregate category, thus reporting only what the applicant selects would better reflect applicant identity and may increase the response rate. The Bureau also does not believe that such an alternative is necessary for data analysis, as users may roll up the subcategories into their corresponding categories when analyzing the data, irrespective of how the data are reported.

One industry commenter argued that the proposed clarification would result in inconsistent reporting. The commenter noted that the same applicant could be reported as an aggregate category before the effective date and a subcategory after the effective date. The commenter further noted that by removing a requirement to report the aggregate categories, many additional subcategories will be created and therefore not be being reported. The commenter argued that inconsistent reporting would undermine HMDA’s purposes and requested that the Bureau provide guidance on how to analyze data collected before and after the effective date.

The Bureau declines to provide such guidance. As noted above, reporting requirements may differ from data analysis methods, and nothing in the revisions to instructions 8 and 9.i would preclude a financial institution from rolling up the subcategories into their corresponding aggregate categories for purposes of data analysis. Moreover, the Bureau sought comment only on the reporting requirements. The Bureau disagrees that the clarification will dilute the data being reported and notes that the commenter provides no evidence to support this conclusion. To the extent the clarification may result in differing reporting before and after the effective date, the Bureau notes that some variation is common during any transition period.

Several commenters asked for clarification concerning how the revisions to instructions 8 and 9.i may affect other requirements of revised appendix B. One industry commenter requested confirmation that the amendments would not alter the requirements in revised appendix B concerning the collection of ethnicity, race, and sex information on the basis of visual observation or surname. The Bureau agrees that the proposed amendments would not alter revised appendix B in this respect.

Another industry commenter requested guidance on how the clarifications would affect applications dated before January 1, 2018. The Bureau believes the commenter is referring to a Bureau approval notice issued on September 23, 2016, concerning the collection of ethnicity and race information in 2017 (Bureau Approval Notice), which provides that, at any time from January 1, 2017, through December 31, 2017, a creditor may, at its option, permit applicants to self-identify using disaggregated ethnic and racial categories as instructed in revised appendix B. Specifically, the Bureau Approval Notice provides that, for any application in which final action is taken in 2017, a financial institution that chooses to collect disaggregated information should report the aggregate ethnicity and race categories that “correspond” with the disaggregated categories. The Bureau Approval Notice provides further that for

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135 Id. at 66931.
purposes of submitting HMDA data for applications received on or after January 1, 2017, and before January 1, 2018, the financial institution, at its option, may submit the information concerning ethnicity and race using disaggregated categories if the applicant provided such information instead of using the transition rule set forth in comment 4(a)(10)(i)–2 as adopted by the 2015 HMDA Final Rule, or it may submit the information in accordance with that transition rule.136 The Bureau’s clarifications to instructions 8 and 9.1 do not affect the Bureau Approval Notice or the transition rule for reporting ethnicity and race information collected in 2017 for which final action is taken in 2017 or 2018; where a financial institution collects disaggregated information in 2017, but reports only aggregate information, the financial institution should report the categories that correspond to any selected subcategories.

For the reasons given above, the Bureau is adopting the amendments in instructions 8 and 9.1 concerning the selection of ethnicity and race subcategories as proposed with minor revisions for clarity.

Other Ethnicity and Other Race Subcategories and the American Indian or Alaska Native Race Category

Instructions 9.ii and 9.iv in revised appendix B provide instructions for collecting and reporting an Other ethnicity or race subcategory and free-form field. Specifically, instruction 9.ii provides that, if an applicant selects the Other Hispanic or Latino ethnicity subcategory, the applicant may also provide a particular Hispanic or Latino ethnicity not listed in the standard subcategories. Instruction 9.iv similarly provides that, if an applicant selects the Other Asian race subcategory or the Other Pacific Islander race subcategory, the applicant may also provide a particular Other Asian or Other Pacific Islander race not listed in the standard subcategories. The sample data collection form included in revised appendix B provides for an Other ethnicity or race subcategory the applicant can select and a free-form field in which an applicant can provide a particular ethnicity or race. The sample data collection form also includes an American Indian or Alaska Native race category an applicant can select and a free-form field in which an applicant can provide a particular American Indian or Alaska Native

136 Id.
Indian or Alaska Native free-form field. Accordingly, the Bureau is adding a new instruction 9.v that mirrors the instructions for reporting the Other race or ethnicity subcategories set forth in final instruction 9.ii and 9.iv.

One commenter requested additional clarification on how to count the Other race or ethnicity subcategory for purposes of the five-race or -ethnicity maximum. As described in instructions 9.ii and 9.iv, the Other race or ethnicity field will always constitute one selection for purposes of the five-race or -ethnicity maximum. For example, if an applicant selects only the Other Hispanic or Latino subcategory and does not provide a specific Other race or ethnicity in the free-form field, that selection counts as one selection for purposes of the maximum. Similarly, if an applicant selects the Other Hispanic or Latino ethnicity subcategory and also provides a specific Hispanic or Latino ethnicity in the free-form field, these selections together constitute only one selection. As set forth in final instruction 9.i, the American Indian or Alaska Native field will also always constitute one selection for purposes of the five-race maximum.

For the reasons discussed above, the Bureau is adopting certain revisions to instructions 9.ii and 9.iv to address industry comments and adding instruction 9.v to provide conforming changes to the American Indian and Alaska Native field. Specifically, the Bureau is amending instructions 9.ii and 9.iv to permit, but not require, a financial institution to report an Other Hispanic or Latino, Other Asian, or Other Pacific Islander subcategory, as applicable, if an applicant provides a specific Hispanic or Latino, Asian, or Pacific Islander ethnicity or race in the free-form field. The Bureau is also amending instructions 9.ii and 9.iv to provide examples. Otherwise, the Bureau is adopting the amendments to instructions 9.ii and 9.iv as proposed, with certain other, technical revisions for clarity. The Bureau is also adding instruction 9.v to provide guidance on the reporting of the American Indian and Alaska Native race category and free-form field that mirror the guidance in final instructions 9.ii and 9.iv concerning the reporting of the Other race and ethnicity subcategories, as well as a technical revision to instruction 9.iii.

Five-Ethnicity Maximum

Instruction 9 in revised appendix B requires that an applicant be offered the option to select more than one ethnicity or race. Instruction 9.i sets forth two aggregate ethnicity categories and four ethnicity subcategories that may be selected by an applicant (for a total of six categories and subcategories). Instruction 9.i requires that a financial institution report each aggregate ethnicity category and each ethnicity subcategory selected by the applicant. As reflected in the 2018 FIG, however, a financial institution may report up to only five-ethnicity codes. While revised appendix B includes a five-race maximum and related instructions for reporting race, revised appendix B did not include a similar five-ethnicity maximum and instructions.

Accordingly, the Bureau proposed to amend instruction 9.i to provide instructions to financial institutions on how to report ethnicity if an applicant selects both aggregate categories and all four subcategories. The proposed revisions mirror the instructions for how to report race when an applicant has selected a total of more than five aggregate race categories and race subcategories. Specifically, the Bureau proposed to revise instruction 9.ii to provide that a financial institution must report every aggregate ethnicity category selected by the applicant. The proposed instruction states that a financial institution must also report every ethnicity subcategory selected by the applicant, except that a financial institution must not report more than a total of five aggregate ethnicity categories and ethnicity subcategories combined. The Bureau also proposed amendments to instruction 9.ii to provide that, if an applicant selects the Other Hispanic or Latino subcategory, and provides a particular Hispanic or Latino subcategory not listed in the standard subcategories, the financial institution should count the information as one selection for purposes of reporting only up to the five-ethnicity maximum.

Although the Bureau did not receive comments that pertained specifically to ethnicity, it received numerous comments from industry on the maximum generally. The commenters expressed unease about picking for the American Indian and Alaska Native race category and free-form field that mirror the guidance in final instructions 9.ii and 9.iv concerning the reporting of the Other race and ethnicity subcategories, as well as a technical revision to instruction 9.iii.

For the reasons discussed below, the Bureau is adopting the amendments to instructions 9.ii and 9.iii concerning the reporting of the Other race or ethnicity subcategory set forth in final instruction 9.ii and 9.iv.

The commenters were concerned that allowing the financial institution to report more than five-ethnicities is also very low. Although 2010 Census reports do not provide data on the number of instances in which a respondent chose multiple ethnicity selections, based on Census race reporting, the Bureau expects that the number of occurrences in which an applicant will select both aggregate ethnicity categories and all four ethnicity subcategories will be extremely low. For example, according to 2010 Census data, 97.1 percent of respondents reported only one aggregate race category. Among respondents reporting two or more aggregate race categories, less than 1 percent reported four or more races, and only 0.1 percent of respondents identified as five races. Given that there are fewer ethnicity categories and subcategories compared to race categories and subcategories, the Bureau expects the likelihood an applicant will select more than five-ethnicity selections to be even lower.137 The Bureau reviewed 2010 Census data to consider the occurrence of respondents that self-identify as being more than one particular race and found that, for example, where only Asian was reported as the respondents’ race, only 0.11 percent of those respondents self-identified as being of three particular Asian races, and only 0.02 percent self-identified as being of seven particular Asian races. Accordingly, the Bureau concluded that the likelihood of applicants self-identifying as more than five-racial designations is extremely low.

For the reasons discussed below, the Bureau is adopting the amendments to instructions 9.ii and 9.iii as proposed. Initially, the Bureau notes that many of the commenters’ concerns pertain to the five-race maximum, which was not the subject of the April 2017 HMDA Proposal. As discussed in the 2015 HMDA Final Rule, to facilitate compliance, the Bureau limited the number of racial designations a financial institution may report.138 The Bureau reviewed 2010 Census data to consider the occurrence of respondents that self-identify as being more than one particular race and found that, for example, where only Asian was reported as the respondents’ race, only 0.11 percent of those respondents self-identified as being of three particular Asian races, and only 0.02 percent self-identified as being of seven particular Asian races. Accordingly, the Bureau concluded in the 2015 HMDA Final Rule that the likelihood of applicants self-identifying as more than five-racial designations is extremely low.139 The Bureau similarly concludes that the likelihood that an applicant will report more than five-ethnicities is also very low. Although 2010 Census reports do not provide data on the number of instances in which a respondent chose multiple ethnicity selections, based on Census race reporting, the Bureau expects that the number of occurrences in which an applicant will select both aggregate ethnicity categories and all four ethnicity subcategories will be extremely low. For example, according to 2010 Census data, 97.1 percent of respondents reported only one aggregate race category. Among respondents reporting two or more aggregate race categories, less than 1 percent reported four or more races, and only 0.1 percent of respondents identified as five races. Given that there are fewer ethnicity categories and subcategories compared to race categories and subcategories, the Bureau expects the likelihood an applicant will select more than five-ethnicity selections to be even lower. For example, according to 2010 Census data, 97.1 percent of respondents reported only one aggregate race category. Among respondents reporting two or more aggregate race categories, less than 1 percent reported four or more races, and only 0.1 percent of respondents identified as five races. Given that there are fewer ethnicity categories and subcategories compared to race categories and subcategories, the Bureau expects the likelihood an applicant will select more than five-ethnicity selections to be even lower.

139 Id. at 8–9.
lower than the likelihood that an applicant will select more than five-race selections.

The Bureau declines to permit unlimited ethnicity category and subcategory reporting. Permitting unlimited reporting would require adding a data field for each additional possible subcategory, therefore expanding the total number of data fields within the HMDA loan/application register. The Bureau believes that doing so would add additional complexity to reporting that may undermine the quality of the data. Given that the Bureau expects an applicant will rarely select more than five-ethnicity designations, the Bureau does not believe the risks and complexity of additional data fields are justified in these circumstances.

Similarly, the Bureau declines to impose additional requirements on how to report ethnicity categories and subcategories when an applicant has selected a total of more than five. Proposed instruction 9.1 (as well as instruction 9.iii as related to race) provides substantial guidance. Under those instructions, a financial institution would report all the aggregate categories first, and then any subcategories up to a combined five-ethnicity maximum (or five-race maximum, as applicable to race).

Several commenters submitted comments requesting guidance on whether a particular method of choosing which categories and subcategories to report would be acceptable. Other than as described above, the rule does not place any additional limitations on which five categories and subcategories to report. Thus, to the extent the total categories and subcategories exceed five, a financial institution may choose any method for determining which additional subcategories to choose for reporting, so long as the financial institution initially complies with the instructions provided in revised appendix B. In light of the Bureau’s conclusion that applicants will very rarely choose a total of more than five categories and subcategories, the Bureau declines at this time to impose additional reporting limitations and requirements on financial institutions.

Sample Data Collection Form

Revised appendix B includes a sample data collection form for use in collecting ethnicity, race, and sex information about the applicant. The Bureau proposed to make various technical revisions to the sample data collection form. The Bureau proposed to revise the applicant instructions to provide that an applicant may select one or more designations for “Ethnicity,” rather than one or more Hispanic or Latino origins. The Bureau also proposed to move the instruction to “check one or more” next to the “Ethnicity” heading, rather than next to the Hispanic or Latino category. The Bureau also proposed to add the “check one or more” instructions on the side of the form designated for the collection of a co-applicant’s ethnicity and race information, rather than only on the side of the form for the applicant. The Bureau received one comment opposing the additional “check one or more” language added to the sample data collection form. Although the commenter noted generally that the proposed changes to revised appendix B are contrary to the 2015 HMDA Final Rule, will undo work already performed, and would not be in the interests of consumers, the commenter did not provide any specific examples, data, or reasoning as related to the sample data collection form. Accordingly, the Bureau is adopting the corrections to the sample data collection form as proposed.

VI. Effective Dates

In the April 2017 HMDA Proposal, the Bureau proposed that the amendments take effect when the related amendments to Regulation C adopted by the 2015 HMDA Final Rule take effect. As discussed more fully above, these amendments to Regulation C make technical corrections to and address certain areas to facilitate implementation of the 2015 HMDA Final Rule. For the proposed amendments to have the intended effect, the amendments’ effective dates must be synchronized with the related effective dates in the 2015 HMDA Final Rule. In the July 2017 HMDA Proposal, the Bureau proposed successive amendments to the provisions in §§ 1003.2(g) and 1003.3(c)(12) and associated commentary to effectuate a temporary increase in the open-end threshold. Accordingly, the Bureau proposed to raise the open-end threshold to 500 loans effective January 1, 2018, and then to lower the open-end threshold back to 100 loans effective January 1, 2020. For the reasons discussed below, the Bureau is adopting the effective dates for this final rule as proposed.

Concerning the proposed effective dates included in the April 2017 HMDA Proposal, one national trade association stated that scheduled updates to loan origination software cannot proceed until the dated and recommended that the Bureau finalize the proposed amendments quickly if any meaningful burden reduction is to be achieved. A national and State trade association recommended that the effective date for the 2015 HMDA Final Rule be delayed because, they posited, the proposal would not be finalized before January 1, 2018. One national trade association noted that the proposal would provide effective dates of January 1, 2019, or January 1, 2020, to correspond to related effective dates for certain amendments included in the 2015 HMDA Final Rule, but recommended that the Bureau delay the effective date of the 2015 HMDA Final Rule until it finalized the clarifications or for at least one year.

Many national and State trade associations, financial institutions, and industry commenters, when commenting on both the April and July 2017 HMDA Proposals, recommended that the Bureau delay the effective date for most amendments included in the 2015 HMDA Final Rule from January 1, 2018, to January 1, 2019. Several of these commenters argued that a delay of the general January 1, 2018, effective date for the 2015 HMDA Final Rule was necessary because questions remained regarding collection and reporting of data, the Bureau had not yet released the geocoding tool, edits, or platforms necessary for financial institutions to update their software and run tests, and questions remained regarding implementation of the new Uniform Residential Loan Application (URLA).

Some commenters stated that the effective date of the 2015 HMDA Final Rule should be delayed until the Bureau has addressed public disclosure and data resubmission standards for data collected and reported under amended Regulation C. One national trade association recommended that financial institutions have the option to delay reporting of the new data points adopted in the 2015 HMDA Final Rule for one year, while one State trade association recommended that the effective date be delayed for one year but that optional early compliance be permitted. A State trade association suggested the Bureau look for good faith efforts at HMDA compliance as the Bureau explained it would do during implementation of the Integrated Mortgage Disclosures Under the Real Estate Settlement Procedures Act (Regulation X) and the Truth in Lending Act (Regulation Z) final rule (TILA–RESPA Final Rule). Some trade associations requested that transactional coverage for the 2018 data collection be based on the date an application was received, instead of the final action taken date, so as to allow more time in...
2017 to prepare for the January 1, 2018, effective date in response to the clarifications in this rule.

The Bureau largely is adopting the effective dates for this final rule as proposed.140 The 2015 HMDA Final Rule takes effect in stages between January 1, 2017, and January 1, 2020, with most of the amendments included in the 2015 HMDA Final Rule taking effect on January 1, 2018. Accordingly, as provided in the amendatory instructions below, the Bureau is adopting most of the amendments included in this final rule to take effect on January 1, 2018. The Bureau is adopting some of the amendments included in this final rule to take effect on January 1, 2019, or January 1, 2020, respectively, to correspond to related effective dates of amendments in the 2015 HMDA Final Rule. The amendments that will take effect on January 1, 2019, or January 1, 2020, respectively, are noted in the applicable section-by-section discussion in part V above, in the Dates section above, and in the amendatory instructions below. The amendatory instructions are organized sequentially by effective date, starting with all amendments that will take effect on January 1, 2018.

Apart from the temporary adjustment to the open-end threshold, the Bureau did not propose, and declines in this final rule, to delay the effective dates for the amendments included in the 2015 HMDA Final Rule or to provide for optional compliance for the 2018 calendar year. As explained in the 2015 HMDA Final Rule, “the Bureau believes that these effective dates, which provide an extended implementation period of over two years, is appropriate and will provide industry with sufficient time to revise and update policies and procedures; implement comprehensive systems change; and train staff.”141 The Bureau believes that the clarifications, technical corrections, minor amendments, and temporary adjustment to the open-end threshold adopted in this final rule will facilitate implementation of the 2015 HMDA Final Rule. To the extent the clarifications in this rule require financial institutions to make technical changes, those changes require only minor adjustments, not significant system updates. In addition, the Bureau has issued this final rule in August, four months before 2018, which the Bureau believes should afford ample time to implement any necessary minor system adjustments. The Bureau is releasing implementation aids with this final rule to facilitate implementation.

Moreover, commenters’ concerns the timing of the release of certain Bureau materials do not justify delaying the effective date. In July of 2017 the Bureau published updates to the 2018 FIG for HMDA data collected in 2018, which includes HMDA edits, and the Bureau is issuing updates to the 2018 FIG related to the amendments adopted in this final rule simultaneously to the release of this rule. Furthermore, the FFIEC agencies published on August 22, 2017, the HMDA Examination Transaction Testing Guidelines for data collected in or after 2018. In addition, the Bureau’s new HMDA filing platform is being demonstrated widely through webinars, conferences, and in-person user testing sessions. The platform will be available for wider testing in the Fall of 2017 as an open beta release prior to the start of filing season in 2018. In addition, commenters’ concerns about the timing of the Bureau’s decisions related to the public disclosure of the HMDA data do not provide a logistical reason to delay the effective date of the new data collection requirements, because, under changes adopted in the 2015 HMDA Final Rule, financial institutions will no longer have responsibility for disclosure of the data beginning with data collected for the 2017 calendar year.142 Furthermore, the Bureau does not believe that commenters’ concerns about the URLA implementation provide a reason to delay the effective date of the data collection requirements. The Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association (collectively, the Enterprises), under the conservatorship of FHFA, issued a revised and redesigned Uniform Residential Loan Application on August 23, 2016. The Enterprises have not yet provided a date when lenders may begin using the 2016 URLA or the date lenders are required to use the 2016 URLA (the cutover date), but have stated their intention to collaborate with industry stakeholders to help shape the implementation timeline for the 2016 URLA, with a goal to provide lenders with more precise information in 2017 regarding the cutover date.143

The Bureau did not propose and also declines to amend the 2015 HMDA Final Rule to provide that data collected in 2018 include only applications received in 2018. The Bureau believes, as stated in the 2015 HMDA Final Rule, that collection of the new data should begin with transactions for which final action is taken in 2018. This collection timeframe is consistent with how financial institutions currently determine in which calendar year’s data to include a transaction. Moreover, financial institutions already have significant flexibility concerning the collection of the new disaggregated ethnicity and race fields adopted in the 2015 HMDA Final Rule. For example, revised comment 4(a)(10)(i)–2 allows financial institutions to collect ethnicity, race, and sex information in accordance with the requirements in effect at the time the information is collected, even if final action is taken on or after January 1, 2018. The Bureau also issued an approval notice in October 2016 that provides financial institutions the alternative option to begin collecting disaggregated categories in 2017.144 As stated above, the Bureau believes there is sufficient time to prepare to collect data in 2018 for all covered transactions, including those with applications received in 2017, for which final action is taken in 2018. Given all of these considerations, and the over two years to prepare for the January 1, 2018, effective date provided by the 2015 HMDA Final Rule, the Bureau declines to change the timing of the new requirements’ coverage as suggested by commenters.

Additionally, as discussed in the section-by-section analysis of § 1003.6(b) above, the Bureau is not

140 The effective date for an amendment to the commentary to § 1003.6(b)(1) is changed to January 1, 2019, to align with the effective date for the corresponding amendment in the 2015 HMDA Final Rule. See 2015 HMDA Final Rule, 80 FR 66128, 66257 (Oct. 28, 2015). “The Bureau is adopting an effective date of January 1, 2019, for § 1003.6, which concerns enforcement of HMDA and Regulation C. The amendments to § 1003.6 adopted in this final rule apply to HMDA data reported beginning in 2019. Thus, current § 1003.6 applies to data collected in 2017 and reported in 2018, and amended § 1003.6 applies to data reported in 2019.”


142 Id. at 66252–53 (Oct. 28, 2015).


delaying the effective date of the safe harbor for the geocoder because the Bureau believes that financial institutions should be able to take advantage of the safe harbor as soon as the Bureau makes the geocoding tool available on its Web site.145

VII. Section 1022(b)(2) of the Dodd-Frank Act

HMDA provides the public and public officials with information to help determine whether financial institutions are serving the housing needs of the communities in which they are located. It assists public officials in their determination of the distribution of public sector investments in a manner designed to improve the private investment environment.146 It also provides the public with information to assist in identifying possible discriminatory lending patterns and enforcing antidiscrimination statutes.147 In 2010, Congress enacted the Dodd-Frank Act, amended HMDA and also transferred HMDA rulemaking authority and other functions from the Board to the Bureau.148 In October 2015, the Bureau issued the 2015 HMDA Final Rule which implemented the Dodd-Frank Act amendments to HMDA.149 The 2015 HMDA Final Rule modifies the types of institutions and transactions subject to Regulation C, the types of data that institutions are required to collect, and the processes for reporting and disclosing the required data.

Since issuing the 2015 HMDA Final Rule, the Bureau has identified certain technical errors in the 2015 HMDA Final Rule as well as ways to ease the burden of reporting certain data requirements and clarifications of key terms that will facilitate compliance with the Final Rule. On April 25, 2017, the Bureau issued a notice of proposed rulemaking (April 2017 HMDA Proposal) proposing amendments to Regulation C to make technical corrections to and to clarify certain requirements of the 2015 HMDA Final Rule. In the April 2017 HMDA Proposal, the Bureau also proposed a new reporting exclusion. Since issuing the 2015 HMDA Final Rule, the Bureau also has heard concerns that the open-end threshold, which the Bureau set at 100 transactions, is too low. On July 20, 2017, the Bureau published a second proposal (July 2017 HMDA Proposal) to seek comment on addressing the threshold for reporting open-end lines of credit.150 After reviewing the comments received on the April 2017 HMDA Proposal and the July 2017 HMDA Proposal, the Bureau is publishing final amendments to Regulation C pursuant to the April 2017 HMDA Proposal and the July 2017 HMDA Proposal. Comments on the benefits and costs of the rule are also discussed above in the section-by-section analysis of the preamble.

In developing this final rule, the Bureau has considered the potential benefits, costs, and impacts.151 As discussed in Section III above, the Bureau has consulted with, or offered to consult with, the Board, the Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of the Currency, the National Credit Union Administration (NCUA), the Department of Housing and Urban Development (HUD), the Securities and Exchange Commission, the Department of Justice, the Department of Veterans Affairs, the Federal Housing Finance Agency, the Department of the Treasury, the Department of Agriculture, the Federal Trade Commission, and the Federal Financial Institutions Examination Council.

This final rule amends Regulation C to make technical corrections and clarify certain requirements under the 2015 HMDA Final Rule amending Regulation C. As part of these amendments, the final rule corrects a drafting error and revises both the open-end and closed-end thresholds so that only financial institutions that meet the threshold for two years in a row are required to collect data in the following calendar years. The final rule also temporarily increases the open-end reporting threshold to 500 or more open-end lines of credit for two years (calendar years 2018 and 2019). With these amendments, financial institutions that originated between 100 and 499 open-end lines of credit in either of the two preceding calendar years will not be required to begin collecting data on their open-end lending before January 1, 2020. This temporary increase will provide time for the Bureau to consider the appropriate level for the open-end threshold without requiring financial institutions originating fewer than 500 open-end lines of credit per year to collect and report data with respect to open-end lending in the meanwhile.

In the 2015 HMDA Final Rule, the Bureau conducted an in-depth Section 1022(b)(2) analysis of the costs and benefits of the 2015 HMDA Final Rule. The Bureau used as a baseline for that analysis the state of the world before the implementation in Regulation C of the Dodd-Frank Act provisions. The baseline for the analysis below assumes that the 2015 HMDA Final Rule took effect absent the amendments in this final rule. In other words, the potential benefits and costs of the requirements contained in this final rule are evaluated relative to the state of the world defined by the 2015 HMDA Final Rule.152

Changes Adopted From April 2017 HMDA Proposal

The amendments that were proposed in the April 2017 HMDA Proposal and adopted substantially in this final rule are largely clarifications and technical corrections that do not change the compliance requirements of the 2015 HMDA Final Rule and should reduce burden by easing compliance. The few minor substantive changes will all reduce burden on industry153 and have

145 As noted above, the effective date for an amendment to the commentary to § 1003.6(b)(1) is changed to January 1, 2019, to align with the effective date for the corresponding amendment in the 2015 HMDA Final Rule. See 2015 HMDA Final Rule, 80 FR 66128, 66257 (Oct. 28, 2015) (“The Bureau is adopting an effective date of January 1, 2019 for § 1003.6, which concerns enforcement of HMDA and Regulation C. The amendments to § 1003.6 adopted in this final rule apply to HMDA data reported beginning in 2019. Thus, current § 1003.6 applies to data collected in 2017 and reported in 2018, and amended § 1003.6 applies to 2018 data reported in 2019.”).

146 HMDA section 302(b), 12 U.S.C. 2801(b); see also 12 CFR 1003.1(b)(i) and (ii).


151 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 or 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.

152 Because the analysis of the 2015 HMDA Final Rule reflected the Bureau’s intended transactional thresholds, rather than those created by the drafting error in § 1003.3(c)(11), (12), the 2015 HMDA Final Rule baseline incorporates the rulemaking’s proposed correction of the error.

153 Some commenters on the April 2017 HMDA Proposal noted that even though in the long run, the proposed changes would reduce the burden on the HMDA reporters, like any changes in regulatory requirements, it could be possible that some institutions may incur a transitional cost to adapt to such changes in the short run, as they might need to invest certain time and resources updating policies and procedures, audits, and adjusting programming in their systems. The Bureau acknowledges that such transitory costs could occur. No commenters however have provided specific estimates on such transitory costs. Overall, it is the Bureau’s belief that long-run reduction in compliance costs as the results of the changes contained in this final rule, the transitory costs for financial institutions to adapt to the changes is minimal.
either a positive or neutral effect on consumers.

To ease the burden associated with obtaining certain information about purchased loans, the final rule establishes certain transitional rules for reporting purchased loans. Financial institutions report that the requirement is not applicable for the loan purpose if the financial institution is reporting a purchased covered loan that was originated prior to January 1, 2018. Financial institutions also may opt not to report that the requirement is not applicable for the loan, but only for the loan originator when reporting purchased loans that were originated prior to January 10, 2014.154 The final rule also provides that financial institutions have the option to report open-end lines of credit or closed-end mortgage loans, even if the financial institution may exclude those loans pursuant to the transactional thresholds included in § 1003.3(c)(11) or (12) under the 2015 HMDA Final Rule and this final rule, as discussed above in the section-by-section analysis of § 1003.3(c)(11) and (12). In addition, the final rule provides assurances to financial institutions that obtain the census tract number from a forthcoming geocoding tool on the Bureau’s Web site, that the tool returned a census tract number for the address entered and that the financial institution entered an accurate property address into the tool. The final rule also clarifies certain key terms, including temporary financing, automated underwriting systems, multifamily dwelling, extension of credit, income, and mixed-use property. The proposal also excludes preliminary transactions associated with New York CEMAs, which reduces burden by avoiding double reporting.

The final rule corrects a drafting error and aligns the transactional thresholds included in § 1003.3(c)(11) and (12) under the 2015 HMDA Final Rule with the institutional coverage thresholds in § 1003.2(g). The final rule addresses certain technical aspects of reporting, such as how the reporting requirements for certain data points relate to disclosures required by the Bureau’s Regulation Z and how to collect and report certain information about an applicant’s race and ethnicity. The final rule also includes a variety of minor changes and technical corrections.

The Bureau sought comment on data to quantify costs and benefits and any associated burden with the proposed changes in its April 2017 HMDA Proposal. Specifically, the Bureau sought information on the projected number of loans that would be originated prior to January 1, 2018, and then purchased by financial institutions after January 1, 2018, and which would be required to be reported according to the 2015 HMDA Final Rule. Similarly, the Bureau sought information on the projected number of loans that would be originated prior to January 10, 2014, and then purchased by financial institutions after January 1, 2018, and which would be required to be reported according to the 2015 HMDA Final Rule. The Bureau also sought information on the projected numbers and characteristics of financial institutions that would opt to report open-end lines of credit or closed-end loans under HMDA even though they would have fallen below the respective loan-volume threshold. The Bureau requested any other data that would assist in quantifying the costs and benefits of the proposal. As described in greater detail below, the Bureau received some public comments estimating the costs of the proposed changes for financial institutions. These comments have been considered in revising the cost-benefit analyses contained in this part. In general, the comments did not provide specific data.

Changes Adopted From July 2017 HMDA Proposal

The Bureau believes that the temporary increase in the open-end transactional coverage threshold, as proposed in July 2017 HMDA Proposal and finalized in this rule, generally will benefit financial institutions that originate between 100 and 499 open-end lines of credit in either of the two preceding calendar years. The Bureau estimated that in 2015, 289 depository institutions originated 500 or more open-end lines of credit and 980 depository institutions originated at least 100 open-end lines of credit.155 Thus, roughly 690 depository institutions will be able to take advantage of the two-year temporary increase in the open-end transactional coverage threshold.

The Bureau sought comment on data that would help to quantify costs and benefits and any associated burden with the proposed temporary increase in open-end reporting threshold in its April 2017 HMDA Proposal. In general, the comments did not provide specific data.

A. Potential Benefits and Costs to Consumers and Covered Persons

Temporary Increase of Open-End Line of Credit Threshold

Under the final rule, the open-end reporting threshold will be temporarily increased to 500 for two years (calendar years 2018 and 2019). Compared to the baseline established by the 2015 HMDA Final Rule, the proposed temporary increase in the open-end transactional coverage threshold will generally benefit financial institutions that originate between 100 and 499 open-end lines of credit in either of the two preceding calendar years. Such financial institutions will be able to delay the start of ongoing compliance costs associated with collecting and reporting data on open-end lines of credit for two years. They are also likely able to delay incurring one-time costs of commencing implementation of open-end reporting.

The Bureau can estimate the number of depository institutions that will be able to take advantage of the two-year temporary increase in the open-end transactional coverage threshold and the amount that each of these institutions will save in costs. In the July 2017 HMDA Proposal, the Bureau estimated that, in 2015, 289 depository institutions originated 500 or more open-end lines of credit and 980 depository institutions originated at least 100 open-end lines of credit.155 Thus, roughly 690 depository institutions will be able to take advantage of the two-year temporary increase in the open-end transactional

154 There is a third transitional rule that eases NMLS ID reporting requirements for purchases of commercial loans originated prior to January 1, 2018, but it is expected to apply to only a very small number of loans.

155 The 2015 HMDA Final Rule contained aggregated estimates for credit unions, banks, and thrifts. In developing the estimates for the July 2017 HMDA Proposal, the Bureau had constructed separate estimates for credit unions using the credit union Call Report data and assumed the parallel trend exists in the overall market. Specifically, the Bureau estimated that in 2013 there were 534 credit unions that originated 100 or more open-end lines of credit. Based on 2015 credit union Call Report data, that number is now 699. The estimates contained in the 2015 HMDA Final Rule and those stated in text are based on origination volumes for a single-year, and may overstate coverage.
coverage threshold. On average, the institutions that will be able to take advantage of the two-year temporary increase originated fewer than 250 open-end lines of credit per year, with their median origination volume slightly below 200.\(^{156}\)

The amount that each of these depository institutions will save in costs depends on the level of complexity of their compliance operations as defined in the 2015 HMDA Final Rule. The level of complexity in turn is related to the number of loans that an institution must report. In the 2015 HMDA Final Rule, the Bureau assumed a representative low-complexity (tier 3) open-end reporter would have 150 open-end lines of credit records reportable to HMDA, while the number of open-end lines of credit records for a representative moderate-complexity (tier 2) open-end reporter would be at 1,000.\(^{157}\)

Specifically, in estimating costs specific to collecting and reporting data for open-end lines of credit in the 2015 HMDA Final Rule, the Bureau assumed that institutions that originate more than 7,000 open-end lines of credit are high-complexity or tier 1 institutions; those that originate between 200 and 7,000 such lines of credit are moderate-complexity or tier 2 institutions; and those that originate fewer than 200 such lines of credit are low-complexity or tier 3 institutions.

Given the previous results, the Bureau believes that most of the financial institutions that will benefit from the two-year temporary increase of the open-end lines of credit threshold are low-complexity or tier 3 institutions, some are tier 2 institutions, and none are tier 1 institutions. Further, the tier 2 institutions most likely to benefit from the final rule are among the smaller ones in tier 2 in terms of open-end lines of credit volume.

In the 2015 HMDA Final Rule, the Bureau estimated that, for the average tier 3 institution, the ongoing operational costs of open-end reporting will be $8,600 per year; and for the average tier 2 institution, the ongoing operational costs will be $43,400 per year.\(^{157}\) Thus, if all 690 financial institutions that will benefit from the temporary threshold increase are in tier 3, the Bureau estimates that the savings in the ongoing costs from collecting and reporting open-end lines of credit will be roughly $6 million in each of two years (approximately $12 million total).

Assuming instead that all 690 financial institutions that will benefit from the temporary threshold increase are in tier 2, the Bureau estimates that the savings in the ongoing costs from collecting and reporting open-end lines of credit will be roughly $30 million in each of two years (approximately $60 million total). Since the tier 2 institutions most likely to benefit from the final rule are among the smaller ones in tier 2 in terms of open-end lines of credit volume, the Bureau believes that the savings in ongoing costs will be closer to the lower estimate ($6 million per year for two years) than the higher estimate ($30 million per year for two years). On the other hand, as stated in Section V, the Bureau may have underestimated the average ongoing costs for low-complexity institutions in the 2015 HMDA Final Rule. If so, the estimate of $6 million per year in savings would underestimate the actual savings.

The Bureau recognized that the one-time costs of reporting open-end lines of credit could be substantial because most financial institutions do not currently report open-end lines of credit and thus will have to develop completely new reporting infrastructures to begin reporting these data. As a result, there will be one-time costs to create processes and systems to report open-end lines of credit in addition to the one-time costs to modify processes and systems for other mortgage products.\(^{158}\)

In the July 2017 HMDA Proposal, the Bureau acknowledged that the Bureau might have underestimated the one-time costs of open-end lines of credit reporting in the 2015 HMDA Final Rule, in addition to possible under-estimation of on-going costs of open-end reporting, as the Bureau was handicapped by the lack of available data concerning open-end lending.

The Bureau believes the temporary increase of the open-end threshold will allow the financial institutions that have open-end lines of credit volume between 100 and 499 per year to delay incurring one-time costs associated with open-end lines of credit reporting. However, for the purpose of this impact analysis, the Bureau is not counting such delay as one-time net cost savings because the threshold increase is only temporary. The Bureau will have the opportunity over the ensuing two-year period to assess whether to adjust the threshold permanently, and, if the Bureau were to adjust the threshold permanently as the result of that reassessment, the permanent reduction in one-time costs of open-end reporting for exempted institutions would be in the scope of a new impact analysis for any such potential rulemaking in the future. If the Bureau were not to adjust the threshold permanently, those temporarily exempted reporters would still incur the one-time costs of open-end reporting.

Some financial institutions may incur costs attributable to the temporary open-end lines of credit reporting threshold increase, because they have already planned to report open-end lines of credit and now will need to change their systems to delay reporting. To the extent institutions that already have incurred costs in preparing for compliance elect to take advantage of the two-year temporary increase in the open-end transactional coverage threshold, unless the Bureau elects during the two-year review period to make the increase permanent, these institutions will incur one-time expenses that, when added to expenses already incurred, may be greater than the one-time costs that would have been incurred had the institutions completed their compliance work by January 1, 2018. As noted above, the Bureau estimates that roughly 690 such institutions will be able to take advantage of the two-year temporary increase in the open-end transactional coverage threshold. As explained in the July 2017 HMDA Proposal, the Bureau does not have a reliable basis to estimate those costs. However, as discussed in the section-by-section analysis of § 1003.3(c)(11) and (12), financial institutions may opt to report open-end lines of credit or closed-end mortgage loans even if they exclude those loans pursuant to the transactional thresholds included in § 1003.3(c)(11) or (12) under the 2015 HMDA Final Rule. Thus, a temporary increase in the open-end transactional coverage threshold will obviate the need for institutions that are prepared to report open-end lines of credit to change their systems.\(^{159}\) As explained in the

\(^{156}\) See July 2017 HMDA Proposal, 82 FR 33459, 33459 n.57 [July 20, 2017]. The median loan volume discussed above is based on the same credit union call report data that the Bureau used for the July 2017 HMDA Proposal.


\(^{158}\) Id. at 66284; see also id. at 66284–85.

\(^{159}\) As noted above, the Bureau recently proposed to amend Regulation B to add § 1002.5(a)(4)(i), which would permit a creditor that is a financial institution under 12 CFR 1003.2(g) to collect information regarding the ethnicity, race, and sex of an applicant for a closed-end mortgage loan that is an excluded transaction under 12 CFR 1003.3(c)(11) or (12) if it submits HMDA data concerning such closed-end mortgage loans and applications or if it submitted HMDA data concerning closed-end mortgage loans for any of the preceding five calendar years. The Bureau is in the process of reviewing the comments and considering whether to issue a final rule, which the Bureau expects to issue soon after the date this rule is issued. The option to voluntarily report analyzed in this impact analyses is conditional on the Bureau finalizing the proposed amendment to Regulation B. In the July 2017 HMDA Proposal the Bureau noted that it did not have reliable estimates of costs some institutions would incur because they have already planned to report open-end lines of credit
analysis of the optional reporting below, the Bureau believes that financial institutions that choose to exercise the option may incur benefits and costs but must benefit on net. No comment on the July 2017 HMDA Proposal has provided data or discussion regarding such costs.

The Bureau believes that temporarily increasing the open-end transactional coverage threshold for two years will reduce the benefits to consumers from the open-end reporting provisions of the 2015 HMDA Final Rule as those benefits are described in the rule. However, the Bureau believes that such impact should be minimal because the temporary increase in the open-end transactional coverage threshold will still result in reporting on approximately three-quarters of open-end lines of credit. The Bureau recognizes that there may be particular localities where the impact of the temporary increase in the open-end transactional coverage threshold will be more pronounced. The Bureau lacks data to be able to estimate the extent to which that may be true. No commenter on the July 2017 HMDA Proposal has provided data or discussion regarding such costs.

Allowing Optional Reporting for Financial Institutions When Below Loan-Volume Thresholds

This Bureau recognizes that some financial institutions that meet only one threshold may prefer to report loans even if they fall under the other transactional threshold in certain years. Thus, the final rule provides that financial institutions may opt to report open-end lines of credit or closed-end mortgage loans even if the institution may exclude those loans pursuant to the transactional thresholds included in §1003.3(c)(11) or (12) under the final rule.160 Economic theory predicts that a firm will exercise an option when (and only when) the firm benefits from doing so. Thus, an option granted to a financial institution has no impact on those that choose not to exercise the option, i.e., they are no better or worse off than if the option had not been granted. Financial institutions that choose to exercise the option may incur benefits and costs but must benefit on net.

The Bureau believes the financial institutions most likely to choose to report when not required to do so will be low-volume, low-complexity institutions that may have made a one-time investment in reporting infrastructure and prefer to utilize it even though the volatility in their loan production volume may cause them to fall below the relevant mandatory reporting threshold in certain years. Such institutions will only choose to report if the ongoing costs of reporting are less than the costs of switching off their open-end reporting systems but maintaining the systems and potentially switching them back. In the April 2017 HMDA Proposal, the Bureau sought comments on the data related to the potential number and characteristics of financial institutions that may be interested in opting into either closed-end or open-end HMDA reporting, even if they are not required to report under the 2015 HMDA Final Rule. However, the Bureau received no comments or data to this specific request.

Consumers may benefit from the optional reporting clarification to the extent that low-volume, low-complexity institutions achieve cost reductions and pass them on to their customers. The Bureau believes that any such consumer savings will be small. Consumers may also benefit if low-volume, low-complexity institutions are more willing to originate loans because passing the thresholds will not increase burden if the institutions are already reporting HMDA information.

Transitional Rules on Purchased Loans

Three separate amendments provide for some flexibility with regard to reporting on purchased loans. Each of the proposed transitional rules directs or permits reporting that the requirement is not applicable for purchased loans that were originated in a time period prior to the January 1, 2018, effective date for the reportable data points in the 2015 HMDA Final Rule. Under the final rule, financial institutions report that the requirement to report the loan purpose under §1003.4(a)(4) does not apply if the financial institution is reporting a purchased covered loan that was originated prior to January 1, 2018. The final rule will also provide financial institutions with the option to report that the requirement to report the unique identifier for the loan originator is not applicable when reporting purchased loans that were originated prior to January 10, 2014, when Regulation Z’s requirement to include the loan originator’s unique identifier on loan documents went into effect. Finally, there is a transitional rule that eases NMLSR ID reporting requirements for purchases of commercial loans originated prior to January 1, 2018. The Bureau believes providing these options to financial institutions will not add costs to financial institutions but will be burden reducing. Without such temporary relief, it would be burdensome for financial institutions to obtain the relevant information on the loan purpose and NMLSR ID of the loans originated during the respective transitional periods.

The extent to which the transitional rules will reduce burden depends on the number of loans in the complexity of the financial institutions and the number of loans affected. The Bureau believes most of the financial institutions that purchase loans and are required to report under HMDA are in the high-complexity tier, with some possibly in the moderate-complexity tier, and very few in the low-complexity tier.

In the April 2017 HMDA Proposal, the Bureau specifically sought information on the projected number of loans that would be originated prior to January 1, 2018, and then purchased by financial institutions after January 1, 2018, and which would be required to be reported according to the 2015 HMDA Final Rule. The Bureau also sought information on the projected number of loans that would be originated prior to January 10, 2014, and then purchased by financial institutions after January 1, 2018, and which would be required to be reported according to the 2015 HMDA Final Rule. However, the Bureau received no comments or data corresponding to these requests.

The Bureau believes that the number of reportable loans purchased after January 1, 2018, and originated before January 1, 2018, will be relatively large in the beginning of 2018 but will diminish over time. The Bureau understands that typically there is some delay between loan origination by small creditors and loan purchase by larger financial institutions. Providing a transitional rule to exempt these purchased loans from loan purpose reporting will therefore reduce the burden on those financial institutions. This will be particularly true during the
first few years after January 1, 2018. Further, the Bureau believes that the number of reportable loans purchased after January 1, 2018, and originated before January 10, 2014, will be relatively small and will diminish over time. Providing a transitional rule to exempt those eligible purchased loans from NMLSR ID reporting reduces the ongoing reporting cost on those financial institutions where this change is applicable.

Regarding benefits to consumers, the Bureau expects the effects of the transitional rules for purchased loans to be small or nonexistent. HMDA reporting by purchasers does not directly affect consumers. To the extent that the rules create cost reductions relative to the baseline established by the 2015 HMDA Final Rule, those reductions may be indirectly passed on to consumers. Standard economic theory predicts that in a market where financial institutions are profit maximizers, the affected financial institutions will pass on to consumers the cost savings in the form of reduction in the price charged for the product or origination (i.e., the reduction in marginal cost) and would retain the one-time cost saving and saving on fixed costs of complying with the rule.

Deem Census Tract Errors as Bona Fide Errors if a Geocoding Tool That the Bureau Makes Available on Its Web Site Is Used

The final rule treats a census tract error as a bona fide error and not a violation of HMDA or Regulation C if the financial institution obtained the incorrect census tract number from the geocoding tool that the Bureau makes available on its Web site, provided that the financial institution entered an accurate property address into the tool and the tool returned a census tract number for the property address.

In the impact analyses in the 2015 HMDA Final Rule, the Bureau discussed implementing several operational enhancements, including working to improve the geocoding process to reduce the burden on financial institutions. The Bureau provided cost estimates on financial institutions with or without those operational enhancements. This final rule further extends the burden reduction by providing a safe harbor for the use of the geocoding tool on the Bureau’s Web site. In the impact analyses of the 2015 HMDA Final Rule, the Bureau breaks down the typical HMDA operational process of financial institutions into 18 operational tasks. The Bureau believes this final rule will reduce the costs of financial institutions on the following tasks: completion of geocoding data, standard annual edit and internal check, internal audit, external audit, exam preparation, and exam assistance on the issues related to geocoding. The Bureau believes the financial institutions that will benefit most from this provision are low-complexity institutions that lack the resources to adopt commercially available geocoding tools.

The Bureau believes that the provision of the safe harbor to financial institutions using the geocoding tool on the Bureau’s Web site will have a small impact on consumers. Consumers will benefit indirectly from the geocoding safe harbor to the extent that low-complexity institutions pass on any cost savings.

Clarifying Certain Key Terms and Other Minor Changes/Corrections

The final rule clarifies certain key terms, including temporary financing, automated underwriting system, multifamily dwelling, extension of credit, income and property. The proposal excludes preliminary transactions associated with New York CEMAs to avoid double reporting. The final rule also addresses certain technical aspects of reporting, such as how the reporting requirements for certain data points relate to disclosures required by the Bureau’s Regulation Z and how to collect and report certain information about an applicant’s race and ethnicity. The final rule also includes a variety of minor changes and technical corrections.

These are all minor or clarifying changes that follow the meaning of the 2015 HMDA Final Rule as issued. The Bureau believes that these clarifications and technical corrections have the potential to reduce reporting burdens on financial institutions, as these amendments will reduce potential confusion related to certain data points and transactions. In particular, the Bureau believes these changes will help reduce the ongoing costs associated with researching questions and resolving question responses.

Some commenters on the proposal noted that even though, in the long run, the proposed changes would reduce the burden on the HMDA reporters, like any changes in regulatory requirements, some institutions could incur a cost to adapt to such changes in the short run, as they might need to invest certain time and resources updating policies and procedures, performing audits, and adjusting system programming. The Bureau acknowledges that such costs could occur. No commenters, however, provided estimates on such costs. Overall, the Bureau believes that there will be long-term reduction in compliance costs resulting from this final rule and that the costs for financial institutions to adapt to the changes are minimal. The impact on consumers will also be small. Consumers will benefit to the extent to which financial institutions pass on any cost savings to consumers.

B. Impact on Depository Institutions and Credit Unions With No More Than $10 Billion in Assets

To the extent there are benefits to covered persons resulting from the temporary increase in the open-end transactional coverage threshold, the Bureau believes those benefits flow almost exclusively to depository institutions and credit unions with no more than $10 billion in assets, as described in section 1026 of the Dodd-Frank Act. As discussed above, the institutions that will be temporarily excluded by the open-end threshold change originate between 100 and 499 open-end lines of credit and average fewer than 250 open-end lines of credit per year. In the 2015 HMDA Final Rule, the Bureau assumed a representative low-complexity, tier 3, open-end reporter would have 150 open-end lines of credit records reportable to HMDA, a representative moderate-complexity, tier 2, financial institutions would have 1000 open-end lines of credit records, while the number of open-end lines of credit records for a representative high-complexity, tier 1, open-end reporters would be at 30,000. Hence, the Bureau believes that, of the financial institutions that would most likely benefit from the two year temporary increase in the open-end lines of credit threshold, some, most likely most, belong to low-complexity, tier 3 institutions, some belong to moderate-complexity, tier 2 institutions, and none belong to high-complexity, tier 1 institutions. The Bureau believes none of the impacted depository institutions have assets over $10 billion. Using the credit union Call Report data, the Bureau was able to verify that none of the credit unions that may benefit from this temporary increase in open-end reporting threshold have assets over $10 billion.

The Bureau believes that some of the other changes in the final rule could benefit depository institutions and credit unions with no more than $10 billion in assets more than larger financial institutions. For instance, the safe harbor for use of the geocoding tool on the Bureau’s Web site mostly benefits financial institutions with assets of $10 billion or less, because such institutions may not use a commercially available geocoder. Furthermore, the
Bureau believes that the provision that permits that financial institutions to have the option to report open-end lines of credit or closed-end loans even if they fall under the other transactional threshold mostly benefits financial institutions that have assets no more than $10 billion. Financial institutions that are most likely to exercise such options will be low-volume, low-complexity institutions that may have made a one-time investment in reporting infrastructure and prefer to utilize it even though the volatility in their loan production volume may cause them to fall below the relevant mandatory reporting threshold in certain years. As explained above, the Bureau believes financial institutions would only choose to report if doing so was burden reducing. To the extent that the majority of such small financial institutions have $10 billion or less in assets, the changes mentioned above create a disproportional benefit for those institutions with assets of $10 billion or less.

The only changes that could potentially benefit financial institutions with assets over $10 billion relatively more than financial institutions with assets of no more than $10 billion are the transitional rules related to reporting certain data points for purchased loans. Larger institutions will benefit relatively more because they are more likely to be purchasers of loans.

C. Impact on Access to Credit

The Bureau does not believe that the proposed temporary increase in the open-end transactional coverage threshold will reduce consumer access to consumer financial products and services. It may increase consumer access by decreasing the possibility that certain financial institutions increase their pricing as a result of the requirements of the 2015 HMDA Final Rule or seek to cap the number of open-end lines of credit they originate to stay under the open-end transactional coverage threshold.

As discussed above, the Bureau believes that none of the other changes in this final rule will add additional net costs to financial institutions. Furthermore, the clarifications in the final rule should reduce costs to financial institutions by easing implementation. Thus, all changes have the potential to reduce the costs of HMDA reporting for financial institutions. Further, as discussed above, standard economic theory predicts that in a market where financial institutions are profit maximizers, the affected financial institutions will pass on to consumers the cost saving per application or origination (i.e., the reduction in marginal cost) and will retain the one-time cost saving and saving on fixed costs of complying with the rule. Thus, the Bureau believes the impacts on consumers’ access to credit will be neutral or beneficial. In no event does the Bureau anticipate that consumers will experience reduced access to credit as a result of these changes.

D. Impact on Consumers in Rural Areas

The Bureau believes that none of the changes is likely to have an adverse impact on consumers in rural areas. The Bureau believes that, to the extent that consumers in rural areas are more likely to be served by smaller depository institutions and credit unions and the temporary increase in open-end reporting threshold is expected to affect mainly small financial institutions, the benefits from the temporary open-end threshold increase will affect consumers in rural areas positively. The Bureau asked for comments as to the impact on consumers in rural areas in the July 2017 HMDA Proposal. None of the comments the Bureau received has led the Bureau to question this assessment.

The Bureau believes that smaller financial institutions that may opt to report HMDA information even though they fall below the other transaction threshold in certain years are more likely to be located in rural areas. If so, financial institutions and consumers in rural areas may benefit disproportionately from the clarification of options allowing lenders to choose to report. In the April 2017 HMDA Proposal, the Bureau requested comment and data on the likelihood that smaller financial institutions that may opt to report HMDA information even though they may fall below transaction thresholds in certain years are relatively more likely to be located in rural areas. The Bureau received no comment to this request.

The Bureau also believes that rural consumers may benefit more than consumers in urban areas from the safe harbor created for use of the geocoding tool on the Bureau’s Web site because properties located in rural areas may face more geocoding challenges. The safe harbor alleviates some of that potential burden. In the April 2017 HMDA Proposal, the Bureau requested comment and data on whether properties located in rural areas face more geocoding challenges and whether the safe harbor would alleviate some of that burden. The Bureau received no comment on this specific request. For the rest of the changes contained in the final rule, the Bureau believes financial institutions based in rural areas and consumers will not face higher burdens.

VIII. Regulatory Flexibility Act

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. In the absence of such a certification, 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.

In the April 2017 HMDA Proposal, the Bureau concluded that the proposal, if adopted, would not have a significant economic impact on a substantial number of small entities and that an IRFA was therefore not required. The Bureau requested comment on the analysis under the RFA and any relevant data. The Bureau did not receive any comments on the analysis or data. This final rule adopts the proposed rule substantially as proposed, and, as discussed above, the Bureau believes that none of the changes will create a significant economic impact on any covered persons, including small entities. Therefore, a FRFA is not required.

In the July 2017 HMDA Proposal, the Bureau concluded that the proposal, if adopted, would not have a significant economic impact on a substantial number of small entities and that an IRFA was therefore not required. The Bureau requested comment on the analysis under the RFA and any relevant data. The Bureau did not receive any comments on the analysis or data. This final rule adopts the proposed rule as proposed, and, as discussed above, the Bureau believes that none of the changes would create a significant economic impact on any covered persons, including small entities. Therefore, a FRFA is not required.
Accordingly, the undersigned certifies that this final rule will not have a significant economic impact on a substantial number of small entities.

IX. 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. 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 information collection requirements contained in Regulation C have been previously approved by OMB and assigned OMB control number 3170–0008. You may access this information collection on www.reginfo.gov by selecting "Information Collection Review" from the main menu, clicking on "Search," and then entering the OMB control number.

The Bureau has determined that the final rule will not impose any new recordkeeping, reporting, or disclosure requirements on members of the public that will constitute collections of information requiring approval under the PRA. The final rule does, however, make a temporary modification to a previously-approved information collection by including a temporary increase in the open-end reporting threshold for two years. The Bureau estimates that this temporary modification will save financial institutions between $6 million and $30 million per year for two years on ongoing operational cost related to open-end lines of credit reporting to HMDA. Using the hourly wage of $33 that was used in 2015 Final Rule and its PRA analysis, the Bureau estimates that the final rule will reduce the recordkeeping, reporting, or disclosure requirements on members of the public associated with open-end reporting by approximately between 180,000 and 900,000 hours each year for two years during which the temporary threshold change is in effect.

The Bureau has a continuing interest in the public’s opinions regarding this determination. At any time, comments regarding this determination may be sent to: The Consumer Financial Protection Bureau (Attention: PRA Office), 1700 G Street NW, Washington, DC 20552, or by email to CFPB_Public_PRA@cfpb.gov.

List of Subjects in 12 CFR Part 1003

Banks, Banking, Credit unions, Mortgages, National banks, Reporting and recordkeeping requirements, Savings associations.

Authority and Issuance

For the reasons set forth above, the Bureau amends Regulation C, 12 CFR part 1003, as set forth below:

PART 1003—HOME MORTGAGE DISCLOSURE (REGULATION C)

■ 1. The authority citation for part 1003 continues to read as follows:


■ 2. Effective January 1, 2018, § 1003.2, as amended at 80 FR 66128, is further amended by revising paragraphs (g)(1)(v)(A) and (B) and (g)(2)(ii)(A) and (B) to read as follows:

§ 1003.2 Definitions.

* * * * *

(g) * * *

(1) * * *

(v) * * *

(A) In each of the two preceding calendar years, originated at least 25 closed-end mortgage loans that are not excluded from this part pursuant to §1003.3(c)(1) through (10) or (13); or (B) In each of the two preceding calendar years, originated at least 500 open-end lines of credit that are not excluded from this part pursuant to §1003.3(c)(1) through (10); and

(2) * * *

(ii) * * *

(A) In each of the two preceding calendar years, originated at least 25 closed-end mortgage loans that are not excluded from this part pursuant to §1003.3(c)(1) through (10) or (13); or (B) In each of the two preceding calendar years, originated at least 500 open-end lines of credit that are not excluded from this part pursuant to §1003.3(c)(1) through (10).

* * * * *

§ 1003.3 Exempt institutions and excluded transactions.

* * * * *

(c) * * *

(11) A closed-end mortgage loan, if the financial institution originated fewer than 25 closed-end mortgage loans in either of the two preceding calendar years; a financial institution may collect, record, report, and disclose information, as described in §§1003.4 and 1003.5, for such an excluded closed-end mortgage loan as though it were a covered loan, provided that the financial institution complies with such requirements for all applications for closed-end mortgage loans that it receives, closed-end mortgage loans that it originates, and closed-end mortgage loans that it purchases that otherwise would have been covered loans during the calendar year during which final action is taken on the excluded closed-end mortgage loan;

(12) An open-end line of credit, if the financial institution originated fewer than 500 open-end lines of credit in either of the two preceding calendar years; a financial institution may collect, record, report, and disclose information, as described in §§1003.4 and 1003.5, for such an excluded open-end line of credit as though it were a covered loan, provided that the financial institution complies with such requirements for all applications for open-end lines of credit that it receives, open-end lines of credit that it originates, and open-end lines of credit that it purchases that otherwise would have been covered loans during the calendar year during which final action is taken on the excluded open-end line of credit; or

(13) A transaction that provided or, in the case of an application, proposed to provide new funds to the applicant or borrower in advance of being consolidated in a New York State consolidation, extension, and modification agreement classified as a supplemental mortgage under New York Tax Law section 255; the transaction is excluded only if final action on the consolidation was taken in the same calendar year as final action on the new funds transaction.

■ 4. Effective January 1, 2018, §1003.4, as amended at 80 FR 66128, is further amended by revising paragraphs (a)(2), (12), and (35) to read as follows:

§ 1003.4 Compilation of reportable data.

(a) * * *

(2) Whether the covered loan is, or in the case of an application would have been, insured by the Federal Housing Administration, guaranteed by the Department of Veterans Affairs, or guaranteed by the Rural Housing Service or the Farm Service Agency.

(c) * * *

(11) A closed-end mortgage loan, if the financial institution originated fewer than 25 closed-end mortgage loans in either of the two preceding calendar years; a financial institution may collect, record, report, and disclose information, as described in §§1003.4 and 1003.5, for such an excluded closed-end mortgage loan as though it were a covered loan, provided that the financial institution complies with such requirements for all applications for closed-end mortgage loans that it receives, closed-end mortgage loans that it originates, and closed-end mortgage loans that it purchases that otherwise would have been covered loans during the calendar year during which final action is taken on the excluded closed-end mortgage loan;
5. Effective January 1, 2018, appendix B to part 1003, as amended at 80 FR 66128, is further amended by revising paragraphs 8 and 9.i through 9.i.v, adding paragraph 9.v, and revising the Sample Data Collection Form at the end of the appendix to read as follows:

Appendix B to Part 1003—Form and Instructions for Data Collection on Ethnicity, Race, and Sex

8. You must report the ethnicity, race, and sex of an applicant as provided by the applicant. For example, if an applicant selects the “Asian” box the institution reports “Asian” for the race of the applicant. Only an applicant may self-identify as being of a particular Hispanic or Latino subcategory (Mexican, Puerto Rican, Cuban, Other Hispanic or Latino) or of a particular Asian subcategory (Asian Indian, Chinese, Filipino, Japanese, Korean, Vietnamese, Other Asian) or of a particular Native Hawaiian or Other Pacific Islander subcategory (Native Hawaiian, Guamanian or Chamorro, Samoan, Other Pacific Islander) or of a particular American Indian or Alaska Native enrolled or principal tribe. An applicant may select an ethnicity or race subcategory even if the applicant does not select an aggregate ethnicity or aggregate race category. For example, if an applicant selects only the “Mexican” box, the institution reports “Mexican” for the ethnicity of the applicant but does not also report “Hispanic or Latino.”

9. * * *

i. Ethnicity—Aggregate categories and subcategories. There are two aggregate ethnicity categories: Hispanic or Latino; and Not Hispanic or Latino. The Hispanic or Latino category has four subcategories: Mexican; Puerto Rican; Cuban; and Other Hispanic or Latino. You must report every aggregate ethnicity category selected by the applicant. If the applicant also selects one or more ethnicity subcategories, you must report each ethnicity subcategory selected by the applicant, except that you must not report more than a total of five aggregate ethnicity categories and ethnicity subcategories combined. For example, if the applicant selects both aggregate ethnicity categories and also selects all four ethnicity subcategories, you must report Hispanic or Latino, Not Hispanic or Latino, and any three, at your option, of the five ethnicity subcategories selected by the applicant. To determine how to report the Other Hispanic or Latino ethnicity subcategory for purposes of the five-ethnicity maximum, see paragraph 9.ii below.

ii. Ethnicity—Other subcategories. An applicant may select the Other Hispanic or Latino ethnicity subcategory, an applicant may provide a particular Hispanic or Latino ethnicity not listed in the standard subcategories, or an applicant may do both. If the applicant provides only a particular Hispanic or Latino ethnicity in the space provided, you are permitted, but are not required, to report Other Hispanic or Latino in addition to reporting the particular Hispanic or Latino ethnicity provided by the applicant. For example, if an applicant provides only “Dominican,” you should report “Dominican.” You are permitted, but not required, to report Other Hispanic or Latino as well. If an applicant selects the Other Hispanic or Latino ethnicity and also provides a particular Hispanic or Latino ethnicity not listed in the standard subcategories, you must report both the selection of Other Hispanic or Latino and the additional information provided by the applicant, subject to the five-ethnicity maximum. For purposes of the maximum of five reportable ethnicity categories and ethnicity subcategories combined, as set forth in paragraph 9.i, the Other Hispanic or Latino subcategory and additional information provided by the applicant together constitute only one selection. For example, if the applicant selects Other Hispanic or Latino and enters “Dominican” in the space provided, Other Hispanic or Latino and “Dominican” are considered one selection. Similarly, if the applicant only enters “Dominican” in the space provided and you report both “Dominican” and Other Hispanic or Latino as permitted by this paragraph 9.ii, the reported items together are considered one selection.

iii. Race—Aggregate categories and subcategories. There are five aggregate race categories: American Indian or Alaska Native; Asian; Black or African American; Native Hawaiian or Other Pacific Islander; and White. The Asian and the Native Hawaiian or Other Pacific Islander aggregate categories have seven and four subcategories, respectively. The Asian race subcategories are: Asian Indian; Chinese; Filipino; Japanese; Korean; Vietnamese; and Other Asian. The Native Hawaiian or Other Pacific Islander race subcategories are: Native Hawaiian; Guamanian or Chamorro; Samoan; and Other Pacific Islander. You must report every aggregate race category selected by the applicant. If the applicant also selects one or more race subcategories, you must report each race subcategory selected by the applicant, except that you must not report more than a total of five aggregate ethnicity categories and ethnicity subcategories combined. For example, if the applicant selects both aggregate ethnicity categories and also selects all four ethnicity subcategories, you report only the five aggregate race categories and race subcategories combined. If the applicant selects all five aggregate race categories and also selects some race subcategories, you report only the five aggregate race categories. On the other hand, if the applicant selects the White, Asian, and Native Hawaiian or Other Pacific Islander aggregate race categories, and the applicant also selects the Korean, Vietnamese, and Samoan race subcategories, you must report White, Asian, Native Hawaiian or Other Pacific Islander, and any two, at your option, of the three race subcategories selected by the applicant. In this example, you must report White, Asian, and Native Hawaiian or Other Pacific Islander, and in addition you must report (at your option) either Korean...
and Vietnamese, Korean and Samoan, or
Vietnamese and Samoan. To determine
how to report an Other race subcategory
and the American Indian or Alaska
Native category for purposes of the five-
race maximum, see paragraphs 9.iv and
9.v below.

iv. Race—Other subcategories. An
applicant may select the Other Asian
race subcategory or the Other Pacific
Islander race subcategory, an applicant
may provide a particular Asian race or
Pacific Islander race not listed in the
standard subcategories, or an applicant
may do both. If the applicant provides
only a particular Asian race or Pacific
Islander race in the space provided, you
are permitted, but are not required, to
report Other Asian or Other Pacific
Islander, as applicable, in addition to
reporting the particular Asian race or
Pacific Islander race provided by the
applicant. For example, if an applicant
provides only “Hmong,” you should
report “Hmong.” You are permitted, but
not required, to report Other Asian as
well. If an applicant selects the Other
Asian race or the Other Pacific Islander
race subcategory and provides a
particular Asian race or Pacific Islander
race not listed in the standard
subcategories, you must report both the
selection of Other Asian or Other Pacific
Islander, as applicable, and the
additional information provided by the
applicant, subject to the five-race
maximum. For purposes of the
maximum of five reportable race
categories and race subcategories
combined, as set forth in paragraph 9.iii,
the Other race subcategory and
additional information provided by the
applicant together constitute only one
selection. Thus, using the same facts in
the example offered in paragraph 9.iii
above, if the applicant also selects Other
Asian and enters “Thai” in the space
provided, Other Asian and Thai are
considered one selection. Similarly, if
the applicant enters only “Thai” in the
space provided and you report both
“Thai” and Other Asian as permitted by
this paragraph 9.iv, the reported items
together are considered one selection. In
the same example, you must report any
two (at your option) of the four race
subcategories selected by the applicant,
Korean, Vietnamese, Other Asian-Thai,
and Samoan, in addition to the three
aggregate race categories selected by the
applicant.

v. Race—American Indian or Alaska
Native category. An applicant may
select the American Indian or Alaska
Native race category, an applicant may
provide a particular American Indian or
Alaska Native enrolled or principal
tribe, or an applicant may do both. If the
applicant provides only a particular
American Indian or Alaska Native
enrolled or principal tribe in the space
provided, you are permitted, but are not
required, to report American Indian or
Alaska Native in addition to reporting
the particular American Indian or
Alaska Native enrolled or principal tribe
provided by the applicant. For example,
if an applicant provides only “Navajo,”
you should report “Navajo.” You are
permitted, but not required, to report
American Indian or Alaska Native as
well. If an applicant selects the
American Indian or Alaska Native race
category and also provides a particular
American Indian or Alaska Native
enrolled or principal tribe, you must
report both the selection of American
Indian or Alaska Native and the
additional information provided by the
applicant. For purposes of the
maximum of five reportable race
categories and race subcategories
combined, as set forth in paragraph 9.iii,
the American Indian or Alaska Native
category and additional information
provided by the applicant together
constitute only one selection.

* * * * *
**Sample Data Collection Form**

**Demographic Information of Applicant and Co-Applicant**

The purpose of collecting this information is to help ensure that all applicants are treated fairly and that the housing needs of communities and neighborhoods are being fulfilled. Federal law requires that we ask applicants for their demographic information (race, ethnicity, and sex) in order to monitor our compliance with equal credit opportunity, fair housing, and home mortgage disclosure laws. You are not required to provide this information, but are encouraged to do so. You may select one or more designations for “Ethnicity” and one or more designations for “Race.”

**Applicant:**

**Ethnicity:** Check one or more
- [ ] Hispanic or Latino
- [ ] Puerto Rican
- [ ] Cuban
- [ ] Other Hispanic or Latino
- [ ] Not Hispanic or Latino
- [X] I do not wish to provide this information

**Race:** Check one or more
- [ ] Asian
- [ ] Asian Indian
- [ ] Chinese
- [ ] Filipino
- [ ] Japanese
- [ ] Korean
- [ ] Vietnamese
- [ ] Other Asian: Print race, for example, Hmong, Laotian, Thai, Pakistani, Cambodian, and so on.
- [ ] Black or African American
- [ ] Native Hawaiian or Other Pacific Islander: Native Hawaiian
- [ ] Guamanian or Chamorro
- [ ] Samoan
- [ ] Other Pacific Islander: Print race, for example, Fijian, Tongan, and so on.
- [ ] White
- [ ] I do not wish to provide this information

**Sex:**
- [ ] Male
- [ ] Female
- [ ] I do not wish to provide this information

**Co-Applicant:**

**Ethnicity:** Check one or more
- [ ] Hispanic or Latino
- [ ] Puerto Rican
- [ ] Cuban
- [ ] Other Hispanic or Latino
- [ ] Not Hispanic or Latino
- [X] I do not wish to provide this information

**Race:** Check one or more
- [ ] Asian
- [ ] Asian Indian
- [ ] Chinese
- [ ] Filipino
- [ ] Japanese
- [ ] Korean
- [ ] Vietnamese
- [ ] Other Asian: Print race, for example, Hmong, Laotian, Thai, Pakistani, Cambodian, and so on.
- [ ] Black or African American
- [ ] Native Hawaiian or Other Pacific Islander: Native Hawaiian
- [ ] Guamanian or Chamorro
- [ ] Samoan
- [ ] Other Pacific Islander: Print race, for example, Fijian, Tongan, and so on.
- [ ] White
- [ ] I do not wish to provide this information

**Sex:**
- [ ] Male
- [ ] Female
- [ ] I do not wish to provide this information

**To Be Completed by Financial Institution (for an application taken in person):**

- [ ] Was the ethnicity of the applicant collected on the basis of visual observation or surname?
  - [ ] Yes
  - [X] No

- [ ] Was the race of the applicant collected on the basis of visual observation or surname?
  - [ ] Yes
  - [X] No

- [ ] Was the sex of the applicant collected on the basis of visual observation or surname?
  - [ ] Yes
  - [X] No

- [ ] Was the ethnicity of the co-applicant collected on the basis of visual observation or surname?
  - [ ] Yes
  - [X] No

- [ ] Was the race of the co-applicant collected on the basis of visual observation or surname?
  - [ ] Yes
  - [X] No

- [ ] Was the sex of the co-applicant collected on the basis of visual observation or surname?
  - [ ] Yes
  - [X] No

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**Appendix C to Part 1003—Procedures for Generating a Check Digit and Validating a ULI**

**Generating a Check Digit**

**Step 1:** Starting with the leftmost character in the string that consists of the combination of the Legal Entity Identifier (LEI) pursuant to § 1003.4(a)(1)(i)(A) and the additional characters identifying the covered loan or application pursuant to § 1003.4(a)(1)(i)(B), replace each alphabetic character with numbers in
The combined string of characters is 10Bx939c5543TqA1144M999143X.

Step 1: Starting with the leftmost character in the combined string of characters, replace each alphabetic character with numbers in accordance with Table I above to obtain all numeric values in the string. The result is 1011339391255432926 101144229991433300.

Step 2: Append two zeros to the rightmost positions in the combined string. The result is 1011339391255432926 101144229991433300. Append two zeros to the number obtained in step 2 above and 97

n = \frac{(n,97)}{97}

where n is the number obtained in step 2 above and 97 is the divisor. The result is 60.

Alternatively, to calculate without using the modulus operator, divide the numbers in step 2 above by 97. The result is 10426179291293122 94946332627952920.61856701030928. Truncate the remainder to three digits, which is .618, and multiply it by 97. The result is 59.946. Round this result to the nearest whole number, which is 60.

Step 3: Apply the mathematical function mod = (n,97) where n is the number obtained in step 2 above and 97 is the divisor. The result is 60.

7. Effective January 1, 2018, Supplement I to Part 1003—Official Interpretations, as amended at 80 FR 66128, is further amended as follows:

a. Under Section 1003.2—Definitions:

i. Under Paragraph 4(a)(9)(ii), paragraphs 3 and 4 are revised.

ii. Paragraph 4(a)(2) is revised.

iii. Under Paragraph 4(a)(3), paragraph 6 is added.

iv. Under Paragraph 4(a)(8)(i), paragraphs 6 and 9 are revised.

v. Under Paragraph 4(a)(9)(ii), paragraph 3 is revised.

vi. After the entry for Paragraph 4(a)(9)(ii), add the heading Paragraph 4(a)(9)(ii) and paragraph 1 under that heading is added:

vii. After the entry for Paragraph 4(a)(9)(ii), add the heading Paragraph 4(a)(9)(ii) and paragraph 1 under that heading is added:


ix. Under Paragraph 4(a)(9)(ii)(C), paragraph 2 is added.

x. Under Paragraph 4(a)(10)(ii), paragraph 3 is revised.

xi. Under Paragraph 4(a)(10)(iii), paragraph 4 is revised.

xii. Under Paragraph 4(a)(12), paragraphs 1, 2, 3, 5, and 8 are revised and paragraph 9 is added.

xiii. Under Paragraph 4(a)(15), paragraphs 2 and 3 are revised.

xiv. Under Paragraph 4(a)(17)(ii), paragraph 3 is revised.

xv. Under Paragraph 4(a)(18), paragraph 3 is revised.

xvi. Under Paragraph 4(a)(19), paragraph 3 is revised.

xvii. Under Paragraph 4(a)(20), paragraph 3 is revised.

xviii. Under Paragraph 4(a)(21), paragraph 1 is revised.

xix. Under Paragraph 4(a)(24), paragraph 2 is revised and paragraph 6 is added.

xx. Under Paragraph 4(a)(26), paragraph 5 is added.

xxi. Under Paragraph 4(a)(34), paragraph 4 is added; and

xxii. Under Paragraph 4(a)(35), paragraph 2 is revised and paragraph 7 is added.

The revisions and additions read as follows:

Supplement I to Part 1003—Official Interpretations

* * * * *

Section 1003.2—Definitions

* * * * *

2(d) Closed-end Mortgage Loan

* * * * *

2. Extension of credit. Under § 1003.2(d), a dwelling-secured loan is
not a closed-end mortgage loan unless it involves an extension of credit. For example, some transactions completed pursuant to installment sales contracts, such as some land contracts, depending on the facts and circumstances, may or may not involve extensions of credit rendering the transactions closed-end mortgage loans. In general, extension of credit under §1003.2(d) refers to the granting of credit only pursuant to a new debt obligation. Thus, except as described in comments 2(d)—2.1 and .ii, if a transaction modifies, renews, extends, or amends the terms of an existing debt obligation, but the existing debt obligation is not satisfied and replaced, the transaction is not a closed-end mortgage loan under §1003.2(d) because there has been no new extension of credit. The phrase extension of credit thus is defined differently under Regulation C than under Regulation B, 12 CFR part 1002.

1. **Assumptions.** For purposes of Regulation C, an assumption is a transaction in which an institution enters into a written agreement accepting a new borrower in place of an existing borrower as the obligor on an existing debt obligation. For purposes of Regulation C, assumptions include successor-in-interest transactions, in which an individual succeeds the prior owner as the property owner and then assumes the existing debt secured by the property. Under §1003.2(d), assumptions are extensions of credit even if the new borrower merely assumes the existing debt obligation and no new debt obligation is created. See also comment 2(j)—5.

ii. **New York State consolidation, extension, and modification agreements.** A transaction completed pursuant to a New York State consolidation, extension, and modification agreement and classified as a supplemental mortgage under New York Tax Law section 255, such that the borrower owes reduced or no mortgage recording taxes, is an extension of credit under §1003.2(d). Comments 2(j)—1, 2(j)—2 provide additional details about whether such transactions are home improvement loans, home purchase loans, or refinancings, respectively. Section 1003.3(c)(13) provides an exclusion from the reporting requirement for a preliminary transaction providing or, in the case of an application, proposing to provide new funds to the borrower in advance of being consolidated within the same calendar year into a supplemental mortgage under New York Tax Law section 255. See comment 3(c)(13)—1 concerning how to report a supplemental mortgage under New York Tax Law section 255 in this situation.

2(f) ** Dwelling**

2. **Multipurpose residential structures and communities.** A dwelling also includes a multipurpose residential structure or community such as an apartment, condominium, cooperative building or housing complex, or a manufactured home community. A loan related to a manufactured home community is secured by a dwelling for purposes of §1003.2(f) even if it is not secured by any individual manufactured homes, but only by the land that constitutes the manufactured home community including sites for manufactured homes. However, a loan related to a multipurpose residential structure or community that is not a manufactured home community is not secured by a dwelling for purposes of §1003.2(f) if it is not secured by any individual dwelling units and is, for example, instead secured only by property that only includes common areas, or is secured only by an assignment of rents or dues.

2(g) **Financial Institution**

3. **Merger or acquisition—coverage of surviving or newly formed institution.** After a merger or acquisition, the surviving or newly formed institution is a financial institution under §1003.2(g) if it, considering the combined assets, location, and lending activity of the surviving or newly formed institution and the merged or acquired institutions or acquired branches, satisfies the criteria included in §1003.2(g). For example, A and B merge. The surviving or newly formed institution meets the loan threshold described in §1003.2(g)(1)(v)(B) if the surviving or newly formed institution, A, and B originated a combined total of at least 500 open-end lines of credit in each of the two preceding calendar years. Likewise, the surviving or newly formed institution meets the asset-size threshold in §1003.2(g)(1)(i) if its assets and the combined assets of A and B on December 31 of the preceding calendar year exceeded the threshold described in §1003.2(g)(1)(i). Comment 2(g)—4 discusses a financial institution’s responsibilities during the calendar year of a merger.

5. **Origination.** Whether an institution is a financial institution depends in part on whether the institution originated at least 25 closed-end mortgage loans in each of the two preceding calendar years or at least 500 open-end lines of credit in each of the two preceding calendar years. Comments 4(a)—2 through —4 discuss whether activities with respect to a particular closed-end mortgage loan or open-end line of credit constitute an origination for purposes of §1003.2(g).

2(i) **Home Improvement Loan**

4. **Mixed-use property.** A closed-end mortgage loan or an open-end line of credit to improve a multifamily dwelling used for residential and commercial purposes (for example, a building containing apartment units and retail space), or the real property on which such a dwelling is located, is a home improvement loan if the loan’s proceeds are used either to improve the entire property (for example, to replace the heating system), or if the proceeds are used primarily to improve the residential portion of the property. An institution may use any reasonable standard to determine the primary use of the loan proceeds. An institution may select the standard to apply on a case-by-case basis. See comment 3(c)(10)—3.ii for guidance on loans to improve primarily the commercial portion of a dwelling other than a multifamily dwelling.

2(n) **Multifamily Dwelling**

3. **Construction and permanent financing.** A home purchase loan includes both a combined construction/permanent loan or line of credit, and the separate permanent financing that replaces a construction-only loan or line of credit for the same borrower at a later time. A home purchase loan does not include a construction-only loan or line of credit that is designed to be replaced by separate permanent financing extended by any financial institution to the same borrower at a later time or that is extended to a person exclusively to construct a dwelling for sale which are excluded from Regulation C as temporary financing under §1003.3(c)(3). Comments 3(c)(3)—1 and —2 provide additional details about transactions that are excluded as temporary financing.

3. **Separate dwellings.** A covered loan secured by five or more separate dwellings, which are not multifamily dwellings, in more than one location is not a loan secured by a multifamily dwelling. For example, assume a landlord uses a covered loan to improve
five or more dwellings, each with one individual dwelling unit, located in different parts of a town, and the loan is secured by those properties. The covered loan is not secured by a multifamily dwelling as defined by § 1003.2(n). Likewise, a covered loan secured by five or more separate dwellings that are located within a multifamily dwelling, but which is not secured by the entire multifamily dwelling (e.g., an entire apartment building or housing complex), is not secured by a multifamily dwelling as defined by § 1003.2(n). For example, assume that an investor purchases 10 individual unit condominiums in a 100-unit condominium complex using a covered loan. The covered loan would not be secured by a multifamily dwelling as defined by § 1003.2(n). In both of these situations, a financial institution reporting a covered loan or application secured by these separate dwellings would not be subject to the additional reporting requirements for covered loans secured by applications proposed to be secured by multifamily dwellings under § 1003.4(a)(32). However, a financial institution would report the information required by § 1003.4(a)(4), (a)(10)(iii) and (a)(23), (29), and (30), which is not applicable to covered loans secured by and applications proposed to be secured by multifamily dwellings. See comment 2(n)–2. In addition, in both of these situations, the financial institution reports the number of individual dwelling units securing the covered loan or proposed to secure a covered loan as required by § 1003.4(a)(31). See comment 4(a)(31)–3.

Section 1003.3—Exempt Institutions and Excluded Transactions

3(c) Excluded Transactions

Paragraph 3(c)(3)

1. Temporary financing. Section 1003.3(c)(3) provides that closed-end mortgage loans or open-end lines of credit obtained for temporary financing are excluded transactions. A loan or line of credit is considered temporary financing and excluded under § 1003.3(c)(3) if the loan or line of credit is designed to be replaced by separate permanent financing extended by any financial institution to the same borrower at a later time. For example:

i. Lender A extends credit in the form of a bridge or swing loan to finance a borrower's construction of a new home. The borrower pays off the bridge or swing loan with funds from the sale of his or her existing home and obtains permanent financing for his or her new home from Lender A or from another lender. The bridge or swing loan is excluded as temporary financing under § 1003.3(c)(3).

ii. Lender A extends credit to a borrower to finance construction of a dwelling. The borrower will obtain a new extension of credit for permanent financing for the dwelling, either from Lender A or from another lender, and either through a refinancing of the initial construction loan or a separate loan. The initial construction loan is excluded as temporary financing under § 1003.3(c)(3).

iii. Assume the same scenario as in comment 3(c)(3)–1.i, except that the initial construction loan is, or may be, renewed one or more times before the separate permanent financing is obtained. The initial construction loan, including any renewal thereof, is excluded as temporary financing under § 1003.3(c)(3).

iv. Lender A extends credit to finance construction of a dwelling. The loan will automatically convert to permanent financing extended to the same borrower with Lender A once the construction phase is complete. Under § 1003.3(c)(3), the loan is not designed to be replaced by separate permanent financing extended to the same borrower, and therefore the temporary financing exclusion does not apply. See also comment 2(j)–3.

v. Lender A originates a loan with a nine-month term to enable an investor to purchase a home, renovate it, and resell it before the term expires. Under § 1003.3(c)(3), the loan is not designed to be replaced by separate permanent financing extended to the same borrower, and therefore the temporary financing exclusion does not apply. Such a transaction is not temporary financing under § 1003.3(c)(3) merely because its term is short.

2. Loan or line of credit to construct a dwelling for sale. A construction-only loan or line of credit is considered temporary financing and excluded under § 1003.3(c)(3) if the loan or line of credit is extended to a person exclusively to construct a dwelling for sale. See comment 3(c)(3)–1.ii through .iv for examples of the reporting requirement for construction loans that are not extended to a person exclusively to construct a dwelling for sale.

Paragraph 3(c)(10)

3. Examples—covered business- or commercial-purpose transactions. The following are examples of closed-end mortgage loans and open-end lines of credit that are not excluded from reporting under § 1003.3(c)(10) because, although they primarily are for a business or commercial purpose, they also meet the definition of a home improvement loan under § 1003.2(i), a home purchase loan under § 1003.2(j), or a refinancing under § 1003.2(p):

i. A closed-end mortgage loan or an open-end line of credit to purchase or to improve a multifamily dwelling or a single-family investment property, or a refinancing of a closed-end mortgage loan or an open-end line of credit secured by a multifamily dwelling or a single-family investment property;

ii. A closed-end mortgage loan or an open-end line of credit to improve a doctor’s office or a daycare center that is located in a dwelling other than a multifamily dwelling; and

iii. A closed-end mortgage loan or an open-end line of credit to a corporation, if the funds from the loan or line of credit will be used to purchase or to improve a dwelling, or if the transaction is a refinancing.

Paragraph 3(c)(11)

1. General. Section 1003.3(c)(11) provides that a closed-end mortgage loan is an excluded transaction if a financial institution originated fewer than 25 closed-end mortgage loans in either of the two preceding calendar years. For example, assume that a bank is a financial institution in 2018 under § 1003.2(g) because it originated 600 open-end lines of credit in 2016, 650 open-end lines of credit in 2017, and met all of the other requirements under § 1003.2(g)(1). Also assume that the bank originated 10 and 20 closed-end mortgage loans in 2016 and 2017, respectively. The open-end lines of credit that the bank originated or purchased, or for which it received applications, during 2018 are covered loans and must be reported, unless they otherwise are excluded transactions under § 1003.3(c). However, the closed-end mortgage loans that the bank originated or purchased, or for which it received applications, during 2018 are excluded transactions under § 1003.3(c)(11) and need not be reported. See comments 4(a)–2 through .4 for guidance about the activities that constitute an origination.

2. Optional reporting. A financial institution may report applications for, or originate or purchase, covered transactions because the financial institution originated fewer than 25 closed-end mortgage loans in either of the two preceding calendar years.
However, a financial institution that chooses to report such excluded applications for, originations of, or purchases of closed-end mortgage loans must report all such applications for closed-end mortgage loans that it receives, closed-end mortgage loans that it originates, and closed-end mortgage loans that it purchases that otherwise would be covered loans for a given calendar year. Note that applications which remain pending at the end of a calendar year are not reported, as described in comment 4(a)(8)(i)–14.

Paragraph 3(c)(12)

1. General. Section 1003.3(c)(12) provides that an open-end line of credit is an excluded transaction if a financial institution originated fewer than 500 open-end lines of credit in either of the two preceding calendar years. For example, assume that a bank is a financial institution in 2018 under § 1003.2(g) because it originated 50 closed-end mortgage loans in 2016, 75 closed-end mortgage loans in 2017, and met all of the other requirements under § 1003.2(g)(1). Also assume that the bank originated 75 and 85 open-end lines of credit in 2016 and 2017, respectively. The closed-end mortgage loans that the bank originated or purchased, or for which it received applications, during 2018 are covered loans and must be reported, unless they otherwise are excluded transactions under § 1003.3(c). However, the open-end lines of credit that the bank originated or purchased, or for which it received applications, during 2018 are excluded transactions under § 1003.3(c)(12) and need not be reported. See comments 4(a)–2 through –4 for guidance about the activities that constitute an origination.

2. Optional reporting. A financial institution may report applications for, originations of, or purchases of open-end lines of credit that are excluded transactions because the financial institution originated fewer than 500 open-end lines of credit in either of the two preceding calendar years. However, a financial institution that chooses to report such excluded applications for, originations of, or purchases of open-end lines of credit must report all such applications for open-end lines of credit on which it receives, open-end lines of credit that it originates, and open-end lines of credit that it purchases that otherwise would be covered loans for a given calendar year. Note that applications which remain pending at the end of a calendar year are not reported, as described in comment 4(a)(8)(i)–14.

Paragraph 3(c)(13)

1. New funds extended before consolidation. Section 1003.3(c)(13) provides an exclusion for a transaction that provided or, in the case of an application, proposed to provide new funds to the borrower in advance of being consolidated in a New York State consolidation, extension, and modification agreement classified as a supplemental mortgage under New York Tax Law section 255 (New York CEMA) and for which final action is taken on both transactions within the same calendar year. The excluded transaction provides or proposes to provide funds that are not part of any existing debt obligation of the borrower and that are then consolidated or proposed to be consolidated with, or existing debt obligations or as part of the supplemental mortgage. The new funds are reported only insofar as they form part of the total amount of the reported New York CEMA, and not as a separate amount. This exclusion applies only if, at the time the transaction that provided new funds was originated, the financial institution intended to consolidate the loan into a New York CEMA. If a New York CEMA that consolidates an excluded preliminary transaction is carried out in a transaction involving an assumption, the financial institution reports the New York CEMA and does not report the preliminary transaction separately. The § 1003.3(c)(13) exclusion does not apply to similar preliminary transactions that provide or propose to provide new funds to be consolidated not pursuant to New York Tax Law section 255 but under some other law in a transaction that is not an extension of credit. For example, assume a financial institution extends new funds to a consumer in a preliminary transaction that is then consolidated as part of a consolidation, extension and modification agreement pursuant to the law of a State other than New York. If the preliminary extension of new funds is a covered loan, it must be reported. If the consolidation, extension and modification agreement pursuant to the law of a State other than New York is not an extension of credit pursuant to Regulation C, it may not be reported. For discussion of how to report a cash-out refinancing, see comment 4(a)(3)–2.

Section 1003.4—Compilation of Reportable Data

4(a) Data Format and Itemization

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Paragraph 4(a)(1)(i)

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Paragraph 4(a)(2)

1. Loan type—general. If a covered loan is not, or in the case of an application would not have been, insured by the Federal Housing Administration, guaranteed by the Department of Veterans Affairs, or guaranteed by the Rural Housing Service or the Farm Service Agency, an institution complies with § 1003.4(a)(2) by reporting the covered loan as not insured or guaranteed by the Federal Housing Administration, Department of Veterans Affairs, Rural Housing Service, or Farm Service Agency.

Paragraph 4(a)(3)

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6. Purpose—purchased loans. For purchased covered loans where origination took place prior to January 1, 2018, a financial institution complies
with § 1003.4(a)(3) by reporting that the requirement is not applicable.

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**Paragraph 4(a)(8)(i)**

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6. **Action taken—file closed for incompleteness.** A financial institution reports that the file was closed for incompleteness if the financial institution sent a written notice of incompleteness under Regulation B, 12 CFR 1002.9(c)(2), and the applicant did not respond to the request for additional information within the period of time specified in the notice before the applicant satisfies all underwriting or creditworthiness conditions. See comment 4(a)(8)(i)–13. If a financial institution then provides a notification of adverse action on the basis of incompleteness under Regulation B, 12 CFR 1002.9(c)(1)(i), the financial institution may report the action taken as either file closed for incompleteness or application denied. A preapproval request that is closed for incompleteness is not reportable under HMDA. See § 1003.4(a) and comment 4(a)–1.ii.

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9. **Action taken—counteroffers.** If a financial institution makes a counteroffer to lend on terms different from the applicant’s initial request (for example, for a shorter loan maturity, with a different interest rate, or in a different amount) and the applicant declines to proceed with the counteroffer or fails to respond, the institution reports the action taken as a denial on the original terms requested by the applicant. If the applicant agrees to proceed with consideration of the financial institution’s counteroffer, the financial institution reports the action taken as the disposition of the application based on the terms of the counteroffer. For example, assume a financial institution makes a counteroffer, the applicant agrees to proceed with consideration of the counteroffer, and the financial institution provides a conditional approval stating the conditions to be met to originate the counteroffer. The financial institution reports the action taken on the application in accordance with comment 4(a)(8)(i)–13 regarding conditional approvals.

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**Paragraph 4(a)(9)(i)**

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3. **Property address—not applicable.** A financial institution complies with § 1003.4(a)(9)(i) by reporting that the requirement is not applicable if the property address of the property securing the covered loan is not known. For example, if the property did not have a property address at closing or if the applicant did not provide the property address of the property to the financial institution before the application was denied, withdrawn, or closed for incompleteness, the financial institution complies with § 1003.4(a)(9)(i) by reporting that the requirement is not applicable.

**Paragraph 4(a)(9)(ii)**

1. **Optional reporting.** Section 1003.4(a)(9)(ii) requires a financial institution to report the State, county, and census tract of the property securing the covered loan or, in the case of an application, proposed to secure the covered loan if the property is located in an MSA or MD in which the financial institution has a home or branch office or if the institution is subject to § 1003.4(e). Section 1003.4(a)(9)(ii)(C) further limits the requirement to report census tract to covered loans secured by or applications proposed to be secured by properties located in counties with a population of more than 30,000 according to the most recent decennial census conducted by the U.S. Census Bureau. For transactions for which State, county, or census tract reporting is not required under § 1003.4(a)(9)(ii) or (e), financial institutions may report that the requirement is not applicable, or they may voluntarily report the State, county, or census tract information.

**Paragraph 4(a)(9)(ii)(A)**

1. **Applications—State not provided.** When reporting an application, a financial institution complies with § 1003.4(a)(9)(ii)(A) by reporting that the requirement is not applicable if the State in which the property is located was not known before the application was denied, withdrawn, or closed for incompleteness.

**Paragraph 4(a)(9)(ii)(B)**

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2. **Applications—county not provided.** When reporting an application, a financial institution complies with § 1003.4(a)(9)(ii)(B) by reporting that the requirement is not applicable if the county in which the property is located was not known before the application was denied, withdrawn, or closed for incompleteness.

**Paragraph 4(a)(9)(ii)(C)**

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2. **Applications—census tract not provided.** When reporting an application, a financial institution complies with § 1003.4(a)(9)(ii)(C) by reporting that the requirement is not applicable if the census tract in which the property is located was not known before the application was denied, withdrawn, or closed for incompleteness.

**Paragraph 4(a)(10)(ii)**

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3. **Applicant data—purchased loan.** A financial institution complies with § 1003.4(a)(10)(ii) by reporting that the requirement is not applicable when reporting a purchased loan for which the institution chooses not to report the age.

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**Paragraph 4(a)(10)(iii)**

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4. **Income data—assets.** A financial institution does not include as income amounts considered in making a credit decision based on factors that an institution relies on in addition to income, such as amounts derived from underwriting calculations of the potential annuitization or depletion of an applicant’s remaining assets. Actual distributions from retirement accounts or other assets that are relied on by the financial institution as income should be reported as income. The interpretation of income in this paragraph does not affect § 1003.4(a)(23), which requires, except for purchased covered loans, the collection of the ratio of the applicant’s or borrower’s total monthly debt to the total monthly income relied on in making the credit decision.

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**Paragraph 4(a)(12)**

1. **Average prime offer rate.** Average prime offer rates are annual percentage rates derived from average interest rates and other loan pricing terms offered to borrowers by a set of creditors for
mortgage loans that have low-risk pricing characteristics. Other loan pricing terms may include commonly used indices, margins, and initial fixed-rate periods for variable-rate transactions. Relevant pricing characteristics may include a consumer’s credit history and transaction characteristics such as the loan-to-value ratio, owner-occupant status, and purpose of the transaction. To obtain average prime offer rates, the Bureau uses creditor data by transaction type.

2. Bureau tables. The Bureau publishes tables of current and historic average prime offer rates by transaction type on the FFIEC’s Web site (http://www.ffiec.gov/hmda) and the Bureau’s Web site (https://www.consumerfinance.gov). The Bureau calculates an annual percentage rate, consistent with Regulation Z (see 12 CFR 1026.22 and 12 CFR part 1026, appendix J), for each transaction type for which pricing terms are available from the creditor data described in comment 4(a)(12)–1. The Bureau uses loan pricing terms available in the creditor data and other information to estimate annual percentage rates for other types of transactions for which the creditor data are limited or not available. The Bureau publishes on the FFIEC’s Web site and the Bureau’s Web site the methodology it uses to arrive at these estimates. A financial institution may either use the average prime offer rates published by the Bureau or determine average prime offer rates itself by employing the methodology published on the FFIEC’s Web site and the Bureau’s Web site. A financial institution that determines average prime offer rates itself, however, is responsible for correctly determining the rates in accordance with the published methodology.

3. Rate spread calculation—annual percentage rate. The requirements of §1003.4(a)(12)(i) refer to the covered loan’s annual percentage rate. For closed-end mortgage loans, a financial institution complies with §1003.4(a)(12)(ii) by relying on the annual percentage rate for the covered loan, as calculated and disclosed pursuant to Regulation Z, 12 CFR 1026.18 or 1026.38. For open-end lines of credit, a financial institution complies with §1003.4(a)(12)(ii) by relying on the annual percentage rate for the covered loan, as calculated and disclosed pursuant to Regulation Z, 12 CFR 1026.18 or 1026.38. For open-end lines of credit, a financial institution complies with §1003.4(a)(12)(ii) by relying on the annual percentage rate for the covered loan, as calculated and disclosed pursuant to Regulation Z, 12 CFR 1026.18 or 1026.38. If multiple annual percentage rates are calculated and disclosed pursuant to Regulation Z, 12 CFR 1026.18 or 1026.38, the financial institution relies on the annual percentage rate in effect at the time of account opening. If an open-end line of credit has a variable-rate feature and a fixed-rate and -term payment option during the draw period, a financial institution relies on the annual percentage rate in effect at the time of account opening under the variable-rate feature, which would be a discounted initial rate if one is offered under the variable-rate feature. See comment 4(a)(12)–8 for guidance regarding the annual percentage rate a financial institution relies on in the case of an application or preapproval request that was approved but not accepted.

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5. Rate-set date. The relevant date to use to determine the average prime offer rate for a comparable transaction is the date on which the interest rate was set by the financial institution for the final time before final action is taken (i.e., the application was approved but not accepted or the covered loan was originated).

i. Rate-lock agreement. If an interest rate is set pursuant to a “lock-in” agreement between the financial institution and the borrower, then the date on which the agreement fixes the interest rate is the date the rate was set. Except as provided in comment 4(a)(12)–5.ii, if a rate is reset after a lock-in agreement is executed (for example, because the borrower exercises a float-down option or the agreement expires), then the relevant date is the date the financial institution exercises discretion in setting the rate for the final time before final action is taken. The same rule applies when a rate-lock agreement is extended and the rate is reset at the same rate, regardless of whether market rates have increased, decreased, or remained the same since the initial rate was set. If no lock-in agreement is executed, then the relevant date is the date on which the institution sets the rate for the final time before final action is taken.

ii. Change in loan program. If a financial institution issues a rate-lock commitment under one loan program, the borrower subsequently changes to another program that is subject to different pricing terms, and the financial institution changes the rate promised to the borrower under the rate-lock commitment accordingly, the rate-set date is the date of the program change. However, if the financial institution changes the promised rate to the rate that would have been available to the borrower under the new program on the date of the original rate-lock commitment, then that is the date the rate is set, provided the financial institution consistently follows that practice in all such cases or the original rate-lock agreement so provided. For example, assume that a borrower locks a rate of 2.5 percent on June 1 for a 30-year, variable-rate loan with a five-year, fixed-rate introductory period. On June 15, the borrower decides to switch to a 30-year, fixed-rate loan, and the rate available to the borrower for that product on June 15 is 4.0 percent. On June 1, the 30-year, fixed-rate loan would have been available to the borrower at a rate of 3.5 percent. If the financial institution offers the borrower the 3.5 percent rate (i.e., the rate that would have been available to the borrower for the fixed-rate product on June 1, the date of the original rate-lock) because the original agreement so provided or because the financial institution consistently follows that practice for borrowers who change loan programs, then the financial institution should use June 1 as the rate-set date.

In all other cases, the financial institution should use June 15 as the rate-set date.

iii. Brokered loans. When a financial institution has reporting responsibility for an application for a covered loan that it received from a broker, as discussed in comment 4(a)–2 (e.g., because the financial institution makes a credit decision prior to closing or account opening), the rate-set date is the last date the financial institution set the rate with the broker, not the date the broker set the borrower’s rate.

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8. Application or preapproval request approved but not accepted. In the case of an application or preapproval request that was approved but not accepted, §1003.4(a)(12) requires a financial institution to report the applicable rate spread. In such cases, the financial institution would provide early disclosures under Regulation Z, 12 CFR 1026.18 or 1026.37 (for closed-end mortgage loans), or 1026.40 (for open-end lines of credit), but might never provide any subsequent disclosures. In such cases where no subsequent disclosures are provided, a financial institution complies with §1003.4(a)(12)(i) by relying on the annual percentage rate for the application or preapproval request, as calculated and disclosed pursuant to Regulation Z, 12 CFR 1026.18 or 1026.37 (for closed-end mortgage loans), or 1026.40 (for open-end lines of credit), as applicable. For transactions subject to Regulation C for which no disclosures under Regulation Z are required, a financial institution complies with §1003.4(a)(12)(i) by reporting that the requirement is not applicable.
9. Corrected disclosures. In the case of a covered loan or an application that was approved but not accepted, if the annual percentage rate changes because a financial institution provides a corrected version of the disclosures required under Regulation Z, 12 CFR 1026.19(a), pursuant to 12 CFR 1026.19(a)(2), under 12 CFR 1026.19(f), pursuant to 12 CFR 1026.19(f)(2)(v), or under 12 CFR 1026.6(a), the financial institution complies with § 1003.4(a)(12)(i) by comparing the corrected and disclosed annual percentage rate to the most recently available average prime offer rate that was in effect for a comparable transaction as of the rate-set date, provided that the corrected disclosure was provided to the borrower prior to the end of the reporting period in which final action is taken. For purposes of § 1003.4(a)(12), the date the corrected disclosure was provided to the borrower is the date the disclosure was mailed or delivered to the borrower in person; the financial institution’s method of delivery does not affect the date provided. For example, where a financial institution provides a corrected version of the disclosures required under 12 CFR 1026.19(f), pursuant to 12 CFR 1026.19(f)(2), the date provided is the date disclosed pursuant to Regulation Z, 12 CFR 1026.38(a)(3)(i). The provision of a corrected disclosure does not affect how a financial institution determines the rate-set date. See comment 4(a)(12)–5.

For example, in the case of a financial institution’s annual loan/application register submission made pursuant to § 1003.5(a)(1), if the financial institution provides a corrected disclosure to the borrower pursuant to Regulation Z, 12 CFR 1026.19(f)(2)(v), that reflects a corrected annual percentage rate, the financial institution reports the difference between the corrected annual percentage rate and the most recently available average prime offer rate that was in effect for a comparable transaction as of the rate-set date if the corrected disclosure was provided to the borrower prior to the end of the calendar year in which final action is taken.

Paragraph 4(a)(15)

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2. Credit score—multiple credit scores. When a financial institution obtains or creates two or more credit scores for a single applicant or borrower but relies on only one score in making the credit decision (for example, by relying on the lowest, highest, most recent, or average of all of the scores), the financial institution complies with § 1003.4(a)(15) by reporting that credit score and information about the scoring model used. When a financial institution uses more than one credit scoring model and combines the scores into a composite credit score that it relies on, the financial institution reports that score and reports that more than one credit scoring model was used. When a financial institution obtains or creates two or more credit scores for an applicant or borrower and relies on multiple scores for the applicant or borrower in making the credit decision (for example, by relying on a scoring grid that considers each of the scores obtained or created for the applicant or borrower without combining the scores into a composite score), § 1003.4(a)(15) requires the financial institution to report one of the credit scores for the applicant or borrower that was relied on in making the credit decision. In choosing which credit score to report in this circumstance, a financial institution need not use the same approach for its entire HMDA submission, but it should be generally consistent (such as by routinely using one approach within a particular division of the institution or for a category of covered loans). In instances such as these, the financial institution should report the name and version of the credit scoring model for the score reported.

3. Corrected disclosures. If the amount of total loan costs changes because a financial institution provides a corrected version of the disclosures required under Regulation Z, 12 CFR 1026.19(f), pursuant to 12 CFR 1026.19(f)(2), the financial institution complies with § 1003.4(a)(17)(i) by reporting the corrected amount, provided that the corrected disclosure was provided to the borrower prior to the end of the reporting period in which closing occurs. For purposes of § 1003.4(a)(17)(i), the date the corrected disclosure was provided to the borrower is the date disclosed pursuant to Regulation Z, 12 CFR 1026.38(a)(3)(i). For example, in the case of a financial institution’s annual loan/application register submission made pursuant to § 1003.5(a)(1), if the financial institution provides a corrected disclosure to the borrower to reflect a refund made pursuant to Regulation Z, 12 CFR 1026.19(f)(2)(v), the financial institution reports the corrected amount of total loan costs only if the corrected disclosure was provided to the borrower prior to the end of the calendar year in which closing occurs.

Paragraph 4(a)(18)
3. Corrected disclosures. If the total amount of borrower-paid origination charges changes because a financial institution provides a corrected version of the disclosures required under Regulation Z, 12 CFR 1026.19(f), pursuant to 12 CFR 1026.19(f)(2), the financial institution complies with § 1003.4(a)(18) by reporting the corrected amount, provided that the corrected disclosure was provided to the borrower prior to the end of the reporting period in which closing occurs. For purposes of § 1003.4(a)(18), the date the corrected disclosure was provided to the borrower is the date disclosed pursuant to Regulation Z, 12 CFR 1026.38(a)(3)(i). For example, in the case of a financial institution’s annual loan/application register submission made pursuant to § 1003.5(a)(1), if the financial institution provides a corrected disclosure to the borrower to reflect a refund made pursuant to Regulation Z, 12 CFR 1026.19(f)(2)(v), the financial institution reports the corrected amount of borrower-paid origination charges only if the corrected disclosure was provided to the borrower prior to the end of the calendar year in which closing occurs. Paragraph 4(a)(19)

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3. Corrected disclosures. If the amount of discount points changes because a financial institution provides a corrected version of the disclosures required under Regulation Z, 12 CFR 1026.19(f), pursuant to 12 CFR 1026.19(f)(2), the financial institution complies with § 1003.4(a)(18) by reporting the corrected amount, provided that the corrected disclosure was provided to the borrower prior to the end of the calendar year in which closing occurs. Paragraph 4(a)(20)

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3. Corrected disclosures. If the amount of lender credits changes because a financial institution provides a corrected version of the disclosures required under Regulation Z, 12 CFR 1026.19(f), pursuant to 12 CFR 1026.19(f)(2), the financial institution complies with § 1003.4(a)(20) by reporting the corrected amount, provided that the corrected disclosure was provided to the borrower prior to the end of the reporting period in which closing occurs. For purposes of § 1003.4(a)(20), the date the corrected disclosure was provided to the borrower is the date disclosed pursuant to Regulation Z, 12 CFR 1026.38(a)(3)(i). For example, in the case of a financial institution’s annual loan/application register submission made pursuant to § 1003.5(a)(1), if the financial institution provides a corrected disclosure to the borrower to reflect a refund made pursuant to Regulation Z, 12 CFR 1026.19(f)(2)(v), the financial institution reports the corrected amount of lender credits only if the corrected disclosure was provided to the borrower prior to the end of the calendar year in which closing occurs. Paragraph 4(a)(21)

1. Interest rate disclosures. Section 1003.4(a)(21) requires a financial institution to identify the interest rate applicable to the approved application, or to the covered loan at closing or account opening. For covered loans or applications subject to the integrated mortgage disclosure requirements of Regulation Z, 12 CFR 1026.19(e) and (f), a financial institution complies with § 1003.4(a)(21) by reporting the interest rate disclosed on the applicable disclosure. For covered loans or approved applications for which disclosures were provided pursuant to both the early and the final disclosure requirements in Regulation Z, 12 CFR 1026.19(e) and (f), a financial institution reports the interest rate disclosed pursuant to 12 CFR 1026.19(f). A financial institution may rely on the definitions and commentary to the sections of Regulation Z relevant to the disclosure of the interest rate pursuant to 12 CFR 1026.19(e) or (f). If a financial institution provides a revised or corrected version of the disclosures required under Regulation Z, 12 CFR 1026.19(e) or (f), pursuant to 12 CFR 1026.19(e)(3)(iv) or (f)(2), as applicable, the financial institution complies with § 1003.4(a)(21) by reporting the interest rate on the revised or corrected disclosure, provided that the revised or corrected disclosure was provided to the borrower prior to the end of the reporting period in which final action is taken. For purposes of § 1003.4(a)(21), the date the revised or corrected disclosure was provided to the borrower is the date disclosed pursuant to Regulation Z, 12 CFR 1026.37(a)(4) or 1026.38(a)(3)(i), as applicable.

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Paragraph 4(a)(24)

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2. Transactions for which a combined loan-to-value ratio was one of multiple factors. A financial institution relies on the ratio of the total amount of debt secured by the property to the value of the property (combined loan-to-value ratio) in making the credit decision if the combined loan-to-value ratio was a factor in the credit decision, even if it was not a dispositive factor. For example, if the combined loan-to-value ratio is one of multiple factors in a financial institution’s credit decision, the financial institution has relied on the combined loan-to-value ratio and complies with § 1003.4(a)(24) by reporting the combined loan-to-value ratio, even if the financial institution denies the application because one or more underwriting requirements other than the combined loan-to-value ratio are not satisfied.

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6. Property. A financial institution reports the combined loan-to-value ratio relied on in making the credit decision, regardless of which property or properties it used in the combined loan-to-value ratio calculation. The property used in the combined loan-to-value ratio calculation does not need to be the property identified in § 1003.4(a)(9) and may include more than one property and non-real property. For example, if a financial institution originated a covered loan for the purchase of a multifamily dwelling, the loan was secured by the multifamily dwelling and by non-real property, such as securities, and the financial institution used the multifamily dwelling and the non-real property to calculate the combined loan-to-value ratio that it relied on in making the credit decision. § 1003.4(a)(24) requires the financial institution to report the relied upon ratio. Section 1003.4(a)(24) does not require a financial institution to use a particular combined loan-to-value ratio calculation method but instead requires financial institutions to report the combined loan-to-value ratio relied on in making the credit decision.

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Paragraph 4(a)(26)

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5. Non-monthly introductory periods. If a covered loan or application includes an introductory interest rate period
measured in a unit of time other than months, the financial institution complies with § 1003.4(a)(26) by reporting the introductory interest rate period for the covered loan or application using an equivalent number of whole months without regard for any remainder. For example, assume an open-end line of credit contains an introductory interest rate for 50 days after the date of account opening, after which the interest rate may adjust. In this example, the financial institution complies with § 1003.4(a)(26) by reporting the number of months as “1.” The financial institution must report one month for any introductory interest rate period that totals less than one whole month.

Paragraph 4(a)(34)

4. Purchased loans. If a financial institution purchases a covered loan that satisfies the coverage criteria of Regulation Z, 12 CFR 1026.36(g), and that was originated prior to January 10, 2014, the financial institution complies with § 1003.4(a)(34) by reporting that the requirement is not applicable. In addition, if a financial institution purchases a covered loan that does not satisfy the coverage criteria of Regulation Z, 12 CFR 1026.36(g), and that was originated prior to January 1, 2018, the financial institution complies with § 1003.4(a)(34) by reporting that the requirement is not applicable. Purchasers of both such types of covered loans may report the NMLSR ID.

Paragraph 4(a)(35)

2. Definition of automated underwriting system. A financial institution must report the information required by § 1003.4(a)(35)(i) if the financial institution uses an automated underwriting system (AUS), as defined in § 1003.4(a)(35)(ii), to evaluate an application. To be covered by the definition in § 1003.4(a)(35)(ii), a system must be an electronic tool that has been developed by a securitizer, Federal government insurer, or a Federal government guarantor of closed-end mortgage loans or open-end lines of credit. A person is a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit, respectively, if it has securitized, provided Federal government insurance, or provided a Federal government guarantor of closed-end mortgage loan or open-end line of credit at any point in time. A person may be a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit, respectively, for purposes of § 1003.4(a)(35) even if it is not actively securitizing, insuring, or guaranteeing closed-end mortgage loans or open-end lines of credit at the time a financial institution uses the AUS to evaluate an application. Where the person that developed the electronic tool has never been a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit, respectively, at the time a financial institution uses the tool to evaluate an application, the financial institution complies with § 1003.4(a)(35) by reporting that the requirement is not applicable because an AUS was not used to evaluate the application. If a financial institution has developed its own proprietary system that it uses to evaluate an application and the financial institution is also a securitizer, then the financial institution complies with § 1003.4(a)(35) by reporting the name of that system and the result generated by that system. On the other hand, if a financial institution has developed its own proprietary system that it uses to evaluate an application and the financial institution is not a securitizer, then the financial institution is not required by § 1003.4(a)(35) to report the use of that system and the result generated by that system. In addition, for an AUS to be covered by the definition in § 1003.4(a)(35)(ii), the system must provide a result regarding both the credit risk of the applicant and the eligibility of the covered loan to be originated, purchased, insured, or guaranteed by the securitizer, Federal government insurer, or Federal government guarantor that developed the system being used to evaluate the application. For example, if a system is an electronic tool that provides a determination of the eligibility of the covered loan to be originated, purchased, insured, or guaranteed by the securitizer, Federal government insurer, or Federal government guarantor that developed the system being used by a financial institution to evaluate the application, but the system does not also provide an assessment of the creditworthiness of the applicant—such as an evaluation of the applicant’s income, debt, and credit history—then that system does not qualify as an AUS, as defined in § 1003.4(a)(35)(ii). A financial institution that uses a system that is not developed in § 1003.4(a)(35)(ii), to evaluate an application does not report the information required by § 1003.4(a)(35)(i).

7. Determination of securitizer, Federal government insurer, or Federal government guarantor. Section 1003.4(a)(35)(ii) provides that an “automated underwriting system” means an electronic tool developed by a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit that provides a result regarding the credit risk of the applicant and whether the covered loan is eligible to be originated, purchased, insured, or guaranteed by that securitizer, Federal government insurer, or Federal government guarantor. A person is a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit, respectively, if it has ever securitized, insured, or guaranteed a closed-end mortgage loan or open-end line of credit. If a financial institution knows or reasonably believes that the system it is using to evaluate an application is an electronic tool that has been developed by a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit, then the financial institution complies with § 1003.4(a)(35) by reporting the name of that system and the result generated by that system. Knowledge or reasonable belief could, for example, be based on a sales agreement or other related documents, the financial institution’s previous transactions or relationship with the developer of the electronic tool, or representations made by the developer of the electronic tool demonstrating that the developer of the electronic tool is a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit. If a financial institution does not know or reasonably believe that the system it is using to evaluate an application is an electronic tool that has been developed by a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit, the financial institution complies with § 1003.4(a)(35) by reporting that the requirement is not applicable because an AUS was not used to evaluate the application. If a financial institution has developed its own proprietary system that it uses to evaluate an application and the financial institution is a securitizer, then the financial institution must provide a result regarding both the credit risk of the applicant and the eligibility of the covered loan to be originated, purchased, insured, or guaranteed by the securitizer, Federal government insurer, or Federal government guarantor that developed the system being used to evaluate the application. For example, if a system is an electronic tool that provides a determination of the eligibility of the covered loan to be originated, purchased, insured, or guaranteed by the securitizer, Federal government insurer, or Federal government guarantor that developed the system being used by a financial institution to evaluate the application, but the system does not also provide an assessment of the creditworthiness of the applicant—such as an evaluation of the applicant’s income, debt, and credit history—then that system does not qualify as an AUS, as defined in § 1003.4(a)(35)(ii). A financial institution that uses a system that is not developed in § 1003.4(a)(35)(ii), to evaluate an application does not report the
determine with reasonable frequency, such as annually, whether the developer of the electronic tool is a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit. For example:

i. In the course of renewing an annual sales agreement the developer of the electronic tool represents to the financial institution that it has never been a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit. On this basis, the financial institution does not know or reasonably believe that the system it is using to evaluate an application is an electronic tool that has been developed by a securitizer, Federal government insurer, or Federal government guarantor of closed-end mortgage loans or open-end lines of credit and complies with § 1003.4(a)(35) by reporting that the requirement is not applicable.

ii. Based on their previous transactions a financial institution is aware that the developer of the electronic tool it is using to evaluate an application has securitized a closed-end mortgage loan or open-end line of credit in the past. On this basis, the financial institution knows or reasonably believes that the developer of the electronic tool is a securitizer and complies with § 1003.4(a)(35) by reporting the name of that system and the result generated by that system.

§ 1003.5 Disclosure and reporting.

(a) * * *

(3) * * *

(ii) The calendar year the data submission covers pursuant to paragraph (a)(1)(i) of this section; * * * * *

§ 1003.6 Enforcement.

(c) Quarterly recording and reporting. If a financial institution makes a good-faith effort to record all data required to be recorded pursuant to § 1003.4(f) fully and accurately within 30 calendar days after the end of each calendar quarter, and some data are nevertheless inaccurate or incomplete, the inaccuracy or omission is not a violation of the Act or this part provided that the institution corrects or completes the data prior to submitting its annual loan/application register pursuant to § 1003.5(a)(1)(i).

10. Effective January 1, 2019, Supplement I to Part 1003—Official Interpretations, as amended at 80 FR 66128, is further amended under Section 1003.6—Enforcement by revising 6(b) Bona Fide Errors to read as follows:

Supplement I to Part 1003—Official Interpretations

Section 1003.6—Enforcement

6(b) Bona Fide Errors

1. Information from third parties. Section 1003.6(b) provides that an error in compiling or recording data for a covered loan or application is not a violation of the Act or this part if the error was unintentional and occurred despite the maintenance of procedures reasonably adapted to avoid such an error. A financial institution that obtains the required data, such as property-location information, from third parties is responsible for ensuring that the information reported pursuant to § 1003.5 is correct. See comment 6(b)-2 concerning obtaining census tract information from a geocoding tool that the Bureau makes available on its Web site.

2. Information from the Bureau. Section 1003.6(b)(2) provides that an incorrect entry for census tract number is deemed a bona fide error, and is not a violation of the Act or this part, provided that the financial institution maintains procedures reasonably adapted to avoid an error. Obtaining the census tract numbers for covered loans and applications from a geocoding tool available on the Bureau’s Web site that identifies the census tract of a property using property addresses entered by users is an example of a procedure reasonably adapted to avoid errors under § 1003.6(b)(2). Accordingly, a census tract error is not a violation of the Act or this part if the financial institution obtained the census tract number from the geocoding tool on the Bureau’s Web site. However, a financial institution’s failure to provide the correct census tract number for a covered loan or application on its loan/application register, as required by § 1003.4(a)(9)(i)(C) or (e), because the geocoding tool on the Bureau’s Web site did not provide a census tract number for the property address entered by the financial institution is not excused as a bona fide error. In addition, a census tract error caused by a financial institution entering an inaccurate property address into the geocoding tool on the Bureau’s Web site is not excused as a bona fide error.

11. Effective January 1, 2020, § 1003.2, as amended at 80 FR 66128, is further amended by revising paragraphs (g)(1)(v)(B) and (g)(2)(ii)(B) to read as follows:

§ 1003.2 Definitions.

- * * * *

(g) * * *

(1) * * *

(v) * * *

(B) In each of the two preceding calendar years, originated at least 100 open-end lines of credit that are not excluded from this part pursuant to § 1003.3(c)(1) through (10); and

(2) * * *

(ii) * * *

(B) In each of the two preceding calendar years, originated at least 100 open-end lines of credit that are not excluded from this part pursuant to § 1003.3(c)(1) through (10). * * * *

12. Effective January 1, 2020, § 1003.3, as amended at 80 FR 66128, is further amended by revising paragraph (c)(12) to read as follows:

§ 1003.3 Exempt institutions and excluded transactions.

- * * * *

(c) * * *

(12) An open-end line of credit, if the financial institution originated fewer than 100 open-end lines of credit in either of the two preceding calendar years; a financial institution may collect, record, report, and disclose information, as described in §§ 1003.4 and 1003.5, for such an excluded open-end line of credit as though it were a covered loan, provided that the financial institution complies with such requirements for all applications for open-end lines of credit that it receives, open-end lines of credit that it originates, and open-end lines of credit that it purchases that otherwise would have been covered loans during the calendar year during which final action is taken on the excluded open-end line of credit; or

* * * *

13. Effective January 1, 2020, § 1003.5, as amended at 80 FR 66128, is further amended by revising paragraph (a)(3)(ii) to read as follows:

§ 1003.5 Disclosure and reporting.

(a) * * *

(3) * * *

(ii) The calendar year the data submission covers pursuant to
paragraph (a)(i) of this section or calendar quarter and year the data submission covers pursuant to paragraph (a)(iii) of this section; * * * * *

14. Effective January 1, 2020, § 1003.6, as amended at 80 FR 66128, is further amended by revising paragraph (c) to read as follows:

§ 1003.6 Enforcement.

* * * * *

(c) Quarterly recording and reporting. (1) If a financial institution makes a good faith effort to record all data required to be recorded pursuant to § 1003.4(f) fully and accurately within 30 calendar days after the end of each calendar quarter, and some data are nevertheless inaccurate or incomplete, the inaccuracy or omission is not a violation of the Act or this part provided that the institution corrects or completes the data prior to submitting its annual loan/application register pursuant to § 1003.5(a)(i).

(2) If a financial institution required to comply with § 1003.5(a)(i) makes a good faith effort to report all data required to be reported pursuant to § 1003.5(a)(i) fully and accurately within 60 calendar days after the end of each calendar quarter, and some data are nevertheless inaccurate or incomplete, the inaccuracy or omission is not a violation of the Act or this part provided that the institution corrects or completes the data prior to submitting its annual loan/application register pursuant to § 1003.5(a)(i).

15. Effective January 1, 2020, Supplement I to Part 1003—Official Interpretations, as amended at 80 FR 66128, is further amended as follows:

a. Under Section 1003.2—Definitions, under 2(g) Financial Institution, paragraphs 3 and 5 are revised.

b. Under Section 1003.3—Exempt institutions and excluded transactions, under 3(c) Excluded transactions, Paragraph 3(c)(12) is revised.

c. Under Section 1003.4—Compilation of Reportable Data, under 4(a) Data Format and Itemization:

i. Under Paragraph 4(a)(1)(i), paragraphs 3 and 4 are revised;

ii. Under Paragraph 4(a)(12), paragraph 9 is revised;

iii. Under Paragraph 4(a)(17)(i), paragraph 3 is revised;

iv. Under Paragraph 4(a)(18), paragraph 3 is revised;

v. Under Paragraph 4(a)(19), paragraph 3 is revised; and

vi. Under Paragraph 4(a)(20), paragraph 3 is revised.

The revisions read as follows:

Supplement I to Part 1003—Official Interpretations

* * * * *

Section 1003.2—Definitions

* * * * *

2(g) Financial Institution

* * * * *

3. Merger or acquisition—coverage of surviving or newly formed institution. After a merger or acquisition, the surviving or newly formed institution is a financial institution under § 1003.2(g) if it, considering the combined assets, location, and lending activity of the surviving or newly formed institution and the merged or acquired institutions or acquired branches, satisfies the criteria included in § 1003.2(g). For example, A and B merge. The surviving or newly formed institution meets the loan threshold described in § 1003.2(g)(1)(i)(V) if the surviving or newly formed institution, A, and B originated a combined total of at least 100 open-end lines of credit in each of the two preceding calendar years. Likewise, the surviving or newly formed institution meets the asset-size threshold in § 1003.2(g)(1)(i) if its assets and the combined assets of A and B on December 31 of the preceding calendar year exceeded the threshold described in § 1003.2(g)(1)(i). Comment 2(g)–4 discusses a financial institution’s responsibilities during the calendar year of a merger.

* * * * *

5. Originations. Whether an institution is a financial institution depends in part on whether the institution originated at least 25 closed-end mortgage loans in each of the two preceding calendar years or at least 100 open-end lines of credit in each of the two preceding calendar years. Comments 4(a)–2 through 4 discuss whether activities with respect to a particular closed-end mortgage loan or open-end line of credit constitute an origination for purposes of § 1003.2(g).

* * * * *

Section 1003.3—Exempt Institutions and Excluded Transactions

3(c) Excluded Transactions

* * * * *

Paragraph 3(c)(12)

1. General. Section 1003.3(c)(12) provides that an open-end line of credit is an excluded transaction if a financial institution originated fewer than 100 open-end lines of credit in either of the two preceding calendar years. For example, assume that a bank is a financial institution in 2018 under § 1003.2(g) because it originated 50 closed-end mortgage loans in 2016, 75 closed-end mortgage loans in 2017, and met all of the other requirements under § 1003.2(g)(1). Also assume that the bank originated 75 and 85 open-end lines of credit in 2016 and 2017, respectively. The closed-end mortgage loans that the bank originated or purchased, or for which it received applications, during 2018 are covered loans and must be reported, unless they otherwise are excluded transactions under § 1003.3(c). However, the open-end lines of credit that the bank originated or purchased, or for which it received applications, during 2018 are excluded transactions under § 1003.3(c)(12) and need not be reported. See comments 4(a)–2 through 4 for guidance about the activities that constitute an origination.

2. Optional reporting. A financial institution may report applications for, originations of, or purchases of open-end lines of credit that are excluded transactions because the financial institution originated fewer than 100 open-end lines of credit in either of the two preceding calendar years. However, a financial institution that chooses to report such excluded applications for, originations of, or purchases of open-end lines of credit must report all such applications for open-end lines of credit which it receives, open-end lines of credit that it originates, and open-end lines of credit that it purchases that otherwise would be covered loans for a given calendar year. Note that applications which remain pending at the end of a calendar year are not reported, as described in comment 4(a)(8)(i)–14.

* * * * *

Section 1003.4—Compilation of Reportable Data

4(a) Data Format and Itemization

* * * * *

Paragraph 4(a)(1)(i)

* * * * *

3. ULI—purchased covered loan. If a financial institution has previously assigned a covered loan with a ULI or reported a covered loan with a ULI under this part, a financial institution that purchases that covered loan must report the same ULI that was previously assigned or reported. For example, if a financial institution that submits an annual loan/application register pursuant to § 1003.5(a)(1)(i) originates a covered loan that is purchased by a financial institution that also submits an annual loan/application register pursuant to § 1003.5(a)(1)(i), the
financial institution that purchases the covered loan must report the purchase of the covered loan using the same ULI that was reported by the originating financial institution. If a financial institution that originates a covered loan has previously assigned the covered loan with a ULI under this part but has not yet reported the covered loan, a financial institution that purchases that covered loan must report the same ULI that was previously assigned. For example, if a financial institution that submits an annual loan/application register pursuant to §1003.5(a)(1)(i) (Institution A) originates a covered loan that is purchased by a financial institution that submits a quarterly loan/application register pursuant to §1003.5(a)(1)(ii) (Institution B), then Institution B must report the ULI that was assigned by Institution A on Institution B’s quarterly loan/application register pursuant to §1003.5(a)(1)(ii), even though Institution A has not yet submitted its annual loan/application register pursuant to §1003.5(a)(1)(i). A financial institution that purchases a covered loan must assign it a ULI pursuant to §1003.4(a)(1)(i) and report it pursuant to §1003.5(a)(1)(i) (or (ii), whichever is applicable), if the covered loan was not assigned a ULI by the financial institution that originated the loan because, for example, the loan was originated prior to January 1, 2018, or the loan was originated by an institution not required to report under this part.

4. ULI—reinstated or reconsidered application. A financial institution may, at its option, report a ULI previously reported under this part if, during the same calendar year, an applicant asks the institution to reinstate a counteroffer that the applicant previously did not accept or asks the financial institution to reconsider an application that was previously denied, withdrawn, or closed for incompleteness. For example, if a financial institution reports a denied application in its second-quarter 2020 data submission, pursuant to §1003.5(a)(1)(ii), but then reconsidered the application, resulting in an origination in the third quarter of 2020, the financial institution may report the origination in its third-quarter 2020 data submission using the same ULI that was reported for the denied application in its second-quarter 2020 data submission, so long as the financial institution treats the origination as the same transaction for reporting. However, a financial institution may not use a ULI, if the ULI was reported if it reinstates or reconsider an application that was reported in a prior calendar year. For example, if a financial institution reports a denied application in its fourth-quarter 2020 data submission, pursuant to §1003.5(a)(1)(ii), but then reconsidered the application, resulting in an origination in the first quarter of 2021, the financial institution reports a denied application under the original ULI in its fourth-quarter 2020 data submission and an origination with a different ULI in its first-quarter 2021 data submission, pursuant to §1003.5(a)(1)(i).

9. Corrected disclosures. In the case of a covered loan or an application that was approved but not accepted, if the annual percentage rate changes because a financial institution provides a corrected version of the disclosures required under Regulation Z, 12 CFR 1026.19(a), pursuant to 12 CFR 1026.19(a)(2), under 12 CFR 1026.19(f), pursuant to 12 CFR 1026.19(f)(2), or under 12 CFR 1026.6(a), the financial institution complies with §1003.4(a)(12) by comparing the corrected and disclosed annual percentage rate to the most recently available average prime offer rate that was in effect for a comparable transaction as of the rate-set date, provided that the corrected disclosure was provided to the borrower prior to the end of the reporting period in which final action is taken. For purposes of §1003.4(a)(12), the date the corrected disclosure was provided to the borrower is the date the disclosure was mailed or delivered to the borrower in person; the financial institution’s method of delivery does not affect the date provided. For example, where a financial institution provides a corrected version of the disclosures required under 12 CFR 1026.19(f), pursuant to 12 CFR 1026.19(f)(2), the date provided is the date disclosed pursuant to Regulation Z, 12 CFR 1026.38(a)(3)(i). The provision of a corrected disclosure does not affect how a financial institution determines the rate-set date. See comment 4(a)(12)–5. For example:

i. In the case of a financial institution’s annual loan/application register submission made pursuant to §1003.5(a)(1)(i), if the financial institution provides a corrected disclosure pursuant to Regulation Z, 12 CFR 1026.19(f)(2)(v), that reflects a corrected annual percentage rate, the financial institution reports the difference between the corrected annual percentage rate and the most recently available average prime offer rate that was in effect for a comparable transaction as of the rate-set date only if the corrected disclosure was provided to the borrower prior to the calendar year in which final action is taken.

ii. In the case of a financial institution’s quarterly submission made pursuant to §1003.5(a)(1)(ii), if the financial institution provides a corrected disclosure pursuant to Regulation Z, 12 CFR 1026.19(f)(2)(v), that reflects a corrected annual percentage rate, the financial institution reports the difference between the corrected annual percentage rate and the most recently available average prime offer rate that was in effect for a comparable transaction as of the rate-set date only if the corrected disclosure was provided to the borrower after the end of the quarter in which final action is taken, even if the corrected disclosure was provided to the borrower prior to the deadline for timely submission of the financial institution’s quarterly data. However, the financial institution reports the difference between the corrected annual percentage rate and the most recently available average prime offer rate that was in effect for a comparable transaction as of the rate-set date on its annual loan/application register, provided that the corrected disclosure was provided to the borrower prior to the end of the calendar year in which final action is taken.

3. Corrected disclosures. If the amount of total loan costs changes because a financial institution provides a corrected version of the disclosures required under Regulation Z, 12 CFR 1026.19(f), pursuant to 12 CFR 1026.19(f)(2), the financial institution complies with §1003.4(a)(17)(i) by reporting the corrected amount, provided that the corrected disclosure was provided to the borrower prior to the end of the reporting period in which closing occurs. For purposes of §1003.4(a)(17)(i), the most recently available average prime offer rate that was in effect for a comparable transaction as of the rate-set date on its annual loan/application register, provided that the corrected disclosure was provided to the borrower prior to the end of the calendar year in which final action is taken.
Corrected disclosures. If the amount of discount points changes because a financial institution provides a corrected version of the disclosures required under Regulation Z, 12 CFR 1026.19(f), pursuant to 12 CFR 1026.19(f)(2), the financial institution complies with §1003.4(a)(20) by reporting the corrected amount, provided that the corrected disclosure was provided to the borrower only if the corrected disclosure was provided to the borrower prior to the end of the reporting period in which closing occurred. For purposes of §1003.4(a)(20), the date the corrected disclosure was provided to the borrower is the date disclosed pursuant to Regulation Z, 12 CFR 1026.38(a)(3)(i).

For example:

i. In the case of a financial institution’s annual loan/application register submission pursuant to §1003.5(a)(1)(i), if the financial institution provides a corrected disclosure to the borrower prior to the end of the calendar year in which closing occurred.

3. Corrected disclosures. If the amount of lender credits changes because a financial institution provides a corrected version of the disclosures required under Regulation Z, 12 CFR 1026.19(f), pursuant to 12 CFR 1026.19(f)(2), the financial institution complies with §1003.4(a)(19) by reporting the corrected amount, provided that the corrected disclosure was provided to the borrower prior to the end of the calendar year in which closing occurred.

For example:

i. In the case of a financial institution’s annual loan/application register submission made pursuant to §1003.5(a)(1)(i), if the financial institution provides a corrected disclosure to the borrower to reflect a refund made pursuant to Regulation Z, 12 CFR 1026.19(f)(2)(v), the financial institution reports the corrected amount of discount points only if the corrected disclosure was provided to the borrower prior to the end of the calendar year in which closing occurred.
ii. In the case of a financial institution’s quarterly submission made pursuant to § 1003.5(a)(1)(ii), if the financial institution provides a corrected disclosure to the borrower to reflect a refund made pursuant to Regulation Z, 12 CFR 1026.19(f)(2)(v), the financial institution reports the corrected amount of lender credits only if the corrected disclosure was provided to the borrower prior to the end of the quarter in which closing occurred. The financial institution does not report the corrected amount of lender credits in its quarterly submission if the corrected disclosure was provided to the borrower after the end of the quarter in which closing occurred, even if the corrected disclosure was provided to the borrower prior to the deadline for timely submission of the financial institution’s quarterly data. However, the financial institution reports the corrected amount of lender credits on its annual loan/application register, provided that the corrected disclosure was provided to the borrower prior to the end of the calendar year in which closing occurred.


Richard Cordray,
Director, Bureau of Consumer Financial Protection.

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Part III

The President

Notice of September 11, 2017—Continuation of the National Emergency With Respect to Certain Terrorist Attacks
Consistent with section 202(d) of the National Emergencies Act, 50 U.S.C. 1622(d), I am continuing for 1 year the national emergency previously declared on September 14, 2001, in Proclamation 7463, with respect to the terrorist attacks of September 11, 2001, and the continuing and immediate threat of further attacks on the United States.

Because the terrorist threat continues, the national emergency declared on September 14, 2001, and the powers and authorities adopted to deal with that emergency must continue in effect beyond September 14, 2017. Therefore, I am continuing in effect for an additional year the national emergency declared on September 14, 2001, in response to certain terrorist attacks.

This notice shall be published in the Federal Register and transmitted to the Congress.

THE WHITE HOUSE,
September 11, 2017.
Reader Aids

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Federal Register

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