

(IBR) of the service information listed in this paragraph under 5 U.S.C. 552(a) and 1 CFR part 51.

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

(i) Airbus A300 Airworthiness Limitations Section (ALS), Part 2—Damage Tolerant Airworthiness Limitation Items (DT-ALI), Revision 03, dated August 28, 2017. The first page of this document does not have a date.

(ii) Reserved.

(3) For service information identified in this AD, contact Airbus SAS, Airworthiness Office—EAW, Rond-Point Emile Dewoitine No: 2, 31707 Blagnac Cedex, France; telephone +33 5 61 93 36 96; fax +33 5 61 93 44 51; email account.airworth-eas@airbus.com; internet <http://www.airbus.com>.

(4) You may view this service information at the FAA, Transport Standards Branch, 2200 South 216th St., Des Moines, WA. For information on the availability of this material at the FAA, call 206-231-3195.

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

Issued in Des Moines, Washington, on September 10, 2018.

Michael Kaszycki,

Acting Director, System Oversight Division, Aircraft Certification Service.

[FR Doc. 2018-20346 Filed 9-21-18; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 93

[Docket No.: FAA-2018-0851; Amdt. Nos. 93-102]

RIN 2120-AL22

Removal of Flight Plan Requirements for Commercial Air Tour Operations Within the Special Flight Rules Area at Grand Canyon National Park

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

ACTION: Final rule.

SUMMARY: This final rule removes the requirement for certificate holders conducting certain commercial operations within the Grand Canyon National Park Special Flight Rules Area to file a visual flight rules flight plan with an FAA Flight Service Station prior to each flight. The effect of this action is to remove an unnecessary, redundant, and obsolete paperwork burden on affected certificate holders

without affecting safety, existing quarterly reporting requirements, or efforts to restore the natural quiet of the park environment. This final rule also makes several technical amendments.

DATES: This final rule is effective on November 23, 2018.

FOR FURTHER INFORMATION CONTACT: For technical questions concerning this action, contact Monica Buenrostro, Air Transportation Division, 135 Air Carrier Operations Branch, AFS-250, Federal Aviation Administration, 800 Independence Avenue SW, Washington, DC 20591; telephone 202-267-8166; email: Monica.C.Buenrostro@faa.gov.

SUPPLEMENTARY INFORMATION:

Good Cause for Immediate Adoption

Section 553(b)(3)(B) of the Administrative Procedure Act (APA) (5 U.S.C.) authorizes agencies to dispense with notice and comment procedures for rules when the agency for “good cause” finds that those procedures are “impracticable, unnecessary, or contrary to the public interest.” Under this section, an agency, upon finding good cause, may issue a final rule without seeking comment prior to the rulemaking. The FAA finds good cause to issue this final rule without seeking prior comment for the reasons explained below.

FAA regulations limit the number of commercial air tours certain operators may conduct over the Grand Canyon. Existing regulations at 14 CFR 93.323 require certain operators to file visual flight rule (VFR) flight plans with the FAA prior to each commercial Special Flight Rules Area operation (commercial SFRA operation)¹ in the Grand Canyon National Park Special Flight Rules Area (GCNP SFRA), ostensibly so that the FAA can verify the number of commercial tours the operator conducts. The FAA has found VFR flight plans to be an unreliable method for verifying compliance, however, and no longer uses them for this purpose. Instead, the

¹ “Commercial Special Flight Rules Area Operation means any portion of any flight within the Grand Canyon National Park Special Flight Rules Area that is conducted by a certificate holder that has operations specifications authorizing flights within the Grand Canyon National Park Special Flight Rules Area. This term does not include operations conducted under an FAA Form 7711-1, Certificate of Waiver or Authorization. The types of flights covered by this definition are set forth in the “Las Vegas Flight Standards District Office Grand Canyon National Park Special Flight Rules Area Procedures Manual” which is available from the Las Vegas Flight Standards District Office.” 14 CFR 93.303. The relevant manual is now known as the “Grand Canyon National Park Special Flight Rules Area Procedures Manual” and is available from the Nevada Flight Standards District Office, formerly the Las Vegas Flight Standards District Office.

FAA relies on documents required by other FAA regulations to provide an accurate count of the number of commercial air tour flights these operators conduct. Continuing to require these flight plans constitutes an unjustified burden on GCNP SFRA commercial tour operators because the FAA does not use them for any other purpose.

Accordingly, the FAA has determined that good cause exists to forego notice and comment under Section 553(b)(3)(B) of the Administrative Procedure Act (APA) (5 U.S.C. 551 *et seq.*) because it is unnecessary and contrary to the public interest. Seeking prior comment is unnecessary because, irrespective of the public response, the VFR flight plans would remain redundant and obsolete. In addition, it would be contrary to the public interest to expend resources seeking comment under these circumstances. Considering that there is no way for FAA to use the required filings for the purpose intended, it would not be a prudent use of resources to ask for comment on whether the requirement should remain in place. Finally, it is unnecessary to seek public comment on the remaining technical amendments in this rule because they merely update references to appropriate FAA offices.

Authority for This Rulemaking

The FAA’s authority to issue rules on aviation safety is found in title 49 of the United States Code (U.S.C.). Subtitle I, sections 106(f) and (g), describe the authority of the FAA Administrator. Subtitle VII of title 49, Aviation Programs, describes in more detail the scope of the agency’s authority. This rulemaking is promulgated under the general authority described in 49 U.S.C. 106(f) and 44701 and the specific authority found in Section 3 of Public Law 100-91 (August 18, 1987).

Section 3 directed the Department of the Interior (DOI) to submit recommendations, and the FAA to implement those recommendations, regarding actions necessary for the protection of resources in the Grand Canyon from adverse impacts associated with aircraft overflights. Congress directed that the recommendations provide for substantial restoration of the natural quiet and experience of the park and protection of public health and safety from adverse effects associated with aircraft overflight. Subsequently, in a 1996 Memorandum for the Heads of Executive Departments and Agencies to address the impact of transportation in national parks, the President directed the Secretary of Transportation to issue regulations for the GCNP that would

place appropriate limits on sightseeing aircraft to reduce noise immediately, and to make further substantial progress towards restoration of natural quiet, as defined by the DOI, while maintaining aviation safety in accordance with Public Law 100–91.²

This regulation is within the scope of the FAA’s authority under the statutes cited previously, because it removes an unnecessary paperwork burden on affected certificate holders that is not necessary to promote the safety of flight of civil aircraft in air commerce or to further efforts to restore the natural quiet of the park environment, as described in this final rule.

I. Background

On April 4, 2000, the FAA published the Commercial Air Tour Limitation in the Grand Canyon National Park Special Flight Rules Area final rule (65 FR 17708). That rule limited the number of commercial air tours that may be conducted in the GCNP SFRA and revised the reporting requirements for commercial air tours in that area. It was one part of a collaborative effort by the FAA and the NPS to control aircraft noise in the park environment and to assist the NPS in achieving the statutory mandate imposed by Public Law 100–91 to provide substantial restoration of the natural quiet and experience of the park.

As part of the 2000 final rule, § 93.325 requires certificate holders to report to the FAA the total number of commercial SFRA operations conducted in the GCNP SFRA each quarter and to specify the types of commercial SFRA operations conducted. Section 93.323 prescribes that each certificate holder conducting commercial SFRA operations in the GCNP SFRA must file a VFR flight plan prior to each flight, except for those operations conducted under IFR in accordance with § 93.309(g). The 2000 final rule stated, “The information obtained from the flight plan will be used to ensure compliance with the commercial air tours operation limitation” (65 FR 17708, 17722).

Following the 2000 final rule, the FAA began using a different method of evaluating compliance with commercial tour allocations because VFR flight plans do not necessarily correlate to actual flights conducted and reported on quarterly reports. When it is necessary to evaluate a certificate holder’s compliance, the FAA reviews documents required by other FAA

regulations, such as aircraft operational and maintenance logs as well as customer receipts. Receipts and logs provide an accurate count of the number of commercial air tour flights operated by a given certificate holder in the GCNP SFRA, which can then be compared with the number of commercial air tour flights that the certificate holder reported in the quarterly reports required under § 93.325. In conducting oversight of the operations, the FAA typically performs such evaluations only when a concern arises about a certificate holder’s compliance with its number of commercial air tour allocations.

The FAA has granted several exemptions from § 93.323 to allow certificate holders relief from the requirement to file a VFR flight plan. In its grant of exemption to Sundance Helicopters,³ the FAA noted that the VFR flight plan requirement in § 93.323 was written into FAA regulations in 2000 to help the agency evaluate the accuracy of Grand Canyon flight allocation data reporting. However, the FAA subsequently developed better methods of evaluating certificate holders’ compliance with their number of commercial air tour allocations for the GCNP SFRA. The FAA noted that, with other methods used to evaluate the accuracy of quarterly data reporting, granting an exemption from the requirements of § 93.323 would not undermine the FAA’s data evaluation capabilities. The FAA acknowledged that the filing of VFR flight plans by the petitioner for each of its commercial air tour flight operations over the Grand Canyon resulted in an unnecessary paperwork burden for both the petitioner and the FSS.

II. Discussion of the Final Rule

In this final rule, the FAA removes § 93.323, in its entirety, from part 93. The FAA has determined that flight plans filed in accordance with the requirements of § 93.323 are an unreliable source of information for evaluating certificate holders’ compliance with their number of commercial air tour allocations. The number of VFR flight plans filed under § 93.323 is not necessarily an accurate reflection of the number of commercial SFRA operations actually conducted. For example, if a § 93.323 flight plan was filed without the flight actually being operated, the number of § 93.323 flight plans filed would be greater than the number of commercial SFRA operations actually conducted. Consequently, comparing the number of

§ 93.323 plans filed for commercial SFRA operations in the GCNP SFRA with the quarterly reports that certificate holders must file under 14 CFR 93.325 may yield incorrect results in terms of actual commercial air tour allocation compliance. The FAA has no other use for the VFR flight plans, rendering this requirement unnecessary.

As previously described, when necessary to evaluate a concern about compliance with a certificate holder’s number of commercial air tour allocations, the FAA reviews documents required by other FAA regulations rather than VFR flight plans. Eliminating the requirement to file VFR flight plans under § 93.323 removes an unnecessary paperwork burden that currently affects some small businesses without providing any safety benefit or advancing efforts to restore the natural quiet of the park environment.

This final rule does not affect the number of commercial air tour allocations that certificate holders receive for the GCNP SFRA, the frequency of flight operations in the GCNP SFRA, the location of those flights, or other requirements that commercial air tour operators must meet to operate in the GCNP SFRA. The FAA also clarifies that this rulemaking does not affect the current quarterly reporting requirements of § 93.325, which remain in place.

This final rule also makes several technical amendments including striking references to the “Flight Standards District Office” and replacing them with references to “the relevant Flight Standards Office” in subpart U, Special Flight Rules in the Vicinity of Grand Canyon National Park, AZ, of part 93 of title 14 CFR, to reflect current agency practice.

III. Regulatory Notices and Analyses

A. Regulatory Evaluation

Changes to Federal regulations must undergo several economic analyses. First, Executive Order 12866 and Executive Order 13563 direct that each Federal agency shall propose or adopt a regulation only upon a reasoned determination that the benefits of the intended regulation justify its costs. Second, the Regulatory Flexibility Act of 1980 (Pub. L. 96–354) requires agencies to analyze the economic impact of regulatory changes on small entities. Third, the Trade Agreements Act (Pub. L. 96–39) prohibits agencies from setting standards that create unnecessary obstacles to the foreign commerce of the United States. In developing U.S. standards, the Trade Agreements Act requires agencies to

² For a more complete history of FAA and NPS actions, and related litigation, regarding the implementation of Public Law 100–91, see 65 FR 17708.

³ Docket No. FAA–2011–1044.

consider international standards and, where appropriate, that they be the basis of U.S. standards. Fourth, the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4) requires agencies to prepare a written assessment of the costs, benefits, and other effects of proposed or final rules that include a Federal mandate likely to result in the expenditure by State, local, or tribal governments, in the aggregate, or by the private sector, of \$100 million or more annually (adjusted for inflation with base year of 1995). This portion of the preamble summarizes the FAA’s analysis of the economic impacts of this final rule.

In conducting these analyses, FAA has determined that this final rule: (1) Has benefits that justify its costs, (2) is not an economically “significant regulatory action” as defined in section 3(f) of Executive Order 12866, (3) is not “significant” as defined in DOT’s Regulatory Policies and Procedures; (4) will not create unnecessary obstacles to the foreign commerce of the United States; and (5) will not impose an unfunded mandate on State, local, or tribal governments, or on the private sector by exceeding the threshold identified previously. These analyses are summarized below. As notice and comment under 5 U.S.C. 553 are not required for this final rule, the regulatory flexibility analyses described in 5 U.S.C. 603 and 604 regarding impacts on small entities are not required.

This final rule removes the requirement for certain certificate holders conducting commercial SFRA operations within the GCNP SFRA to file a visual flight rules flight plan under § 93.323. The FAA has determined that these flight plans are an unnecessary and unreliable source of information for evaluating certificate holders’ compliance with their number of commercial air tour allocations. This final rule removes, without affecting safety or efforts to restore the natural quiet of the park environment, this paperwork burden from affected certificate holders. Therefore, the final rule has no additional costs, and has minimal cost savings by removing an unnecessary paperwork burden.

The FAA has therefore, determined that this final rule is not a “significant regulatory action,” as defined in section 3(f) of Executive Order 12866.

B. Regulatory Flexibility Act

The Regulatory Flexibility Act (RFA), in 5 U.S.C. 603, requires an agency to prepare an initial regulatory flexibility analysis describing impacts on small entities whenever an agency is required by 5 U.S.C. 553, or any other law, to

publish a general notice of proposed rulemaking for any proposed rule. Similarly, 5 U.S.C. 604 requires an agency to prepare a final regulatory flexibility analysis when an agency issues a final rule under 5 U.S.C. 553, after being required by that section or any other law to publish a general notice of proposed rulemaking. The FAA found good cause to forgo notice and comment under 5 U.S.C. 553 are not required in this situation, the regulatory flexibility analyses described in 5 U.S.C. 603 and 604 are not required.

C. International Trade Impact Assessment

The Trade Agreements Act of 1979 (Pub. L. 96–39) prohibits Federal agencies from establishing standards or engaging in related activities that create unnecessary obstacles to the foreign commerce of the United States. Pursuant to this Act, the establishment of standards is not considered an unnecessary obstacle to the foreign commerce of the United States, so long as the standard has a legitimate domestic objective, such as the protection of safety, and does not operate in a manner that excludes imports that meet this objective. The statute also requires consideration of international standards and, where appropriate, that they be the basis for U.S. standards.

The FAA has assessed the potential effect of this final rule and has determined that it has a legitimate domestic objective, in that it removes an unnecessary paperwork burden on certain certificate holders that conduct commercial SFRA operations in the GCNP SFRA. The removal of this requirement does not operate in a manner that excludes imports. The final rule therefore has no effect on international trade.

D. Unfunded Mandates Assessment

Title II of the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4) requires each Federal agency to prepare a written statement assessing the effects of any Federal mandate in a proposed or final agency rule that may result in an expenditure of \$100 million or more (in 1995 dollars) in any one year by State, local, and tribal governments, in the aggregate, or by the private sector; such a mandate is deemed to be a “significant regulatory action.” The FAA currently uses an inflation-adjusted value of \$155.0 million in lieu of \$100 million. This final rule does not contain such a mandate; therefore, the requirements of Title II of the Act do not apply.

E. Paperwork Reduction Act

The Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)) requires that the FAA consider the impact of paperwork and other information collection burdens imposed on the public. The FAA has determined that there is no new requirement for information collection associated with this final rule, as the rule modifies an existing information collection by removing an unnecessary paperwork requirement.

F. International Compatibility

In keeping with U.S. obligations under the Convention on International Civil Aviation, it is FAA policy to conform to International Civil Aviation Organization (ICAO) Standards and Recommended Practices to the maximum extent practicable. The FAA has determined this rulemaking is consistent with ICAO Standards.

G. Environmental Analysis

FAA Order 1050.1F identifies FAA actions that are categorically excluded from preparation of an environmental assessment or environmental impact statement under the National Environmental Policy Act in the absence of extraordinary circumstances.

This final rule removes an unnecessary paperwork burden from affected certificate holders. This action does not affect the frequency or location of commercial air tours in the GCNP SFRA and does not negatively affect efforts to restore the natural quiet of the park environment. The FAA has determined this rulemaking action qualifies for the categorical exclusion identified in paragraph 5–6.6f and involves no extraordinary circumstances.

IV. Executive Order Determinations

A. Executive Order 13132, Federalism

The FAA has analyzed this final rule under the principles and criteria of Executive Order 13132, Federalism. The agency has determined that this action will not have a substantial direct effect on the States, or the relationship between the Federal Government and the States, or on the distribution of power and responsibilities among the various levels of government, and, therefore, will not have Federalism implications.

B. Executive Order 13211, Regulations That Significantly Affect Energy Supply, Distribution, or Use

The FAA analyzed this final rule under Executive Order 13211, Actions Concerning Regulations that Significantly Affect Energy Supply,

Distribution, or Use (May 18, 2001). The agency has determined that it is not a “significant energy action” under the executive order, and it is not likely to have a significant adverse effect on the supply, distribution, or use of energy.

C. Executive Order 13609, Promoting International Regulatory Cooperation

Executive Order 13609, Promoting International Regulatory Cooperation, (77 FR 26413, May 4, 2012) promotes international regulatory cooperation to meet shared challenges involving health, safety, labor, security, environmental, and other issues and to reduce, eliminate, or prevent unnecessary differences in regulatory requirements. The FAA has analyzed this action under the policies and agency responsibilities of Executive Order 13609, and has determined that this action will not have an effect on international regulatory cooperation.

D. Executive Order 13771, Reducing Regulation and Controlling Regulatory Costs

This final rule is considered an E.O. 13771 deregulatory action. Details on the estimated cost savings can be found in the rule’s economic analysis.

V. Additional Information

A. Availability of Rulemaking Documents

An electronic copy of rulemaking documents may be obtained from the internet by—

- Searching the Federal eRulemaking Portal (<http://www.regulations.gov>);
- Visiting the FAA’s Regulations and Policies web page at http://www.faa.gov/regulations_policies; or
- Accessing the Government Publishing Office’s web page at <http://www.gpo.gov>.

Copies may also be obtained by sending a request to the Federal Aviation Administration, Office of Rulemaking, ARM-1, 800 Independence Avenue SW, Washington, DC 20591, or by calling (202) 267-9677. Requestors must identify the docket or amendment number of this rulemaking.

All documents the FAA considered in developing this final rule, including economic analyses and technical reports, may be accessed from the internet through the Federal eRulemaking Portal previously referenced.

B. Small Business Regulatory Enforcement Fairness Act

The Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA) requires the FAA to comply with small entity requests for

information or advice about compliance with statutes and regulations within its jurisdiction. A small entity with questions regarding this document may contact its local FAA official, or the person listed under the **FOR FURTHER INFORMATION CONTACT** heading at the beginning of the preamble. To find out more about SBREFA on the internet, visit http://www.faa.gov/regulations_policies/rulemaking/sbre_act/.

List of Subjects in 14 CFR Part 93

Air traffic control, Airports, Navigation (air), Reporting and recordkeeping requirements.

The Amendment

In consideration of the foregoing, the Federal Aviation Administration amends part 93, in chapter I of title 14, Code of Federal Regulations as follows:

PART 93—SPECIAL AIR TRAFFIC RULES

■ 1. The authority citation for part 93 continues to read as follows:

Authority: 49 U.S.C. 106(f), 106(g), 40103, 40106, 40109, 40113, 44502, 44514, 44701, 44715, 44719, 46301.

■ 2. In § 93.303 revise the definition of “Commercial Special Flight Rules Area Operation” and remove the definition of “Flight Standards District Office.

§ 93.303 Definitions.

* * * * *

Commercial Special Flight Rules Area Operation means any portion of any flight within the Grand Canyon National Park Special Flight Rules Area that is conducted by a certificate holder that has operations specifications authorizing flights within the Grand Canyon National Park Special Flight Rules Area. This term does not include operations conducted under an FAA Form 7711-1, Certificate of Waiver or Authorization. For more information on commercial special flight rules area operations, see “Grand Canyon National Park Special Flight Rules Area (GCNP SFRA) Procedures Manual,” which is available online or from the responsible Flight Standards Office.

* * * * *

■ 3. In § 93.305, revise the introductory text to read as follows:

§ 93.305 Flight-free zones and flight corridors.

Except in an emergency or if otherwise necessary for safety of flight, or unless otherwise authorized by the responsible Flight Standards Office for a purpose listed in § 93.309, no person may operate an aircraft in the Special

Flight Rules Area within the following flight-free zones:

* * * * *

■ 4. In § 93.307, revise the introductory text to read as follows:

§ 93.307 Minimum flight altitudes.

Except in an emergency, or if otherwise necessary for safety of flight, or unless otherwise authorized by the responsible Flight Standards Office for a purpose listed in § 93.309, no person may operate an aircraft in the Special Flight Rules Area at an altitude lower than the following:

* * * * *

■ 5. In § 93.309, revise paragraphs (b), (c) and (d) to read as follows:

§ 93.309 General operating procedures.

* * * * *

(b) Unless necessary to maintain a safe distance from other aircraft or terrain, proceed through the Zuni Point, Dragon, Tuckup, and Fossil Canyon Flight Corridors described in § 93.305 at the following altitudes unless otherwise authorized in writing by the responsible Flight Standards Office:

(1) *Northbound*. 11,500 or 13,500 feet MSL.

(2) *Southbound*. 10,500 or 12,500 feet MSL.

(c) For operation in the flight-free zones described in § 93.305, or flight below the altitudes listed in § 93.307, is authorized in writing by the responsible Flight Standards Office and is conducted in compliance with the conditions contained in that authorization. Normally authorization will be granted for operation in the areas described in § 93.305 or below the altitudes listed in § 93.307 only for operations of aircraft necessary for law enforcement, firefighting, emergency medical treatment/evacuation of persons in the vicinity of the Park; for support of Park maintenance or activities; or for aerial access to and maintenance of other property located within the Special Flight Rules Area. Authorization may be issued on a continuing basis;

(d) Is conducted in accordance with a specific authorization to operate in that airspace incorporated in the operator’s operations specifications and approved by the responsible Flight Standards Office in accordance with the provisions of this subpart;

* * * * *

■ 6. Revise § 93.311 to read as follows:

§ 93.311 Minimum terrain clearance.

Except in an emergency, when necessary for takeoff or landing, or unless otherwise authorized by the

responsible Flight Standards Office for a purpose listed in § 93.309(c), no person may operate an aircraft within 500 feet of any terrain or structure located between the north and south rims of the Grand Canyon.

■ 7. In § 93.317, revise the introductory text to read as follows:

§ 93.317 Commercial Special Flight Rules Area operation curfew.

Unless otherwise authorized by the responsible Flight Standards Office, no person may conduct a commercial Special Flight Rules Area operation in the Dragon and Zuni Point corridors during the following flight-free periods:

* * * * *

■ 8. In § 93.321, revise paragraph (b)(4)(iii) to read as follows:

§ 93.321 Transfer and termination of allocations.

* * * * *

(b)

(4)

(iii) A certificate holder must notify in writing the responsible Flight Standards Office within 10 calendar days of a transfer of allocations. This notification must identify the parties involved, the type of transfer (permanent or temporary) and the number of allocations transferred. Permanent transfers are not effective until the responsible Flight Standards Office reissues the operations specifications reflecting the transfer. Temporary transfers are effective upon notification.

* * * * *

§ 93.323 [Reserved]

■ 9. Remove and reserve § 93.323.

■ 10. In § 93.325, revise paragraph (a) to read as follows:

§ 93.325 Quarterly reporting.

(a) Each certificate holder must submit in writing, within 30 days of the end of each calendar quarter, the total number of commercial SFRA operations conducted for that quarter. Quarterly reports must be filed with the responsible Flight Standards Office.

* * * * *

Issued under the authority provided by 49 U.S.C. 106(f) and (g), 44701(a)(5), and Public Law 100-91 in Washington, DC, on September 6, 2018.

Carl Burleson,

Acting Deputy Administrator.

[FR Doc. 2018-20176 Filed 9-21-18; 8:45 am]

BILLING CODE 4910-13-P

FEDERAL TRADE COMMISSION

16 CFR Part 311

RIN 3084-AB48

Test Procedures and Labeling Standards for Recycled Oil

AGENCY: Federal Trade Commission.

ACTION: Final rule.

SUMMARY: The Federal Trade Commission (“FTC” or “Commission”) has completed its regulatory review of the Test Procedures and Labeling Standards for Recycled Oil (“Recycled Oil Rule” or “Rule”), as part of the Commission’s systematic review of all current Commission regulations and guides. The Commission now updates the Rule’s reference to American Petroleum Institute Publication 1509 to reflect the most recent version of that document. Otherwise, the Commission retains the Rule in its current form.

DATES: The amendments are effective October 24, 2018. The incorporation by reference of the publication listed in this rule is approved by the Director of the Federal Register as of October 24, 2018.

ADDRESSES: Relevant portions of the record of this proceeding, including this document, are available at <https://www.ftc.gov>.

FOR FURTHER INFORMATION CONTACT: Hampton Newsome, (202) 326-2889, Attorney, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Mailstop CC-9528, 600 Pennsylvania Avenue NW, Washington, DC 20580.

SUPPLEMENTARY INFORMATION:

I. Background

The Recycled Oil Rule, mandated by the Energy Policy and Conservation Act (“EPCA”) (42 U.S.C. 6363), contains testing and labeling requirements for recycled engine oil. As indicated in the statute, the Rule’s purpose is to encourage oil recycling, promote recycled oil use, reduce new oil consumption, and reduce environmental hazards and wasteful practices associated with used oil disposal.¹ Initially promulgated in 1995 (60 FR 55414 (Oct. 31, 1995)), the Rule allows manufacturers to represent that processed used engine oil is substantially equivalent to new oil as long as they substantiate such claims using American Petroleum Institute (API) Publication 1509 (“Engine Oil Licensing and Certification System”).²

¹ 42 U.S.C. 6363(a).

² Under EPCA (42 U.S.C. 6363(c)), the National Institute of Standards and Technology (“NIST”) must develop (and report to the FTC) applicable standards for determining the substantial equivalence of processed used engine oil with new engine oil. NIST recommended API Publication 1509 when the Commission originally promulgated the Rule in 1995.

The Rule does not require manufacturers to explicitly state their engine oil is substantially equivalent to new oil, nor does it mandate other specific qualifiers or disclosures.³

II. Regulatory Review Program

The Commission reviews its rules and guides periodically to seek information about their costs and benefits, regulatory and economic impact, and general effectiveness in protecting consumers and helping industry avoid deceptive claims. These reviews assist the Commission in identifying rules and guides warranting modification or rescission. When it last reviewed the Rule in 2007, the Commission updated the reference to API Publication 1509, Fifteenth Edition, and added an explanation of incorporation by reference in Section 311.4.⁴

In a December 20, 2017 proposed rule (82 FR 60334), the Commission initiated a new review and sought comments on, among other things, the need for the Rule, its economic impact, its benefits to consumers, and its burdens on industry members, including small businesses. The Commission also specifically asked whether it should update the Rule’s reference to API Publication 1509 to reflect the most recent version. In response to the proposed rule, the Commission received seven comments.⁵

III. Public Comment Analysis and Amendment

After reviewing the comments, the Commission updates the Rule’s reference to API Publication 1509 and the Rule’s incorporation by reference language. Otherwise the Commission retains the Rule in its current form. A

must develop (and report to the FTC) applicable standards for determining the substantial equivalence of processed used engine oil with new engine oil. NIST recommended API Publication 1509 when the Commission originally promulgated the Rule in 1995.

³ 60 FR at 55418-19. As the Commission has previously explained, until NIST develops test procedures for end uses other than engine oil, the Recycled Oil Rule is limited to recycled oil used for that purpose. Moreover, because NIST’s test procedures and performance standards are the same as those adopted by API for engine oils, the Commission must limit the Rule’s scope to categories of engine oil that are covered by the API Engine Oil Licensing and Certification System, as prescribed in API Publication 1509. See 72 FR 14410, n.1 (Mar. 28, 2007).

⁴ 72 FR 14410, 14413 (Mar. 28, 2007).

⁵ The public comments are posted at: <https://www.ftc.gov/policy/public-comments/2018/01/initiative-735>. They include: Avista Oil Group (Avista) (#00006); American Petroleum Institute (API) (#00007); National Automobile Dealers Association (NADA) (#00008); Independent Lubricant Manufacturers Association (ILMA) (#00010); NORA, An Association of Responsible Recyclers (NORA) (#00011); Safety-Kleen (#00005); and Curtiss (#00003).