

Persons wishing the FAA to acknowledge receipt of their comments on this action must submit with those comments a self-addressed stamped postcard on which the following statement is made: "Comments to FAA Docket No. FAA-2020-1187; Airspace Docket No. 20-ANE-9." The postcard will be date/time stamped and returned to the commenter.

All communications received before the specified closing date for comments will be considered before taking action on the proposed rule. The proposal contained in this document may be changed in light of the comments received. All comments submitted will be available for examination in the public docket both before and after the comment closing date. A report summarizing each substantive public contact with FAA personnel concerned with this rulemaking will be filed in the docket.

Availability of NPRMs

An electronic copy of this document may be downloaded through the internet at <https://www.regulations.gov>. Recently published rulemaking documents can also be accessed through the FAA's web page at https://www.faa.gov/air_traffic/publications/airspace_amendments/.

You may review the public docket containing the proposal, any comments received and any final disposition in person in the Dockets Office (see the **ADDRESSES** section for address and phone number) between 9:00 a.m. and 5:00 p.m., Monday through Friday, except federal holidays. An informal docket may also be examined between 8:00 a.m. and 4:30 p.m., Monday through Friday, except federal holidays at the office of the Eastern Service Center, Federal Aviation Administration, Room 350, 1701 Columbia Avenue, College Park, GA 30337.

Availability and Summary of Documents for Incorporation by Reference

This document proposes to amend FAA Order 7400.11E, Airspace Designations and Reporting Points, dated July 21, 2020, and effective September 15, 2020. FAA Order 7400.11E is publicly available as listed in the **ADDRESSES** section of this document. FAA Order 7400.11E lists Class A, B, C, D, and E airspace areas, air traffic service routes, and reporting points.

The Proposal

The FAA proposes an amendment to Title 14 Code of Federal Regulations (14

CFR) part 71 to establish Class E airspace extending upward from 700 feet above the surface at Tobey Hospital Heliport, Wareham, MA, providing the controlled airspace required to support the new RNAV (GPS) standard instrument approach procedures for IFR operations at Tobey Hospital Heliport.

Class E airspace designations are published in Paragraph 6005, of FAA Order 7400.11E, dated July 21, 2020, and effective September 15, 2020, which is incorporated by reference in 14 CFR 71.1. The Class E airspace designations listed in this document will be published subsequently in the Order.

FAA Order 7400.11, Airspace Designations and Reporting Points, is published yearly and effective on September 15.

Regulatory Notices and Analyses

The FAA has determined that this proposed 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. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this proposed rule, when promulgated, will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

Environmental Review

This proposal will be subject to an environmental analysis in accordance with FAA Order 1050.1F, "Environmental Impacts: Policies and Procedures", prior to any FAA final regulatory action.

Lists of Subjects in 14 CFR Part 71

Airspace, Incorporation by reference, Navigation (air).

The Proposed Amendment

In consideration of the foregoing, the Federal Aviation Administration proposes to amend 14 CFR part 71 as follows:

PART 71—DESIGNATION OF CLASS A, B, C, D, AND E AIRSPACE AREAS; AIR TRAFFIC SERVICE ROUTES; AND REPORTING POINTS

■ 1. The authority citation for part 71 continues to read as follows:

Authority: 49 U.S.C. 106(f), 106(g); 40103, 40113, 40120; E.O. 10854, 24 FR 9565, 3 CFR, 1959-1963 Comp., p. 389.

§ 71.1 [Amended]

■ 2. The incorporation by reference in 14 CFR 71.1 of Federal Aviation Administration Order 7400.11E, Airspace Designations and Reporting Points, dated July 21, 2020, and effective September 15, 2020, is amended as follows:

Paragraph 6005 Class E Airspace Areas Extending Upward From 700 Feet or More Above the Surface of the Earth.

* * * * *

ANE MA E5 Wareham, MA [New]

Tobey Hospital Heliport, MA
(Lat. 41°58'49.18.14" N, long. 70°42'52.10" W)

That airspace extending upward from 700 feet above the surface within a 6-mile radius of Tobey Hospital Heliport.

Issued in College Park, Georgia, on January 7, 2021.

Andreese C. Davis,

Manager, Airspace & Procedures Team South, Eastern Service Center, Air Traffic Organization.

[FR Doc. 2021-00444 Filed 1-14-21; 8:45 am]

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DEPARTMENT OF THE TREASURY

Financial Crimes Enforcement Network

31 CFR Parts 1010, 1020, and 1022

RIN 1506-AB47

Requirements for Certain Transactions Involving Convertible Virtual Currency or Digital Assets

AGENCY: Financial Crimes Enforcement Network ("FinCEN"), Treasury.

ACTION: Notice of proposed rulemaking; reopening of comment period.

SUMMARY: On December 23, 2020, FinCEN published a notice of proposed rulemaking proposing requirements for banks and money services businesses ("MSBs") related to certain transactions involving convertible virtual currency ("CVC") or digital assets with legal tender status ("legal tender digital assets" or "LTDA"). As set forth below, FinCEN is identifying additional statutory authority for the proposed rule under the Anti-Money Laundering Act of 2020, providing additional information regarding the reporting form, and reopening the comment period for the proposal. Specifically, FinCEN is providing an additional 15 days for comments on the proposed reporting requirements regarding

information on CVC or LTDA transactions greater than \$10,000, or aggregating to greater than \$10,000, that involve unhosted wallets or wallets hosted in a jurisdiction identified by FinCEN. FinCEN is providing an additional 45 days for comments on the proposed requirements that banks and MSBs report certain information regarding counterparties to transactions by their hosted wallet customers, and on the proposed recordkeeping requirements.

DATES: The comment period for the proposed rule published on December 23, 2020 (85 FR 83840) is reopened for 15 days for comments on the proposed reporting requirements and for 45 days for comments on the proposed requirement to report counterparty information and the proposed recordkeeping requirements. Written comments are now therefore due with respect to the proposed reporting requirements (except with respect to reporting of counterparty information) on February 1, 2021, and with respect to all other aspects of the proposed rule on March 1, 2021.

ADDRESSES: Comments may be submitted by any of the following methods:

- *Federal E-rulemaking Portal:* <http://www.regulations.gov>. Follow the instructions for submitting comments. Refer to Docket Number FINCEN-2020-0020 and the specific RIN number 1506-AB47 to which the comment applies.

- *Mail:* Policy Division, Financial Crimes Enforcement Network, P.O. Box 39, Vienna, VA 22183. Refer to Docket Number FINCEN-2020-0020 and the specific RIN number.

FOR FURTHER INFORMATION CONTACT: The FinCEN Regulatory Support Section at 1-800-767-2825 or electronically at frc@fincen.gov.

SUPPLEMENTARY INFORMATION: On December 18, 2020, FinCEN filed with the **Federal Register** a notice of proposed rulemaking (the “December Notice”). The December Notice was published in the **Federal Register** on December 23, 2020.¹ In the December Notice, FinCEN proposed to address the threat of illicit finance with respect to certain transactions involving CVC or LTDA by (i) establishing new reporting requirements for certain CVC or LTDA transactions analogous to existing currency transaction reports, and (ii) establishing new recordkeeping requirements for certain CVC or LTDA

transactions that is similar to the recordkeeping and travel rule regulations pertaining to funds transfers and transmittals of funds. The original comment period formally closed on January 7, 2021, although FinCEN took steps to ensure comments could still be received after that date.²

On January 1, 2021, the Anti-Money Laundering Act of 2020 (Division F of Pub. L. 116-283) (“AML Act of 2020”) became law. The AML Act of 2020 amended 31 U.S.C. 5312(a)(3), the definition of “monetary instruments” in the Bank Secrecy Act (“BSA”), on which Treasury proposed to rely to determine that CVC and LTDA are monetary instruments. As amended by the AML Act of 2020, the BSA now defines the term monetary instruments as United States coins and currency; as the Secretary may prescribe by regulation, coins and currency of a foreign country, travelers’ checks, bearer negotiable instruments, bearer investment securities, bearer securities, stock on which title is passed on delivery, and similar material; as the Secretary of the Treasury shall provide by regulation for purposes of sections 5316 and 5331, checks, drafts, notes, money orders, and other similar instruments which are drawn on or by a foreign financial institution and are not in bearer form; and, as the Secretary shall provide by regulation, value that substitutes for any monetary instrument described in the other categories.³

In the December Notice, FinCEN proposed prescribing by regulation that CVC and LTDA are monetary instruments because they constitute “similar material” to instruments described in 31 U.S.C. 5312(a)(3)(B) (“coins and currency of a foreign country, travelers’ checks, bearer negotiable instruments, bearer investment securities, bearer securities, [and] stock on which title is passed on delivery. . . .”). As the December Notice explained, CVC and LTDA are “similar material” to “coins and currency of a foreign country, travelers’ checks, bearer negotiable instruments, bearer investment securities, bearer securities, [and] stock on which title is passed on delivery. . . .” FinCEN now intends to prescribe by regulation that CVC and LTDA are “monetary

² Members of the public have continued to be able to, and have in fact continued to, submit comments since January 7, 2021. FinCEN will continue to review comments submitted after the filing of the original notice of proposed rulemaking, including comments received between January 7, 2021 and January 15, 2021.

³ 31 U.S.C. 5312(a)(3), as amended by section 6102(d) of the AML Act of 2020, which added paragraph (D).

instruments” pursuant to paragraph (D) of 31 U.S.C. 5312(a)(3), as amended. Specifically, pursuant to 31 U.S.C. 5312(a)(3)(D), CVC and LTDA are both value that substitute for currency and are therefore “monetary instruments” under the BSA.

As FinCEN specified in the December Notice, the determination at 31 CFR 1010.316(a) is *not* intended to affect the regulatory definition of “monetary instruments” at 31 CFR 1010.100(dd), or the use of that regulatory definition elsewhere in FinCEN’s regulations, including in relation to the currency transaction reporting requirements at 31 CFR 1010.311 and the transportation of currency or monetary instruments reporting requirements at 31 CFR 1010.340.⁴

The AML Act of 2020 also amended 31 U.S.C. 5318(a)(2), granting the Secretary additional authority to implement reporting requirements. Specifically, the Secretary may require a class of domestic financial institutions to “maintain appropriate procedures, including the collection and reporting of certain information as the Secretary of the Treasury may prescribe by regulation, to ensure compliance with [subchapter 53 of title 31 of the U.S. Code] and regulations prescribed under [such] subchapter or to guard against money laundering, the financing of terrorism, or other forms of illicit finance.” Thus, in addition to the authority cited in the December Notice, the proposed rule relies on authority under 31 U.S.C. 5318(a)(2) to extend transaction reporting requirements to CVC/LTDA transactions.⁵

Reports required by the proposed rule would be submitted on a Value Transaction Report form similar to the existing FinCEN Currency Transaction Report (“CTR”) Form 112. The form would be submitted through the existing BSA E-filing system and would be able to be batch reported.⁶ Filers would be able submit information commonly associated with CVC and LTDA transactions, such as:

⁴ Nor is this regulatory determination intended to have any impact on the definition of “currency” in 31 CFR 1010.100(m). Furthermore, nothing in the proposal is intended to constitute a determination that any CVC or LTDA that is within the regulatory definition of “monetary instruments” prescribed pursuant to 31 U.S.C. 5312(a)(3) is currency for the purposes of the federal securities laws, 15 U.S.C. 78c(47), or the federal derivatives laws, 7 U.S.C. 1-26, and the regulations promulgated thereunder. Finally, this determination is intended to have no impact on the taxability of CVC or LTDA.

⁵ 31 U.S.C. 5318(a)(2), as amended by section 6101(b) of the AML Act of 2020.

⁶ The user guide for the existing CTR form is available at: https://bsaeifiling.fincen.treas.gov/docs/XMLUserGuide_FinCENCTR.pdf.

¹ Requirements for Certain Transactions Involving Convertible Virtual Currency or Digital Assets, 85 FR 83840 (Dec. 23, 2020).

- (a) The CVC or LTDA type used in the transaction;
- (b) The transaction amount;
- (c) The assessed transaction value (in U.S. dollars);
- (d) The date and time of the transaction;
- (e) The transaction hash;
- (f) CVC or LTDA addresses involved in the transaction, and if they are hosted or unhosted;
- (g) The name and physical address of each counterparty to the transaction of the financial institution's customer; and
- (h) Other information readily available to the bank or MSB, which aids in identifying the specific reported transaction(s), the means by which it was conducted, and the parties involved.

A final rule implementing these proposed reporting requirements would be effective 30 days after its publication, except that the requirement to report counterparty information (if adopted) would not take effect for 60 days given the additional complexity it may present.

FinCEN also continues to invite comment on the portion of the December Notice related to proposed independent recordkeeping obligations for transactions greater than \$3,000. Any final rule implementing the recordkeeping requirements would be effective 60 days after its publication.

Comments on the December Notice: FinCEN reviewed and considered 7,506 comments submitted in response to the December Notice prior to January 8, 2021. Commenters included financial institutions and companies that provide services related to CVC or LTDA, academics, trade organizations, cryptocurrency development groups, non-profit organizations, customers and employees of companies that provide services related to CVC or LTDA, and cryptocurrency owners and other individuals (both domestic and foreign), as well as anonymous sources. Commenters addressed a range of considerations, including implications for technological development and other forms of innovation, the economics of the digital asset industry, U.S. economic competitiveness, compliance matters, data security and privacy, utility to law enforcement, and procedural aspects of the December Notice (including the length of the comment period).

Determination to Reopen the Public Comment Period: FinCEN appreciates the substantial response from commenters during the original comment period, and FinCEN welcomes further comment in the reopened comment periods. With respect to the additional 15 days for comments on the

proposed reporting requirements, FinCEN notes that these proposed requirements are essentially equivalent to the existing CTR reporting requirements that apply to transactions in currency. The proposed rule is a vital loophole-closing measure to prevent illicit transactions using CVC and LTDA, including the financing of terrorism, in light of the fact that such transactions would otherwise be subject to familiar and long-established reporting requirements if they were in cash. The proposal is also consistent with Congress's recent expansion of the definition of "monetary instrument" in the BSA, which reflects the expectation that FinCEN would bring CVC and LTDA within monetary instrument reporting requirements. FinCEN notes that a large number of commenters agreed it is fully appropriate for FinCEN to finalize a rule providing similar regulatory treatment to similar activity. FinCEN welcomes comments during this reopened comment period on FinCEN's application of new statutory authority pursuant to the BSA amendments made by the AML Act of 2020. In addition, several commenters noted the need for additional information on the nature of the reports required by the proposal in order to provide an assessment of potential costs and benefits of the proposed rule. As indicated in the supplementary information, FinCEN intends to use a form similar to the existing CTR form and requests further comment in light of this additional information.

With respect to the additional 45 days for comments on the proposed recordkeeping requirements and the proposed requirement to report counterparty information, FinCEN is providing a longer period in light of the somewhat greater complexity of those aspects of the proposed rule and various issues identified in comments received during the original comment period.

Kenneth A. Blanco,

Director, Financial Crimes Enforcement Network.

[FR Doc. 2021-01016 Filed 1-14-21; 8:45 am]

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DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 96

46 CFR Parts 71, 115, and 176

[Docket No. USCG-2020-0123]

RIN 1625-AC65

Safety Management Systems for Domestic Passenger Vessels

AGENCY: Coast Guard, DHS.

ACTION: Advance notice of proposed rulemaking.

SUMMARY: The Coast Guard is evaluating the potential use of Safety Management Systems (SMSs) to improve safety and reduce marine casualties on board U.S.-flagged passenger vessels. In this document, the Coast Guard is seeking public input and responses to specific questions on the feasibility, applicability, and nature of SMSs for potential use on U.S.-flagged passenger vessels. The Coast Guard may use this information to develop a proposed rule regarding SMSs; if so, notification of that proposed rule would appear in the **Federal Register** under this docket number.

DATES: Comments and related material must be received by the Coast Guard on or before April 15, 2021.

ADDRESSES: You may submit comments identified by docket number USCG-2020-0123 using the Federal eRulemaking Portal at <https://www.regulations.gov>. See the "Public Participation and Request for Comments" portion of the **SUPPLEMENTARY INFORMATION** section for further instructions on submitting comments.

FOR FURTHER INFORMATION CONTACT: For information about this document, call or email Lieutenant Kimberly Gates, Vessel and Facility Operating Standards Division (CG-OES-2), U.S. Coast Guard, 2703 Martin Luther King Jr. Avenue SE, Washington, DC 20593; telephone 202-372-1455, email kimberly.m.gates@uscg.mil.

SUPPLEMENTARY INFORMATION:

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