

with “original information” about a violation of the Federal securities laws that leads to the successful enforcement of a “covered judicial or administrative action,” or a “related action,” as those terms are defined by the Dodd-Frank Act. Unlike the insider trading bounty program, awards may be paid in connection with original information concerning any violation of the Federal securities laws. Awards may range from 10 to 30 percent of the amounts collected as monetary sanctions imposed in the covered judicial or administrative action or related actions.

In connection with enactment of the new whistleblower provision, Congress repealed Section 21A(e).<sup>3</sup> Because that statutory provision is no longer available as a basis for awarding bounties in insider trading cases, the Commission is rescinding its rules for administration of the insider trading bounty program.

#### Procedural and Other Matters

The Administrative Procedure Act (“APA”) generally requires an agency to publish notice of a proposed rulemaking in the **Federal Register**.<sup>4</sup> This requirement does not apply, however, if the agency “for good cause” finds \* \* \* that notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest.”<sup>5</sup> Because the statutory authority for the insider trading bounty program has been repealed, the Commission is removing the rules administering the program from the **Federal Register**. These rules no longer have any practical effect, and their continued inclusion in the **Federal Register** might lead to public confusion. For these reasons, the Commission finds that good cause exists to dispense with public notice and comment because notice and comment would be unnecessary, impracticable and contrary to the public interest.<sup>6</sup> For similar reasons the Commission finds good cause for this action to be effective immediately.<sup>7</sup>

Section 23(a)(2) of the Exchange Act requires the Commission to consider the competitive effects of rulemaking under the Exchange Act. Further, Section 3(f) of the Exchange Act requires us, when

engaging in rulemaking where we are required to consider or determine whether an action is necessary or appropriate in the public interest, to consider, in addition to the protection of investors, whether the action will promote efficiency, competition, and capital formation. Because Congress has repealed the insider trading bounty program, our removal of the procedural rules related to that program will not create any competitive advantages or disadvantages, or affect efficiency, competition, and capital formation.

#### Statutory Authority and Text of Amendments

The Commission is removing regulations pursuant to authority provided by Section 23(a) of the Exchange Act.

#### List of Subjects in 17 CFR Part 201

Administrative practice and procedure.

#### Text of Amendments

■ For the reasons set out in the preamble, Title 17, Chapter II of the Code of Federal Regulations is amended as follows:

#### PART 201—RULES OF PRACTICE

■ 1. The authority citation for part 201 continues to read as follows:

**Authority:** 15 U.S.C. 77s, 77sss, 78w, 78x, 80a–37, and 80b–11; 5 U.S.C. 504(c)(1).

#### Subpart C—[Removed and Reserved]

■ 2. Remove and reserve Subpart C.

Dated: September 15, 2010.

By the Commission.

**Elizabeth M. Murphy,**

*Secretary.*

[FR Doc. 2010–23457 Filed 9–20–10; 8:45 am]

**BILLING CODE 8010–01–P**

#### SECURITIES AND EXCHANGE COMMISSION

#### 17 CFR Parts 210, 229, and 249

[Release Nos. 33–9142; 34–62914]

#### Internal Control Over Financial Reporting in Exchange Act Periodic Reports of Non-Accelerated Filers

**AGENCY:** Securities and Exchange Commission.

**ACTION:** Final rule.

**SUMMARY:** The Securities and Exchange Commission (“Commission”) is adopting amendments to its rules and forms to conform them to Section 404(c) of the Sarbanes-Oxley Act of 2002 (the

“Sarbanes-Oxley Act”), as added by Section 989G of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”). Section 404(c) provides that Section 404(b) of the Sarbanes-Oxley Act shall not apply with respect to any audit report prepared for an issuer that is neither an accelerated filer nor a large accelerated filer as defined in Rule 12b–2 under the Securities Exchange Act of 1934 (the “Exchange Act”).

**DATES:** *Effective Date:* September 21, 2010.

#### FOR FURTHER INFORMATION CONTACT:

Steven G. Hearne, Special Counsel, Office of Rulemaking, Division of Corporation Finance, at (202) 551–3430, Steven Jacobs, Associate Chief Accountant, Division of Corporation Finance, at (202) 551–3400, or John Offenbacher, Senior Associate Chief Accountant, or Annemarie Ettinger, Senior Special Counsel, Office of the Chief Accountant, at (202) 551–5300, U.S. Securities and Exchange Commission, 100 F Street, NE., Washington, DC 20549.

**SUPPLEMENTARY INFORMATION:** We are adopting conforming amendments to Rule 2–02<sup>1</sup> of Regulation S–X,<sup>2</sup> Item 308<sup>3</sup> of Regulation S–K,<sup>4</sup> Item 15 of Form 20–F,<sup>5</sup> and General Instruction B.(6) of Form 40–F.<sup>6</sup>

#### I. Description of Amendments

The Commission is adopting amendments to its rules and forms to conform them to new Section 404(c) of the Sarbanes-Oxley Act,<sup>7</sup> as added by Section 989G of the Dodd-Frank Act.<sup>8</sup> Section 404(c) provides that Section 404(b) of the Sarbanes-Oxley Act shall not apply with respect to any audit report prepared for an issuer that is neither an accelerated filer nor a large accelerated filer as defined in Rule 12b–2<sup>9</sup> under the Exchange Act.<sup>10</sup> Prior to enactment of the Dodd-Frank Act, a non-accelerated filer<sup>11</sup> would have been

<sup>1</sup> 17 CFR 210.2–02.

<sup>2</sup> 17 CFR part 210.

<sup>3</sup> 17 CFR 229.308.

<sup>4</sup> 17 CFR part 229.

<sup>5</sup> 17 CFR 249.220f.

<sup>6</sup> 17 CFR 249.240f.

<sup>7</sup> 15 U.S.C. 7201 *et seq.*

<sup>8</sup> Public Law 111–203 (July 21, 2010).

<sup>9</sup> 17 CFR 240.12b–2.

<sup>10</sup> 15 U.S.C. 78a *et seq.*

<sup>11</sup> Although the term “non-accelerated filer” is not defined in Commission rules, we use it throughout this release to refer to a reporting company that does not meet the definition of either an “accelerated filer” or a “large accelerated filer” under Exchange Act Rule 12b–2. Under Exchange Act Rule 12b–2, an accelerated filer is an issuer that “had an aggregate worldwide market value of the voting and non-voting common equity held by its

Continued

<sup>3</sup> Section 923(b) of the Dodd-Frank Act.

<sup>4</sup> See 5 U.S.C. 553(b).

<sup>5</sup> 5 U.S.C. 553(b).

<sup>6</sup> Similarly, the amendments do not require analysis under the Regulatory Flexibility Act. See 5 U.S.C. 601(2) and 603(a) (for purposes of Regulatory Flexibility Act analysis, the term “rule” means any rule for which the agency publishes a general notice of proposed rulemaking).

<sup>7</sup> Additionally, this finding satisfies the requirements for immediate effectiveness under the Small Business Regulatory Enforcement Fairness Act. See 5 U.S.C. 808(2); see also 5 U.S.C. 801(a)(4).

required, under existing Commission rules, to include an attestation report of its registered public accounting firm on internal control over financial reporting in the filer's annual report filed with the Commission for fiscal years ending on or after June 15, 2010.<sup>12</sup>

To conform the Commission's rules to Section 404(c) of the Sarbanes-Oxley Act, these amendments remove the requirement for a non-accelerated filer to include in its annual report an attestation report of the filer's registered public accounting firm.<sup>13</sup> We are also adopting a conforming change to our rules concerning management's disclosure in the annual report regarding inclusion of an attestation report to provide that the disclosure only applies if an attestation report is included.<sup>14</sup> Lastly, we are making a conforming change to Rule 2-02(f) of Regulation S-X to clarify that an auditor of a non-accelerated filer need not include in its audit report an assessment of the issuer's internal control over financial reporting.

All issuers, including non-accelerated filers, continue to be subject to the requirements of Section 404(a) of the Sarbanes-Oxley Act. Section 404(a) and its implementing rules require that an issuer's annual report include a report

non-affiliates of \$75 million or more, but less than \$700 million, as of the last business day of the issuer's most recently completed second fiscal quarter" and a large accelerated filer is an issuer that "had an aggregate worldwide market value of the voting and non-voting common equity held by its non-affiliates of \$700 million or more, as of the last business day of the issuer's most recently completed second fiscal quarter". In addition, for both definitions, the issuer needs to have been subject to reporting requirements for at least twelve calendar months, have filed at least one annual report, and not be eligible to use the requirements for smaller reporting companies for its annual and quarterly reports.

<sup>12</sup> See Release No. 33-9072 (Oct. 13, 2009) [74 FR 53628]. Consistent with Sections 404(a) and 404(b) of the Sarbanes-Oxley Act, on June 5, 2003, the Commission adopted initial amendments to its rules and forms requiring companies, other than registered investment companies, to include in their annual reports filed with the Commission a report of management and an accompanying auditor's attestation report on the effectiveness of the company's internal control over financial reporting. See Release No. 33-8238 (June 5, 2003) [68 FR 36636]. Subsequent to the adoption of those rules, the Commission postponed the Section 404(b) auditor attestation requirement for non-accelerated filers, such that the auditor's attestation report for these filers would have first been required for annual reports filed with the Commission for fiscal years ending on or after June 15, 2010. The amendments in this Release will not affect the transition rules applicable for non-accelerated filers with fiscal years ending prior to June 15, 2010.

<sup>13</sup> An issuer that is an accelerated filer or a large accelerated filer continues to be subject to the requirements of Section 404(b) of the Sarbanes-Oxley Act.

<sup>14</sup> See new Item 308(a)(4) of Regulation S-K.

of management on the issuer's internal control over financial reporting.<sup>15</sup>

## II. Procedural and Other Matters

Under the Administrative Procedure Act, a notice of proposed rulemaking is not required when the agency, for good cause, finds that notice and public comment are impracticable, unnecessary, or contrary to the public interest.<sup>16</sup> These amendments merely conform certain rules and forms to a newly enacted statute, Section 404(c) of the Sarbanes-Oxley Act, as amended by the Dodd-Frank Act, so the Commission finds that it is unnecessary to publish notice of these amendments.<sup>17</sup> These amendments revise the Commission's rules and forms to make them consistent with the internal control reporting requirements for non-accelerated filers in the Sarbanes-Oxley Act, as amended by the Dodd-Frank Act, and should therefore minimize potential confusion of issuers and investors.

The Administrative Procedure Act also requires publication of a rule at least 30 days before its effective date unless the agency finds otherwise for good cause.<sup>18</sup> The Commission finds there is good cause for the amendments to take effect on September 21, 2010 because the Commission's current applicable rules and forms do not conform to Section 404(c) of the Sarbanes-Oxley Act.

The Commission is taking this action to implement the Dodd-Frank Act. Thus, any costs and benefits to the economy resulting from these amendments are mandated by the Dodd-Frank Act. Section 23(a)(2) of the Exchange Act requires the Commission,

<sup>15</sup> See 17 CFR 229.308(a). For further guidance on management's report, see Commission Guidance Regarding Management's Report on Internal Control Over Financial Reporting Under Section 13(a) or 15(d) of the Securities Exchange Act of 1934, Release No. 33-8810 (June 20, 2007) [72 FR 35324]. All such reports for non-accelerated filers for fiscal years ending on or after June 15, 2010 will be considered "filed" under the Exchange Act. Although there are many different ways to conduct an evaluation of the effectiveness of internal control over financial reporting, an evaluation that is conducted in accordance with this interpretive guidance is one way to satisfy the requirements for the evaluation.

<sup>16</sup> 5 U.S.C. 553(b).

<sup>17</sup> This finding also satisfies the requirements of 5 U.S.C. 808(2), allowing the rule amendment to become effective notwithstanding the requirement of 5 U.S.C. 801 (if a Federal agency finds that notice and public comment are "impractical, unnecessary or contrary to the public interest," a rule "shall take effect at such time as the federal agency promulgating the rule determines"). For similar reasons, the amendments do not require analysis under the Regulatory Flexibility Act. See 5 U.S.C. 601(2) (for purposes of Regulatory Flexibility Act analysis, the term "rule" means "any rule for which the agency publishes a general notice of proposed rulemaking").

<sup>18</sup> See 5 U.S.C. 553(d)(3).

in adopting rules under the Exchange Act, to consider the competitive effects of such rules, if any, and to refrain from adopting a rule that would impose a burden on competition not necessary or appropriate in furtherance of the purposes of the Exchange Act.<sup>19</sup> Section 3(f) of the Exchange Act requires the Commission, whenever it engages in rulemaking and must consider or determine if an action is necessary or appropriate in the public interest, to consider if the action will promote efficiency, competition, and capital formation.<sup>20</sup> We do not anticipate any competitive or capital formation effects from these amendments as they merely conform certain rules and forms to new Section 404(c) of the Sarbanes-Oxley Act. We do not anticipate that these conforming amendments will impose any costs, and they may promote efficiency by eliminating potential confusion that may otherwise result from a discrepancy between our rules and the statute.

New Section 404(c) of the Sarbanes-Oxley Act will have an effect on the "collection of information" requirements within the meaning of the Paperwork Reduction Act of 1995.<sup>21</sup> The current burden estimates for the relevant forms include 0.5 hours for approximately 4,700 non-accelerated filers attributable to the burden of filing the auditor attestation report and related disclosure, but not the audit work. As a result of the statutory change, those non-accelerated filers no longer are required to include that attestation.<sup>22</sup>

## III. Statutory Basis and Text of Amendments

The amendments described in this release are made under the authority set forth in Section 19 of the Securities Act, Sections 3, 12, 13, 15, and 23 of the Exchange Act, and Sections 3(a) and 404 of the Sarbanes-Oxley Act.

### List of Subjects

#### 17 CFR Part 210

Accountants, Accounting, Reporting and recordkeeping requirements, Securities.

#### 17 CFR Parts 229 and 249

Reporting and recordkeeping requirements, Securities.

### Text of Amendments

■ In accordance with the foregoing, the Commission is amending Title 17,

<sup>19</sup> 15 U.S.C. 78w(a)(2).

<sup>20</sup> 15 U.S.C. 78c(f).

<sup>21</sup> 44 U.S.C. 3501 *et seq.*

<sup>22</sup> We are issuing a separate notice regarding the impact of this change on paperwork burdens.

Chapter II of the Code of Federal Regulations as follows:

**PART 210—FORM AND CONTENT OF AND REQUIREMENTS FOR FINANCIAL STATEMENTS, SECURITIES ACT OF 1933, SECURITIES EXCHANGE ACT OF 1934, PUBLIC UTILITY HOLDING COMPANY ACT OF 1935, INVESTMENT COMPANY ACT OF 1940, INVESTMENT ADVISERS ACT OF 1940 AND ENERGY POLICY AND CONSERVATION ACT OF 1975**

■ 1. The authority citation for part 210 continues to read as follows:

**Authority:** 15 U.S.C. 77f, 77g, 77h, 77j, 77s, 77z-2, 77z-3, 77aa(25), 77aa(26), 77nn(25), 77nn(26), 78c, 78j-1, 78l, 78m, 78n, 78o(d), 78q, 78u-5, 78w, 78ll, 78mm, 80a-8, 80a-20, 80a-29, 80a-30, 80a-31, 80a-37(a), 80b-3, 80b-11, 7202, and 7262, unless otherwise noted.

\* \* \* \* \*

■ 2. Section 210.2-02 is amended by revising paragraph (f) to read as follows:

**§ 210.2-02 Accountants' reports and attestation reports.**

\* \* \* \* \*

(f) *Attestation report on internal control over financial reporting.* (1) Every registered public accounting firm that issues or prepares an accountant's report for a registrant, other than a registrant that is neither an accelerated filer nor a large accelerated filer (as defined in § 240.12b-2 of this chapter) or an investment company registered under section 8 of the Investment Company Act of 1940 (15 U.S.C. 80a-8), that is included in an annual report required by section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*) containing an assessment by management of the effectiveness of the registrant's internal control over financial reporting must include an attestation report on internal control over financial reporting.

(2) If an attestation report on internal control over financial reporting is included in an annual report required by section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*), it shall clearly state the opinion of the accountant, either unqualified or adverse, as to whether the registrant maintained, in all material respects, effective internal control over financial reporting, except in the rare circumstance of a scope limitation that cannot be overcome by the registrant or the registered public accounting firm which would result in the accounting firm disclaiming an opinion. The attestation report on internal control over financial reporting shall be dated, signed manually, identify the period

covered by the report and indicate that the accountant has audited the effectiveness of internal control over financial reporting. The attestation report on internal control over financial reporting may be separate from the accountant's report.

\* \* \* \* \*

**PART 229—STANDARD INSTRUCTIONS FOR FILING FORMS UNDER SECURITIES ACT OF 1933, SECURITIES EXCHANGE ACT OF 1934 AND ENERGY POLICY AND CONSERVATION ACT OF 1975—REGULATION S-K**

■ 3. The authority citation for part 229 continues to read, in part, as follows:

**Authority:** 15 U.S.C. 77e, 77f, 77g, 77h, 77j, 77k, 77s, 77z-2, 77z-3, 77aa(25), 77aa(26), 77ddd, 77eee, 77ggg, 77hhh, 77iii, 77jjj, 77nnn, 77sss, 78c, 78i, 78j, 78l, 78m, 78n, 78o, 78u-5, 78w, 78ll, 78mm, 80a-8, 80a-9, 80a-20, 80a-29, 80a-30, 80a-31(c), 80a-37, 80a-38(a), 80a-39, 80b-11, and 7201 *et seq.*; and 18 U.S.C. 1350, unless otherwise noted.

\* \* \* \* \*

■ 4. Section 229.308 is amended by revising paragraphs (a)(4) and (b) to read as follows:

**§ 229.308 (Item 308) Internal control over financial reporting.**

(a) \* \* \*

(4) If the registrant is an accelerated filer or a large accelerated filer (as defined in § 240.12b-2 of this chapter), or otherwise includes in its annual report a registered public accounting firm's attestation report on internal control over financial reporting, a statement that the registered public accounting firm that audited the financial statements included in the annual report containing the disclosure required by this Item has issued an attestation report on the registrant's internal control over financial reporting.

(b) *Attestation report of the registered public accounting firm.* If the registrant is an accelerated filer or a large accelerated filer (as defined in § 240.12b-2 of this chapter), provide the registered public accounting firm's attestation report on the registrant's internal control over financial reporting in the registrant's annual report containing the disclosure required by this Item.

\* \* \* \* \*

**PART 249—FORMS, SECURITIES EXCHANGE ACT OF 1934**

■ 5. The authority citation for part 249 continues to read, in part, as follows:

**Authority:** 15 U.S.C. 78a *et seq.* and 7201 *et seq.*; and 18 U.S.C. 1350, unless otherwise noted.

\* \* \* \* \*

■ 6. Form 20-F (referenced in § 249.220f) is amended by revising paragraphs (b)(4) and (c) of Item 15 to read as follows:

**Note:** The text of Form 20-F does not, and this amendment will not, appear in the Code of Federal Regulations.

**FORM 20-F**

\* \* \* \* \*

**PART II**

\* \* \* \* \*

**Item 15. Controls and Procedures.**

\* \* \* \* \*

(b) \* \* \*

(4) If an issuer is an accelerated filer or a large accelerated filer (as defined in § 240.12b-2 of this chapter), or otherwise includes in its annual report a registered public accounting firm's attestation report on internal control over financial reporting, a statement that the registered public accounting firm that audited the financial statements included in the annual report containing the disclosure required by this Item has issued an attestation report on management's assessment of the issuer's internal control over financial reporting.

(c) *Attestation report of the registered public accounting firm.* If an issuer is an accelerated filer or a large accelerated filer (as defined in § 240.12b-2 of this chapter), and where the Form is being used as an annual report filed under Section 13(a) or 15(d) of the Exchange Act, provide the registered public accounting firm's attestation report on management's assessment of the issuer's internal control over financial reporting in the issuer's annual report containing the disclosure required by this Item.

\* \* \* \* \*

■ 7. Form 40-F (referenced in § 249.240f) is amended by revising paragraphs (c)(4) and (d) in General Instruction B.(6) to read as follows:

**Note:** The text of Form 40-F does not, and this amendment will not, appear in the Code of Federal Regulations.

**FORM 40-F**

\* \* \* \* \*

**GENERAL INSTRUCTIONS**

\* \* \* \* \*

**B. Information To Be Filed on this Form**

\* \* \* \* \*

(6) \* \* \*

(c)(4) If an issuer is an accelerated filer or a large accelerated filer (as defined in 17 CFR 240.12b-2), or otherwise includes in its annual report a registered public accounting firm's attestation report on internal control over financial reporting, a statement that the registered public accounting firm that audited the financial statements included in the annual report containing the disclosure required by this Item has issued an attestation report on management's assessment of the issuer's internal control over financial reporting.

(d) *Attestation report of the registered public accounting firm.* If an issuer is an accelerated filer or a large accelerated filer (as defined in § 240.12b-2 of this chapter), and where the Form is being used as an annual report filed under Section 13(a) or 15(d) of the Exchange Act, provide the registered public accounting firm's attestation report on management's assessment of the issuer's internal control over financial reporting in the issuer's annual report containing the disclosure required by this Item.

\* \* \* \* \*

By the Commission.

Dated: September 15, 2010.

Elizabeth M. Murphy,  
Secretary.

[FR Doc. 2010-23492 Filed 9-20-10; 8:45 am]

BILLING CODE 8010-01-P

## DEPARTMENT OF HOMELAND SECURITY

### Coast Guard

#### 33 CFR Part 100

[Docket No. USCG-2010-0383]

RIN 1625-AA08

#### Special Local Regulations for Marine Events; Patuxent River, Solomons, MD

**AGENCY:** Coast Guard, DHS.

**ACTION:** Temporary final rule.

**SUMMARY:** The Coast Guard is establishing special local regulations during the "Chesapeake Challenge" power boat races, a marine event to be held on the waters of the Patuxent River, near Solomons, MD on October 1, 2010 and October 3, 2010. These special local regulations are necessary to provide for the safety of life on navigable waters during the event. This action is intended to temporarily restrict vessel traffic in a portion of the Patuxent River during the event.

**DATES:** This rule is effective from 10 a.m. on October 1, 2010 until 6 p.m. on October 3, 2010.

**ADDRESSES:** Comments and material received from the public, as well as documents mentioned in this preamble as being available in the docket, are part of docket USCG-2010-0383 and are available online by going to <http://www.regulations.gov>, inserting USCG-2010-0383 in the "Keyword" box, and then clicking "Search." This material is also available for inspection or copying at the Docket Management Facility (M-30), U.S. Department of Transportation, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue, SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

**FOR FURTHER INFORMATION CONTACT:** If you have questions on this temporary rule, call or e-mail Mr. Ronald Houck, U.S. Coast Guard Sector, Baltimore, MD; telephone 410-576-2674, e-mail [Ronald.L.Houck@uscg.mil](mailto:Ronald.L.Houck@uscg.mil). If you have questions on viewing the docket, call Renee V. Wright, Program Manager, Docket Operations, telephone 202-366-9826.

#### SUPPLEMENTARY INFORMATION:

##### Regulatory Information

On June 10, 2010, we published a notice of proposed rulemaking (NPRM) entitled "Special Local Regulations for Marine Events; Patuxent River, Solomons, MD" in the **Federal Register** (75 FR 32866). Additionally, on July 19, 2010, we published a supplemental notice of proposed rulemaking (SNPRM) entitled "Special Local Regulations for Marine Events; Patuxent River, Solomons, MD" in the **Federal Register** (75 FR 41789). We received no comments on the proposed rules. No public meeting was requested, and none was held.

Under 5 U.S.C. 553(d)(3), the Coast Guard finds that good cause exists for making this rule effective less than 30 days after publication in the **Federal Register**. Due to the need for immediate action, the restriction of vessel traffic is necessary to protect life, property and the environment against the hazards associated with high-speed offshore power boat races on confined navigable waters. Such hazards include damages and injuries caused by collisions with other vessels and navigational obstructions and hazards caused by vessel sinkings. In addition, with no changes from the information provided in the SNPRM and no comments received, the public has been aware of the scheduled date since July 19, 2010. Therefore, a 30-day notice is contrary to

the public interest. Delaying the effective date would be contrary to the regulated area's intended objectives of protecting persons and vessels involved in the event, and enhancing public and maritime safety.

##### Basis and Purpose

On October 1, 2010 and October 3, 2010, the Chesapeake Bay Power Boat Association will sponsor power boat races on the Patuxent River near Solomons, MD. The event consists of offshore power boats racing in a counter-clockwise direction on a racetrack-type course located between the Governor Thomas Johnson Memorial (SR-4) Bridge and the U.S. Naval Air Station Patuxent River, MD. The start and finish lines will be located near the Solomon's Pier. A large spectator fleet is expected during the event. Due to the need for vessel control during the event, the Coast Guard will temporarily restrict vessel traffic in the event area to provide for the safety of participants, spectators and other transiting vessels.

##### Discussion of Comments and Changes

The Coast Guard received no comments in response to the NPRM and SNPRM. No public meeting was requested and none was held. The regulation proposed in the SNPRM is the regulation being added.

##### Regulatory Analyses

We developed this rule after considering numerous statutes and executive orders related to rulemaking. Below we summarize our analyses based on 13 of these statutes or executive orders.

##### Regulatory Planning and Review

This rule is not a significant regulatory action under section 3(f) of Executive Order 12866, Regulatory Planning and Review, and does not require an assessment of potential costs and benefits under section 6(a)(3) of that Order. The Office of Management and Budget has not reviewed it under that Order.

Although this regulation will prevent traffic from transiting a portion of the Patuxent River during the event, the effect of this regulation will not be significant due to the limited duration that the regulated area will be in effect and the extensive advance notifications that will be made to the maritime community via the Local Notice to Mariners and marine information broadcasts, so mariners can adjust their plans accordingly. Additionally, the regulated area has been narrowly tailored to impose the least impact on general navigation yet provide the level