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Reader Aids

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The Code of Federal Regulations is sold by the Superintendent of Documents. Prices of new books are listed in the first FEDERAL REGISTER issue of each week.

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 135

[Docket No.: FAA–2014–0502; Amdt. No. 135–131]

RIN 2120–AK49

Departing IFR/VFR When Weather Reporting Is Not Available; Confirmation of Effective Date

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Direct final rule; confirmation of effective date.

SUMMARY: This action confirms the effective date of the direct final rule published on July 28, 2014, and responds to the comments received on that direct final rule. The rule permits the pilot in command of a helicopter air ambulance to assess the weather at a departure point where current weather observations are not available and allows the pilot to depart if the observed ceiling and visibility is greater than certain weather minimums. This action will allow a pilot to utilize the minimum takeoff visibilities depicted in a published obstacle departure procedure, or in the absence of such a procedure, when the pilot observed ceiling and visibility is greater than the minimum ceiling and visibility limitations required by specific helicopter air ambulance rules. This change to the current regulation will permit helicopter air ambulance flights to enter the National Airspace System (NAS) under Instrument Flight Rules (IFR) when visibilities and ceilings are below Visual Flight Rules (VFR), thus increasing the safety of the flight.

DATES: The direct final rule published July 28, 2014 (79 FR 43619) will become effective on April 22, 2015.

ADDRESSES: For information on where to obtain copies of rulemaking documents and other information related to this action, see ''How To Obtain Additional Information'' in the **SUPPLEMENTARY INFORMATION** section of this document.

FOR FURTHER INFORMATION CONTACT: For technical questions concerning this action, contact Andrew C. Pierce, Air Transportation Division, 135 Air Carrier Operations Branch, AFS–250, Federal Aviation Administration, 800 Independence Avenue SW., Washington, DC 20591; telephone 202–267–8238; email *andy.pierce@faa.gov.*

For legal questions concerning this action, contact Nancy Sanchez, AGC–220, Federal Aviation Administration, 800 Independence Avenue SW., Washington, DC 20591; telephone 202–267–7280; email *nancy.sanchez@faa.gov.*

SUPPLEMENTARY INFORMATION:

Background

On February 21, 2014, the FAA published a final rule titled Helicopter Air Ambulance, Commercial Helicopter, and Part 91 Helicopter Operations (79 FR 9932, February 21, 2014). In that final rule, the FAA amended its regulations to revise the helicopter air ambulance, commercial helicopter, and general aviation helicopter operating requirements. In particular, the FAA added new testing and checking requirements for pilots operating rotorcraft under part 135. Subsequently, the FAA determined that the compliance date of April 22, 2014, originally included in the February 21, 2014, final rule did not provide an adequate amount of time for affected certificate holders to implement the new requirements. On April 21, 2014, the FAA published a final rule in the **Federal Register** extending the effective date of the February 21, 2014, final rule from April 22, 2014, to April 22, 2015 (79 FR 22009, April 21, 2014).

One of the new provisions in the February 21, 2014, final rule, § 135.611, allows helicopter air ambulance (HAA) operators to conduct IFR operations at airports and heliports without a weather reporting facility if they can obtain weather reports from an approved weather reporting facility located within 15 nautical miles of the destination landing area and meet other pilot and equipment requirements. The February 21, 2014, final rule did not provide a means for HAA flights with IFR clearances to depart from airports not served with current weather observation reports. The language in the February 21, 2014, rule did not allow a pilot to utilize the minimum takeoff visibilities depicted in published obstacle departure procedures (ODP) when these are available. As a result, IFR capable departing flights were not able to gain direct access into the IFR system when weather conditions are worse than the Class G VFR minimums published in § 135.609, but are better than or equal to the published ODP takeoff minimums when the ODP depicts a ''proceed visually'' transition to the Initial Departure Fix (IDF).

To address this circumstance, on July 28, 2014, the FAA published a direct final rule to permit the pilot in command of a helicopter air ambulance to assess the weather at a departure point where current weather observations are not available and allows the pilot to depart if the observed ceiling and visibility is greater than certain weather minimums (79 FR 43619, July 28, 2014). This action also allows a pilot to utilize the minimum takeoff visibilities depicted in a published ODP, or in the absence of such a procedure, when the pilot observed ceiling and visibility is greater than the minimum ceiling and visibility limitations required by specific helicopter air ambulance rules. This change to the regulations permits helicopter air ambulance flights to enter the NAS under IFR when visibilities and ceilings are below VFR, thus increasing the safety of the flight.

Discussion of Comments

The FAA received three comments to the direct final rule from two individuals and a comment from Helicopter Association International (HAI), regarding a clarification of terms related to ''proceed VFR'' *vs.* ''proceed visually'' and requested clarity on the required visibility for transition to the ODP. In response, the FAA published a Clarification of the Final Rule, which specifically explains the difference between the two terms, how they relate to the ODP and transition to the IDF, as well as the FAA's intent (79 FR 58672, September 30, 2014). The FAA will make no changes to the Final Rule and has concluded that the Clarification of the Final Rule will address any

questions about the obstacle departure procedure and terms used in the Final Rule.

Conclusion

After consideration of the comments submitted in response to the direct final rule, the FAA has determined that no further rulemaking action is necessary and believes that the Clarification of the Final Rule published September 30, 2014, will clarify any questions about the ODP and terms used in the Final Rule; therefore, amendment 135–131 remains in effect.

How To Obtain Additional Information

A. Rulemaking Documents

An electronic copy of a rulemaking document may be obtained by using the Internet—

1. Search the Federal eRulemaking Portal (*http://www.regulations.gov*);
2. Visit the FAA's Regulations and Policies Web page at *http://www.faa.gov/regulations_policies/* or
3. Access the Government Printing Office's Web page at *http://www.gpo.gov/fdsys/*.

Copies may also be obtained by sending a request (identified by notice, amendment, or docket number of this rulemaking) to the Federal Aviation Administration, Office of Rulemaking, ARM–1, 800 Independence Avenue SW., Washington, DC 20591, or by calling (202) 267–9680.

B. Comments Submitted to the Docket

Comments received may be viewed by going to *http://www.regulations.gov* and following the online instructions to search the docket number for this action. Anyone is able to search the electronic form of all comments received into any of the FAA's dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.).

C. Small Business Regulatory Enforcement Fairness Act

The Small Business Regulatory Enforcement Fairness Act (SBREFA) of 1996 requires 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/*.

Issued under authority provided by 49 U.S.C. 106(f), 44701(a), and 44703 in Washington, DC, on October 29, 2014.

Lirio Liu,

Director, Office of Rulemaking.

[FR Doc. 2014–26052 Filed 10–31–14; 8:45 am]

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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

24 CFR Part 203

[Docket No. FR 5812–N–01]

HUD's Qualified Mortgage Rule: Announcement of Intention To Adopt Changes Pertaining to Exempted Transaction List

AGENCY: Office of the Assistant Secretary for Housing—Federal Housing Commissioner, HUD.

ACTION: Announcement of change to HUD's exempted transaction definition.

SUMMARY: The Consumer Financial Protection Bureau (CFPB) is issuing a final rule being published concurrently with this document, and it can be found elsewhere in this **Federal Register**, entitled ''Amendments to the 2013 Mortgage Rules under the Truth in Lending Act (Regulation Z),'' amending certain terms in CFPB's definition of ''qualified mortgage'' which HUD cross-referenced in HUD's qualified mortgage definition. In accordance with the procedures incorporated in HUD's definition of ''qualified mortgage,'' this document advises of HUD's intention to adopt, for HUD's qualified mortgage rule, CFPB's changes to the exemption for non-profit transactions from the qualified mortgage standards. HUD is not, however, adopting the new points and fees cure provision adopted by CFPB for the reasons stated in this document, but is providing guidance to mortgagees on curing points and fees errors prior to insurance endorsement.

DATES: *Effective Date:* November 3, 2014.

FOR FURTHER INFORMATION CONTACT: Michael P. Nixon, Office of Housing, Department of Housing and Urban Development, 451 7th Street SW., Room 9278, Washington, DC 20410; telephone number 202–402–5216, ext. 3094 (this is not a toll-free number). Persons with hearing or speech impairments may access this number through TTY by calling the Federal Relay Service at 800–877–8339 (this is a toll-free number).

SUPPLEMENTARY INFORMATION:

I. Background

On December 11, 2013, at 78 FR 75215, HUD published a final rule that established a definition of ''qualified mortgage'' for single family residential mortgages that HUD insures, guarantees, or administers. Under HUD's qualified mortgage rule, qualified mortgage status attaches at origination and insurance endorsement to those single family residential mortgages insured under the National Housing Act (12 U.S.C. 1701 *et seq.*), section 184 loans for Indian housing under the Housing and Community Development Act of 1992 (12 U.S.C. 1715z–13a) (Section 184 guaranteed loans), and section 184A loans for Native Hawaiian housing under the Housing and Community Development Act of 1992 (1715z–13b) (Section 184A guaranteed loans). HUD's definition of ''qualified mortgage'' is codified for each program at 24 CFR 201.7, 203.19, 1005.120 and 1007.80.

HUD defined ''qualified mortgage'' in a manner that aligned HUD's definition, to the extent feasible and consistent with HUD's mission, with that of the qualified mortgage definition promulgated by the CFPB, and which is codified at 12 CFR 1026.43. HUD undertook the alignment for the purpose of lessening future differences in standards for HUD's single family residential insured mortgages and those established by the CFPB, which apply to conventional mortgages seeking designation as qualified mortgage.

HUD's alignment to CFPB's standards also included cross-references to CFPB's list of transactions exempted from the qualified mortgage definition, including a non-profit transaction exemption, and CFPB's limit on points and fees for qualified mortgage status as of January 10, 2014. HUD's definition of qualified mortgage provides that when CFPB amends its definition of qualified mortgage, HUD may announce the adoption of CFPB change or changes through publication of a notice and after providing FHA-approved mortgagees with time, as may be determined necessary, to implement. Members of the public interested in more detail about HUD's qualified mortgage regulations may refer to the preamble of HUD's September 30, 2013, proposed rule and HUD's December 11, 2013, final rule, at 78 FR 59890, 78 FR 75215.

II. HUD Notice of CFPB's Final Rule

Published elsewhere in this **Federal Register** is CFPB's final rule amending the non-profit transaction exemption from the ability-to-repay rule and providing a limited cure mechanism for

the points and fees limit that applies to qualified mortgages.

A. Amendment to the Non-Profit Transaction Exemption

CFPB's final rule amended the ''exempted transaction'' list to provide that certain interest-free, contingent subordinate liens originated by non-profit creditors would not be counted towards the credit extension limit of 200 transactions that qualifies a nonprofit for the nonprofit exemption at 12 CFR 1026.43(a)(3)(v)(D). Specifically, the rule excludes consumer credit transactions if the transaction is secured by a subordinate lien; for the purpose of down payment, closing costs, or other similar home buyer assistance, such as principal or interest subsidies; for property rehabilitation assistance; for energy efficiency assistance; or for the purpose of foreclosure avoidance or prevention. Additionally, the consumer credit contract must not require payment of interest; must provide that repayment of the amount of the credit extended is forgiven either incrementally or in whole, at a date certain, and subject only to specified ownership and occupancy conditions; and the total of costs payable by the consumer in connection with the transaction at consummation is less than 1 percent of the amount of credit extended and includes no charges other than: Fees for recordation of security instruments, deeds, and similar documents, a bona fide and reasonable application fee and a bona fide and reasonable fee for housing counseling services. Lastly, the creditor must also comply with all other applicable requirements of this part in connection with the transaction.

By excluding these interest-free, contingent subordinate liens from determining if a non-profit creditor qualifies for the non-profit exemption (i.e. extends credit secured by a dwelling no more than 200 times), more non-profit creditors will qualify for the exemption and additional consumers with income that does not exceed the low- and moderate-income household limit, as established pursuant to section 102 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(20)), will have access to credit. For additional information about CFPB's change, interested members of the public should refer to the CFPB's proposed and final rules. See 79 FR 25730 and the CFPB's final rule published elsewhere in this **Federal Register** entitled ''Amendments to the 2013 Mortgage Rules under the Truth in Lending Act (Regulation Z).''

HUD sees value in maintaining consistency with CFPB's rule when it is consistent with HUD's mission and statutes. HUD believes that the amendment to the non-profit exemption in the exempted transaction list is balanced in a way to protect against abuse while providing more access to credit for borrowers with low- and moderate-incomes, consistent with HUD's mission. Therefore, HUD is adopting the amendment and maintaining consistency with the CFPB's list of exempted transactions at 12 CFR 1026.43(a)(3), as cross-referenced in HUD's definition at 24 CFR 203.19.[1] HUD's definition will thus track the new CFPB definition as of November 3, 2014. This change will be effective for all case numbers assigned on or after the effective date of this document.

B. Amendment to the Points and Fees Limit Provision—Post Consummation Cure Provision

CFPB's final rule also provides a limited, post-consummation cure mechanism for loans that are originated with the expectation of qualified mortgage status but actually exceed the points and fees limit for qualified mortgage status. The CFPB's final rule amends the points and fees provision at 12 CFR 1026.43(e)(3) to permit a creditor or assignee to cure an inadvertent excess over the qualified mortgage points and fees limits by refunding to the consumer the amount of excess, under certain conditions.[2]

Given the complexity and exercise of judgment involved in determining points and fees, CFPB found that some creditors may not originate and secondary market participants may not purchase mortgage loans that are near the qualified mortgage points and fees limit. Given the establishment of this buffer, CFPB was concerned that access to credit for consumers seeking loans at the margins of the limits might be negatively affected. Therefore, the provision would permit a creditor or assignee to cure an inadvertent excess over the qualified mortgage points and fees limit and the creditor or assignee must refund to the consumer within 210 days after consummation the amount of money over the points and fees limit. This new provision is intended to ease the current burden on the market, but will expire on January 10, 2021. For additional information about CFPB's change interested members of the public should refer to the CFPB's proposed and final rules. See 79 FR 25730 and the CFPB's final rule published elsewhere in this **Federal Register** entitled ''Amendments to the 2013 Mortgage Rules under the Truth in Lending Act (Regulation Z).''

Despite HUD's authority under 24 CFR 203.19 to adopt the CFPB's changes to points and fees by notice for this subset of loans, and while recognizing the usefulness of a cure provision for these loans, HUD cannot adopt the CFPB's cure provision for the following reasons, including but not limited to: First, the CFPB's cure provision requires that the cured loan meet CFPB's qualified mortgage definition in order to qualify for the cure, but HUD has codified its own definition, which differs. Second, if HUD permitted a FHA lender to return funds to a borrower or pay down the principal balance for a single family mortgage insured under Title II, the amount returned could result in a violation of the statutorily required borrower minimum cash investment of 3.5 percent or other FHA requirements relating to interested party contributions and the calculation of the maximum insured mortgage value.[3] In addition, unlike the general market, the points and fees limit for Title II mortgages is a requirement for insurability of the mortgage by FHA. As an insurer of the mortgage, it is imperative that FHA ensure all eligibility requirements are met prior to insurance endorsement. Therefore, while permitting a cure in connection with FHA-insured mortgages may have the same benefit for the FHA-approved lender as a lender in the general market, the impact on FHA as the insurer is substantially different.

While FHA is not able to adopt the CFPB's cure provision that allows the cure period to extend beyond insurance endorsement, FHA approved lenders are not without the ability to cure errors that occur in origination before submission for insurance endorsement. FHA reminds all FHA-approved mortgagees that, consistent with FHA's existing Notice of Return/Notice of Non-

[1] The list of mortgage transactions exempted under12 CFR 1026.43(a)(2) in the Title II program at 24 CFR 203.19 is also included in the Title I program at 24 CFR 201.7, the Section 184 guaranteed loan program at 24 CFR 1005.120 and the Section 184A guaranteed loan program at 24 CFR 1007.80 by cross-reference to 24 CFR 203.19(c)(2).

[2] Cure means a procedure to reduce points and fees or debt-to-income ratios after consummation when the qualified mortgage limits have been inadvertently exceeded. See 79 FR 25740 and the CFPB's final rule published elsewhere in this **Federal Register** entitled ''Amendments to the 2013 Mortgage Rules under the Truth in Lending Act (Regulation Z).''

[3] See section 203(b)(9) of the National Housing Act (12 USC 1709(b)(9)) which requires the homebuyer to pay in cash or equivalent on account of the property an amount equal to not less than 3.5 percent of the appraised value of the property.

Endorsement (NOR) process, mortgagees may continue to cure errors and resubmit mortgages for insurance endorsement, provided all eligibility criteria are met at the time of insurance endorsement. FHA believes that the existing ability to cure errors is sufficient and is consistent with the attachment of qualified mortgage status at endorsement. As such, HUD is not adopting the CFPB's cure provisions and does not believe any further ability to cure is warranted.

In summary, HUD's qualified mortgage definition for Title II mortgages, except for manufactured housing and exempted transactions, will continue to use the CFPB's points and fees limit at 12 CFR 1026.43(e)(3) as of January 10, 2014 and not include the change published on November 3, 2014.

Dated: October 21, 2014.

Carol J. Galante,

Assistant Secretary for Housing-Federal Housing Commissioner.

[FR Doc. 2014–25492 Filed 10–31–14; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[TD 9696]

RIN 1545–BH60

Local Lodging Expenses; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Final regulations; correction.

SUMMARY: This document contains corrections to final regulations (TD 9696) that were published in the **Federal Register** on October 1, 2014 (79 FR 59112). The final regulations are relating to the deductibility of expenses for lodging when an individual is not travelling away from home (local lodging).

DATES: This correction is effective on November 3, 2014 and applicable beginning October 1, 2014.

FOR FURTHER INFORMATION CONTACT: Peter Ford, at (202) 317–7011 (not a toll free number).

SUPPLEMENTARY INFORMATION:

Background

The final regulations (TD 9696) that are the subject of this correction is under sections 162 and 262 of the Internal Revenue Code.

Need for Correction

As published, the final regulations (TD 9696) contain an error that may prove to be misleading and is in need of clarification.

Correction of Publication

Accordingly, the final regulations (TD 9696), that are the subject of FR Doc. 2014–23306, are corrected as follows:

On page 59115, first column, the fourth line of the signature block, the language ''Approved: August 22, 2013.'' Is corrected to read ''Approved: July 11, 2014.''

Martin V. Franks,

Chief, Publications and Regulations Branch, Legal Processing Division, Associate Chief Counsel, (Procedure and Administration).

[FR Doc. 2014–26068 Filed 10–31–14; 8:45 am]

BILLING CODE 4830–01–P

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

33 CFR Part 117

[Docket No. USCG–2014–0889]

Drawbridge Operation Regulation; Cerritos Channel, Long Beach, CA

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 Henry Ford Avenue railroad drawbridge across Cerritos Channel, mile 4.8, at Long Beach, CA. The deviation is necessary to allow the bridge owner to make necessary bridge maintenance repairs. This deviation allows the bridge to remain in the closed-to-navigation position during the deviation period.

DATES: This deviation is effective from 5 a.m. on November 12, 2014, to 5 p.m. on November 17, 2014.

ADDRESSES: The docket for this deviation, [USCG–2014–0889], 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. You may also visit the Docket Management Facility in Room W12–140 on the ground floor of the Department of Transportation West Building, 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 deviation, call or email David H. Sulouff, Chief, Bridge Section, Eleventh Coast Guard District; telephone 510–437–3516, email *David.H.Sulouff@uscg.mil.* If you have questions on viewing the docket, call Cheryl Collins, Program Manager, Docket Operations, telephone 202–366–9826.

SUPPLEMENTARY INFORMATION: The Port of Los Angeles has requested a temporary change to the operation of the Henry Ford Avenue railroad drawbridge, mile 4.8, over Cerritos Channel, at Long Beach, CA. The drawbridge navigation span provides 7 feet vertical clearance above Mean High Water in the closed-to-navigation position. In accordance with 33 CFR 117.147(b), the drawspan is maintained in the fully open position, except when a train is crossing or for maintenance. When the draw is in the closed position, it opens on signal. Navigation on the waterway is mainly recreational, emergency response and commercial tug and barge combinations between the ports of Los Angeles and Long Beach.

The Port of Los Angeles has requested the drawbridge be allowed to remain closed to navigation at various times from 5 a.m. on November 12, 2014 to 5 p.m. on November 17, 2014, so they can perform replacement of the auxiliary counterweight wire ropes on the drawbridge. The vertical lift span will be secured in the closed to navigation position at various times as follows: 6 a.m. to 10 a.m. November 12, 2014; 2:30 p.m. on November 12, 2014 to 6:30 a.m. on November 13, 2014; 6 a.m. to 3 p.m. November 14, 2014; and 6 a.m. to 3 p.m. on November 17, 2014.

Mariners must contact the bridge tender to obtain status of the drawbridge when planning transits between the ports. This temporary deviation has been coordinated with the waterway users. No objections to the proposed temporary deviation were raised.

Vessels able to pass through the bridge in the closed position may do so at anytime. The bridge will not be able to open for emergencies. There is an alternative route, transiting around the south side of Terminal Island, for vessels unable to pass through the bridge in the closed position. The Coast Guard will inform waterway users of this temporary deviation via our Local and Broadcast Notices to Mariners, to minimize resulting navigational impacts.

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.

Dated: October 22, 2014.

D.H. Sulouff,

District Bridge Chief, Eleventh Coast Guard District.

[FR Doc. 2014–26088 Filed 10–31–14; 8:45 am]

BILLING CODE 9110–04–P

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA–R04–OAR–2013–0486; FRL–9918–68–Region–4]

Approval and Promulgation of Implementation Plans; Commonwealth of Kentucky: New Source Review for Fine Particulate Matter

AGENCY: Environmental Protection Agency.

ACTION: Final rule.

SUMMARY: The Environmental Protection Agency (EPA) is taking final action to approve a revision to the Kentucky State Implementation Plan (SIP), submitted by the Commonwealth of Kentucky, through the Kentucky Division for Air Quality (KDAQ) to EPA on January 31, 2013. The SIP revision modifies the Commonwealth's New Source Review (NSR), Prevention of Significant Deterioration (PSD), and Nonattainment New Source Review (NNSR) regulations to adopt into the Kentucky SIP Federal NSR permitting requirements for the implementation of the fine particulate matter ($PM_{2.5}$) national ambient air quality standards (NAAQS). The approved changes in Kentucky's January 31, 2013, SIP submission are necessary to comply with Federal requirements. EPA is approving the Commonwealth's January 31, 2013, revision to the Kentucky SIP because the Agency has determined that the changes are consistent with the Clean Air Act (CAA or Act). Additionally, EPA is converting two conditional approvals related to the PSD infrastructure requirements for the 1997 and 2006 $PM_{2.5}$, and 2008 8-hour Ozone NAAQS to full approval under the CAA.

DATES: This rule will be effective December 3, 2014.

ADDRESSES: EPA has established a docket for this action under Docket Identification No. EPA–R04–OAR–2013–0486. All documents in the docket are listed on the *www.regulations.gov* Web site. Although listed in the index, some information is not publicly available, i.e., Confidential Business Information 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 either electronically through *www.regulations.gov* or in hard copy at the Regulatory Development Section, Air Planning Branch, Air, Pesticides and Toxics Management Division, U.S. Environmental Protection Agency, Region 4, 61 Forsyth Street SW., Atlanta, Georgia 30303–8960. EPA requests that if at all possible, you contact the person listed in the **FOR FURTHER INFORMATION CONTACT** section to schedule your inspection. The Regional Office's official hours of business are Monday through Friday, 8:30 a.m. to 4:30 p.m., excluding Federal holidays.

FOR FURTHER INFORMATION CONTACT: For information regarding the Kentucky SIP, contact Mr. David (Brad) Akers, Regulatory Development Section, Air Planning Branch, Air, Pesticides and Toxics Management Division, U.S. Environmental Protection Agency, Region 4, 61 Forsyth Street, SW., Atlanta, Georgia 30303–8960. Telephone number: (404) 562–9089; email address: *akers.david@epa.gov.* For information regarding NSR, contact Ms. Yolanda Adams, Air Permits Section, at the same address above. Telephone number: (404) 562–9214; email address: *adams.yolanda@epa.gov.* For information regarding $PM_{2.5}$ NAAQS, contact Mr. Joel Huey, Regulatory Development Section, at the same address above. Telephone number: (404) 562–9104; email address: *huey.joel@epa.gov.*

SUPPLEMENTARY INFORMATION:

I. Background

EPA is taking final action to approve the Commonwealth of Kentucky's January 31, 2013, SIP revision to adopt Federal requirements for NSR permitting. The Commonwealth's SIP revision makes changes to the regulations in Kentucky's Air Quality Regulations, 401 Kentucky Air Regulations (KAR) 51:001- *Definitions for 401–KAR Chapter 51;* 401 KAR 51:017—*Prevention of significant deterioration of air quality* and 401 KAR 51:052—*Review of new sources in or impacting upon nonattainment areas* to adopt NSR requirements related to the implementation of the $PM_{2.5}$ NAAQS as promulgated in the rulemakings entitled ''Implementation of the New Source Review (NSR) Program for Particulate Matter Less Than 2.5 Micrometers,'' Final Rule, 73 FR 28321 (May 16, 2008) (hereafter referred to as the ''NSR $PM_{2.5}$ Rule'') and ''Prevention of Significant Deterioration (PSD) for Particulate Matter Less Than 2.5 Micrometers ($PM_{2.5}$)—Increments, Significant Impact Levels (SILs) and Significant Monitoring Concentration (SMC),'' Final Rule, 75 FR 64864 (October 20, 2010) (hereafter referred to as the ''$PM_{2.5}$ PSD Increments-SILs-SMC Rule''). The Commonwealth must make this SIP revision to comply with Federal NSR permitting regulations at 40 CFR 51.166 and 51.165. Originally, the Commonwealth included SILs and SMC thresholds in the January 31, 2013, SIP submission, consistent with the October 20, 2010, $PM_{2.5}$ PSD Increments-SILs-SMC Rule. However, EPA cannot act on SILs or SMC provisions due to the January 22, 2013, decision by the D.C. Circuit Court of Appeals vacating the portions of the $PM_{2.5}$ PSD Increment-SILs-SMC Rule addressing the SMC and SILs (and remanding the SILs portion to EPA for further consideration).[1] *See Sierra Club* v. *EPA,* 705 F.3d 458 (D.C. Cir. 2013). Accordingly, Kentucky has since submitted a letter to EPA dated July 22, 2014, requesting that the SILs and SMC provisions from the January 31, 2013, SIP submission be withdrawn from EPA consideration; therefore these provisions are no longer before EPA for consideration. The letter can be found in Docket ID: EPA–R04–OAR–2013–0486.

Additionally, the Commonwealth's January 31, 2013, SIP submission satisfies EPA's multiple conditional approvals of the PSD-related requirements for sections 110(a)(2)(C), 110(a)(2)(D)(i)(II) and 110(a)(2)(J) of Kentucky's infrastructure SIPs for the 1997 and 2006 $PM_{2.5}$, and 2008 8-hour Ozone NAAQS. As a result, EPA is acting to convert from conditional approval to full approval KDAQ's infrastructure requirements related to its PSD program.

On July 23, 2014, EPA published a proposed rulemaking to approve the aforementioned changes to the Commonwealth's NSR program at 401

[1] On January 22, 2013, D.C. Circuit granted a request from EPA to vacate and remand to the Agency the portions of the October 20, 2010 rule addressing the SILs for $PM_{2.5}$, except for the parts codifying the $PM_{2.5}$ SILs in the NSR rule at 40 CFR 51.165(b)(2), so that the EPA could voluntarily correct an error in the provisions. *See Sierra Club v. EPA,* 705 F.3d 458 at 463–66 (D.C. Cir. 2013). The Court also vacated parts of the $PM_{2.5}$ PSD Increment-SILs-SMC Rule establishing the $PM_{2.5}$ SMC, finding that the Agency had exceeded its statutory authority with respect to these provisions. Id at 469. On December 9, 2013, EPA issued a final rulemaking to remove the vacated and remanded $PM_{2.5}$ SILs and the vacated $PM_{2.5}$ SMC provisions from 40 CFR 51.166 and 52.21. *See* 78 FR 73698.

KAR 51:001, 401 KAR 51:017 and 401 KAR 51:052, and to convert multiple conditional approvals for the Commonwealth's infrastructure SIP for the 1997 and 2006 $PM_{2.5}$, and 2008 8-hour Ozone NAAQS. *See* 79 FR 42745. Comments on the proposed rulemaking were due on or before August 22, 2014. No comments, adverse or otherwise, were received on EPA's July 23, 2014, proposed rulemaking. Pursuant to section 110 of the CAA, EPA is now taking final action to approve the changes to the Commonwealth's NSR program as provided in EPA's July 23, 2014, proposed rulemaking. EPA's July 23, 2014, proposed rulemaking contains more detailed information regarding the Commonwealth's SIP revision being approved today, and the rationale for today's final action. Detailed information regarding the $PM_{2.5}$ NAAQS and NSR Program can also be found in EPA's July 23, 2014, proposed rulemaking as well as the aforementioned final rulemakings. *See* 79 FR 42745 (July 23, 2014), 73 FR 28321 (May 16, 2008) and 75 FR 64864 (October 20, 2010), respectively.

A. NSR $PM_{2.5}$ Implementation Rule

On May 16, 2008, EPA finalized the NSR $PM_{2.5}$ Rule to implement the $PM_{2.5}$ NAAQS for the NSR permitting program. *See* 73 FR 28321. The NSR $PM_{2.5}$ Rule revised the Federal NSR program requirements to establish the framework for implementing preconstruction permit review for the $PM_{2.5}$ NAAQS in both attainment areas and nonattainment areas (NAAs) that: (1) Required NSR permits to address directly emitted $PM_{2.5}$ and certain precursor pollutants; (2) established significant emission rates for direct $PM_{2.5}$ and precursor pollutants (including sulfur dioxide (SO_2) and nitrogen oxides (NOx)); (3) established NNSR $PM_{2.5}$ emission offsets; and (4) required states to account for gases that condense to form particles (condensables) in $PM_{2.5}$ and PM_{10} applicability determinations and emission limits in PSD and NNSR permits; and (5) provided a grandfathering provision in the federal program for certain pending $PM_{2.5}$ permit applications. Additionally, the NSR $PM_{2.5}$ Rule authorized states to adopt provisions in their NNSR rules that would allow interpollutant offset trading.[2] The Commonwealth's January 31, 2013, SIP revision addresses a portion of the PSD and NNSR provisions established in EPA's May 16, 2008 NSR $PM_{2.5}$ Rule.

1. $PM_{2.5}$ Implementation Rule(s) Litigation

On January 4, 2013, the United States Court of Appeals for the District of Columbia Circuit issued a judgment[3] that remanded EPA's April 25, 2007[4] and May 16, 2008 $PM_{2.5}$ implementation rules implementing the 1997 $PM_{2.5}$ NAAQS. *See Natural Resources Defense Council* v. *EPA,* 706 F.3d 428 (D.C. Cir. 2013). The court found that because the statutory definition of PM_{10} (see section 302(t) of the CAA) included particulate matter with an aerodynamic diameter less than or equal to 10 micrometers, it necessarily includes $PM_{2.5.}$ EPA had developed the 2007 and 2008 (or NSR $PM_{2.5}$ Rule) rules consistent with the general NAA requirements of subpart 1 of Part D, title I, of the CAA. Relative to subpart 1, subpart 4 of Part D, title I includes additional provisions that apply to PM_{10} NAA and is more specific about what states must do to bring areas into attainment. In particular, subpart 4 includes section 189(e) of the CAA, which requires the control of major stationary sources of PM_{10} precursors (and hence under the court decision, $PM_{2.5}$ precursors) ''except where the Administrator determines that such sources do not contribute significantly to PM_{10} levels which exceed the standard in the area.'' The court ordered EPA to repromulgate the implementation rules pursuant to subpart 4.

Subpart 4 pertains exclusively to particulate matter NAA, and the Court did not address EPA's implementation of the $PM_{2.5}$ NAAQS under part C or the PSD program. Thus, EPA does not interpret the court's decision as affecting implementation of the PSD requirements established in the May 16, 2008 NSR $PM_{2.5}$ Rule and does not anticipate the need to revise any PSD requirements promulgated in the NSR $PM_{2.5}$ Rule in order to comply with the court's decision.

On June 2, 2014, EPA published a final rule[5] which, in part, sets a December 31, 2014 deadline for states to make any remaining required attainment-related and NNSR SIP submissions, pursuant to and considering the application of subpart 4. *See* 79 FR 31566. The Court's January 4, 2013 decision can be found in the docket for today's final rulemaking using Docket ID: EPA–R04–OAR–2013–0486.

2. ''Condensable PM'' Correction

In the NSR $PM_{2.5}$ Rule, EPA revised the definition of ''*regulated NSR pollutant''* for PSD to add a paragraph providing that ''particulate matter (PM) emissions, $PM_{2.5}$ emissions and PM_{10} emissions shall include gaseous emissions from a source or activity which condense to form particulate matter at ambient temperatures'' and that on or after January 1, 2011, ''such condensable particulate matter shall be accounted for in applicability determinations and in establishing emissions limitations for PM, $PM_{2.5}$ and PM_{10} in permits.'' *See* 73 FR 28321 at 28348. A similar paragraph added to the NNSR rule does not include ''particulate matter (PM) emissions.'' *See* 40 CFR 51.165(a)(1)(xxxvii)(D).

On October 25, 2012, EPA took final action to amend the definition of ''*regulated NSR pollutant''* promulgated in the NSR $PM_{2.5}$ Rule regarding the PM condensable provision at 40 CFR 51.166(b)(49)(vi), 52.21(b)(50)(i) and EPA's Emissions Offset Interpretative Ruling. *See* 77 FR 65107. The rulemaking removed the inadvertent requirement in the NSR $PM_{2.5}$ Rule that the measurement of condensable particulate matter be included as part of the measurement and regulation of ''*particulate matter emissions.''* The term ''*particulate matter emissions''*

[2] The Commonwealth's January 31, 2013 SIP submission did not adopt the NNSR interpollutant offset trading provisions EPA codified at 51.165(a)(11). The preferred trading ratios announced in the rule preamble were the subject of a petition to reconsider which was granted by the Administrator. As a result of the reconsideration, EPA issued a memorandum on June 20, 2011, providing that the ratios were no longer supported by the agency as being presumptively approvable for adoption in SIP's containing NNSR programs for $PM_{2.5}$. *See* EPA's June 20, 2011 Memorandum entitled ''Revised Policy to Address Reconsideration of Interpollutant Trading Provisions for Fine Particles ($PM_{2.5}$)'' at *http://www.epa.gov/nsr/guidance.html.*

[3] The Natural Resources Defense Council, Sierra Club, American Lung Association, and Medical Advocates for Healthy Air challenged before the D.C Circuit EPA's April 25, 2007 (72 FR 20586) Rule entitled ''Clean Air Fine Particle Implementation Rule,'' that established detailed implementation regulations to assist states with the development of SIPs to demonstrate attainment for the 1997 annual and 24-hour $PM_{2.5}$ NAAQS and the separate May 16, 2008 NSR $PM_{2.5}$ Rule (the subject of today's proposed rulemaking). Today's final rulemaking only pertains to the impacts of the court's decision on the May 16, 2008 NSR $PM_{2.5}$ Rule and not the April 25, 2007 implementation rule as the Commonwealth's January 31, 2013 SIP revision adopts the NSR permitting provisions established in the NSR $PM_{2.5}$ Rule.

[4] ''Clean Air Fine Particle Implementation Rule'' (hereafter referred to as the 2007 Rule); Final Rule, 72 FR 20586 (April 25, 2007).

[5] The final rule is entitled ''Identification of Nonattainment Classification and Deadlines for Submission of State Implementation Plan (SIP) Provisions for the 1997 Fine Particle ($PM_{2.5}$) National Ambient Air Quality Standard (NAAQS) and 2006 $PM_{2.5}$ NAAQS.'' This final rule also identifies the initial classification of current 1997 and 2006 $PM_{2.5}$ nonattainment areas as moderate and the EPA guidance and relevant rulemakings that are currently available regarding implementation of subpart 4 requirements.

includes filterable particles that are larger than $PM_{2.5}$ or PM_{10} and is an indicator measured under various New Source Performance Standards (NSPS) (40 CFR part 60).[6] The Commonwealth's January 31, 2013 SIP revision adopts EPA's definition for ''*regulated NSR pollutant''* requiring states to consider condensables (at 40 CFR 51.166(b)(49)(vi)), excluding the term *''particulate matter emissions.''*

B. $PM_{2.5}$ PSD-Increment-SILs-SMC Rule

The October 20, 2010, final rulemaking established $PM_{2.5}$ increments pursuant to section 166(a) of the CAA to prevent significant deterioration of air quality in areas meeting the NAAQS. Today's action pertains only to the $PM_{2.5}$ increments (and relevant related implementing provisions) promulgated in the October 20, 2010, rule. The Commonwealth's January 31, 2013, SIP revision adopts the PSD increment provisions promulgated in the $PM_{2.5}$ PSD Increments-SILs-SMC Rule to be consistent with the Federal NSR regulations and to appropriately implement the Commonwealth's NSR program for the $PM_{2.5}$ NAAQS.

As established in part C of title I of the CAA, EPA's PSD program protects public health from adverse effects of air pollution by ensuring that construction of new or modified sources in attainment or unclassifiable areas does not lead to significant deterioration of air quality, while simultaneously ensuring that economic growth will occur in a manner consistent with preservation of clean air resources. Under section 165(a)(3) of the CAA, a PSD permit applicant must demonstrate that emissions from the proposed construction and operation of a facility ''will not cause, or contribute to, air pollution in excess of any maximum allowable increase or allowable concentration for any pollutant.'' In other words, when a source applies for a permit to emit a regulated pollutant in an area that is designated as attainment or unclassifiable for a NAAQS, the state and EPA must determine if emissions of the regulated pollutant from the source will cause significant deterioration in air quality. Significant deterioration occurs when the amount of the new pollution exceeds the applicable PSD increment, which is the ''maximum allowable increase'' of an air pollutant allowed to occur above the applicable baseline concentration[7] for that pollutant.[8]

As described in the $PM_{2.5}$ PSD Increments-SILs-SMC Rule, and pursuant to the authority under section 166(a) of the CAA, EPA promulgated numerical increments for $PM_{2.5}$ as a new pollutant[9] for which NAAQS were established after August 7, 1977,[10] and derived 24-hour and annual $PM_{2.5}$ increments for the three area classifications (Class I, II and III). *See* 75 FR 64864 at 64869 and the ambient air increment table at 40 CFR 51.166(c)(1) and 52.21(c). In addition to establishing PSD increments for the $PM_{2.5}$ NAAQS, the $PM_{2.5}$ PSD Increments-SILs-SMC Rule amended the definition at 40 CFR 51.166 and 52.21 for ''major source baseline date'' and ''minor source baseline date'' (including trigger dates) to establish the $PM_{2.5}$ NAAQS specific dates associated with the implementation of $PM_{2.5}$ PSD increments. *See* 75 FR 64864. As discussed above, the Commonwealth's January 31, 2013, SIP revision adopts the $PM_{2.5}$ PSD increment permitting requirements, including the implementing regulations discussed above, promulgated in the $PM_{2.5}$ PSD Increments-SILs-SMC Rule.

C. EPA's Conversion of Conditional Approvals for the Commonwealth's Infrastructure SIP

In addition to adopting required NSR permitting regulations for the implementation of the $PM_{2.5}$ NAAQS, the Commonwealth's January 31, 2013, SIP revision also satisfies EPA's conditional approval of the Commonwealth's 1997 annual and 2006 24-hour $PM_{2.5}$, and 2008 8-hour Ozone 110(a)(2) infrastructure SIPs[11] with respect to the PSD-related requirements[12] of sections 110(a)(2)(C), 110(a)(2)(D)(i)(II) (prong 3) and 110(a)(2)(J) of the CAA. Kentucky submitted multiple SIP submissions to EPA for approval to address the 110(a)(2) infrastructure SIP requirements for the 1997 annual and 2006 24-hour $PM_{2.5}$ NAAQS (August 26, 2008 and July 17, 2012, respectively), and the 2008 8-hour Ozone NAAQS (July 7, 2012).

On July 3, 2012, Kentucky submitted a letter requesting that EPA conditionally approve the Commonwealth's infrastructure SIP submissions with respect to PSD-related requirements for sections 110(a)(2)(C) and 110(a)(2)(J) for the 1997 and 2006 $PM_{2.5}$ NAAQS.[13] Additionally, the

[6] In addition to the NSPS for PM, it is noted that states regulated ''particulate matter emissions'' for many years in their SIPs for PM, and the same indicator has been used as a surrogate for determining compliance with certain standards contained in 40 CFR part 63, regarding National Emission Standards for Hazardous Air Pollutants.

[7] Section 169(4) of the CAA provides that the baseline concentration of a pollutant for a particular baseline area is generally the air quality at the time of the first application for a PSD permit in the area.

[8] For purposes of calculating increment consumption, a baseline area for a particular pollutant includes the attainment or unclassifiable area in which the source is located as well as any other attainment or unclassifiable area in which the source's emissions of that pollutant are projected (by air quality modeling) to result in an ambient pollutant increase of at least 1 microgram per meter cubed ($\mu g/m^3$) (annual average). *See* 40 CFR 52.21(b)(15)(i).

[9] EPA generally characterized the $PM_{2.5}$ NAAQS as a NAAQS for a new indicator of PM. EPA did not replace the PM_{10} NAAQS with the NAAQS for $PM_{2.5}$ when the $PM_{2.5}$ NAAQS were promulgated in 1997. EPA rather retained the annual and 24-hour NAAQS for PM_{10} (retaining PM_{10} as an indicator of coarse particulate matter),and treated $PM_{2.5}$ as a new pollutant for purposes of developing increments even though EPA had already developed air quality criteria for PM generally. *See* 75 FR 64864 (October 20, 2010).

[10] EPA interprets section 166(a) to authorize EPA to promulgate pollutant-specific PSD regulations meeting the requirements of section 166(c) and 166(d) for any pollutant for which EPA promulgates a NAAQS after 1977.

[11] The CAA requires that each state adopt and submit a SIP for the implementation, maintenance, and enforcement of each NAAQS promulgated by EPA, which is commonly referred to as an ''infrastructure'' SIP. Pursuant to section 110(a)(1) of the CAA, states are required to submit SIPs meeting the applicable requirements of section 110(a)(2) within three years after promulgation of a new or revised NAAQS or within such shorter period as EPA may prescribe. On July 18, 1997, EPA promulgated the primary 1997 annual and 24-hour $PM_{2.5}$ NAAQS as 15 $\mu g/m^3$ and 65 $\mu g/m^3$ respectively. *See* 62 FR 38652. On October 17, 2006, EPA strengthened the 24-hour $PM_{2.5}$ NAAQS to 35 $\mu g/m^3$. *See* 71 FR 61144. On March 27, 2008, EPA revised the NAAQS for ozone based on an 8-hour average concentrations to 0.075 parts per million (ppm). *See* 73 FR 16436.

[12] There are four separate PSDrelated rulemakings that states are required to adopt and have approved into their SIP in order to maintain a comprehensive SIP-approved PSD permitting program and comply with the PSD and enforcement requirements of 110(a)(2) infrastructure requirements for sections 110(a)(2)(C), (D)(i)(II) and (J) of the CAA. These include: 1) ''Final Rule To Implement the 8-Hour Ozone National Ambient Air Quality Standard—Phase 2 Rule; Final Rule'' (which codified NOx as an ozone precursor for NSR) (70 FR 71612, November 29, 2005); 2) ''Prevention of Significant Deterioration and Title V Greenhouse Gas Tailoring Rule; Final Rule'' (75 FR 31514, June 3, 2010) (as consistent with the Supreme Court's decision in *Utility Air Regulatory Group v. Environmental Protection Agency*, 134 S. Ct. 2427 (June 23, 2014)); 3) the NSR $PM_{2.5}$ Rule and; 4) the $PM_{2.5}$ PSD Increment-SILs-SMC Rule (only as it relates to $PM_{2.5}$ Increments). *See* 77 FR 46352 (August 3, 2012), 78 FR 3867 (January 17, 2013) and 77 FR 72291 (December. 5, 2012). Kentucky's January 31, 2013 submission satisfies two of the four required PSD rulemakings mentioned above including the 2008 NSR $PM_{2.5}$ Rule and the $PM_{2.5}$ Increments-SILs-SMC Rule (only as it relates to the PSD increments). EPA approved the remaining PSD requirements for the Greenhouse Gas Tailoring Rule and the Phase 2 Rule on December 29, 2010 (75 FR 81868) and on September 15, 2010 (75 FR 55988), respectively.

[13] EPA also relied upon Kentucky's July 3, 2012 commitment to address the PSD-related requirements as the basis for conditionally approving the Commonwealth's 1997 and 2006 $PM_{2.5}$ NAAQS infrastructure SIPs as they relate to section 110(a)(2)(D)(i)(II). *See* 78 FR 18241 (March

Continued

Commonwealth submitted another correspondence on December 19, 2012, requesting conditional approval for PSD-related requirements of sections 110(a)(2)(C), 110(a)(2)(D)(i)(II) and 110(a)(2)(J) for the 2008 lead and 2008 8-hour Ozone NAAQS infrastructure submissions.[14] Both letters documented the Commonwealth's commitment to adopt and submit the PSD-related provisions needed to comply with sections 110(a)(2)(C), 110(a)(2)(D)(i)(II) (prong 3) and 110(a)(2)(J) all in accordance with section 110(k)(4) of the CAA to ensure a comprehensive PSD program.

EPA took action to approve in part and conditionally approve in part portions of the Commonwealth's infrastructure SIP submissions for the 1997 and 2006 $PM_{2.5}$ NAAQS on October 3, 2012, and March 26, 2013, and for the 2008 8-hour ozone NAAQS on March 7, 2013. *See* 77 FR 60307, 78 FR 18241, and 78 FR 14681, respectively. The Commonwealth's January 31, 2013, SIP revision satisfies the conditions listed in EPA's previous conditional approvals for the infrastructure submissions.

II. This Action

EPA is taking final action to approve into the Kentucky SIP the Commonwealth's January 31, 2013, SIP revision, which adopts the NSR permitting regulations to implement the NSR program for the $PM_{2.5}$ NAAQS. Specifically, the Commonwealth adopts the federal NSR permitting requirements as promulgated in the NSR $PM_{2.5}$ Rule and PSD Increment-SILs-SMC Rule (40 CFR 51.165 and 51.166) at regulations 401 KAR 51:001, 51:017, and 51:052 into the Kentucky SIP. With respect to the NSR $PM_{2.5}$ Rule, the Commonwealth adopts the following: (1) the requirement for PSD and NNSR permits to address directly emitted $PM_{2.5}$ and precursor pollutants (sulfur dioxide (SO_2) and nitrogen oxides (NO_X) (as codified at 40 CFR 51.165(a)(1)(xxxvii)(C) and 51.166(b)(49)); (2) the significant emission rates for direct $PM_{2.5}$ and precursor pollutants (SO_2 and NOx) (as codified at 40 CFR 51.165(a)(1)(x)(A) and 51.166(b)(23)(i)); (3) the NNSR $PM_{2.5}$ emission offsets (as codified at 51.165(9)(i)), and (4) the PSD and NNSR requirement that condensable PM_{10} and $PM_{2.5}$ emissions be accounted for in PSD applicability determinations and in establishing emissions limitations for permitting (as codified at 40 CFR 51.165(a)(1)(xxxvii)(D) and 51.166(b)(49)).

With respect to the PSD Increment-SILs-SMC Rule, the Commonwealth's January 31, 2013, SIP revision adopts the PSD increments for $PM_{2.5}$ annual and 24-hour NAAQS pursuant to section 166(a) of the CAA. Specifically, the SIP revision changes include: 1) the $PM_{2.5}$ increments as promulgated at 40 CFR 51.166(c)(1) and (p)(4) (for Class I Variances); and 2) amendments to the terms ''*major source baseline date''* (at 40 CFR 51.166(b)(14)(i)(c)), ''*minor source baseline date''* (including establishment of the ''trigger date'') (at section 51.166(b)(14)(ii)) and ''*baseline area''* (as amended at 51.166(b)(15)(i)). As discussed above, on July 22, 2014, Kentucky submitted a letter to EPA withdrawing the $PM_{2.5}$ SILs and SMC provisions promulgated in the $PM_{2.5}$ PSD Increments-SILs-SMC Rule and later vacated by the DC Circuit Court of Appeals (*See Sierra Club,* 705 F.3d at 458). Therefore, these provisions are no longer before EPA for consideration.

As discussed above in section I, the DC Circuit in *Natural Resources Defense Council* v. *EPA* issued a decision that remanded the EPA's NSR $PM_{2.5}$ Rule implementing the 1997 $PM_{2.5}$ NAAQS. The court found that EPA erred in implementing the $PM_{2.5}$ NAAQS in these rules solely pursuant to the general implementation provisions of subpart 1 of part D of title I of the Clean Air Act, rather than pursuant to the additional implementation provisions specific to particulate matter nonattainment areas in subpart 4. On June 2, 2014, the EPA issued a final rulemaking that begins to address the remand. *See* 79 FR 31566. Upon its effective date, the final rule classifies all existing $PM_{2.5}$ nonattainment areas as ''Moderate'' nonattainment areas and sets a deadline of December 31, 2014, for states to submit any SIP submissions, including NNSR SIPs, that may be necessary to satisfy the requirements of subpart 4, part D, title I of the CAA with respect to $PM_{2.5}$ nonattainment areas.[15]

Kentucky's submission does not include the regulation of volatile organic compounds (VOCs) and ammonia as $PM_{2.5}$ precursors, nor does it include a demonstration consistent with section 189(e) showing that major sources of those precursor pollutants would not contribute significantly to $PM_{2.5}$ levels exceeding the standard in the area. Therefore, EPA cannot conclude at this time that this part of Kentucky's NNSR submission of revisions to Chapters 51:001 and 51:052 satisfies all of the requirements of subpart 4 as they pertain to $PM_{2.5}$ NNSR permitting. Although the revisions to Kentucky's NNSR regulations at Chapters 51:001 and 51:052 may not contain all of the necessary elements to satisfy the CAA requirements when evaluated under the subpart 4 provisions, the revisions themselves represent a strengthening of the currently-approved Kentucky NNSR SIP which does not address $PM_{2.5}$ at all. As a result of the June 2, 2014 (79 FR 31566) final rule, Kentucky has until December 31, 2014, to make any additional submission necessary to address the requirements of subpart 4, including addressing the $PM_{2.5}$ precursors of VOC and ammonia for NNSR permitting purposes. Therefore, EPA is approving the NNSR revisions to Kentucky's NNSR permitting program without listing the absence of either the regulation or evaluation of VOCs and ammonia as $PM_{2.5}$ precursors as a deficiency at this time.

Finally, as discussed in section I above and in EPA's proposed action (*See* 79 FR 42745, July 23, 2014), Kentucky's January 31, 2013, SIP revision also satisfies the conditions listed in EPA's previous conditional approvals for the Commonwealth's 2008 8-hour ozone, and 1997 annual and 2006 24-hour $PM_{2.5}$ NAAQS infrastructure SIP submissions. Therefore, EPA is taking final action to convert its conditional approvals with respect to the PSD-related requirements of sections 110(a)(2)(C), 110(a)(2)(D)(i)(II) and 110(a)(2)(J) to full approvals. Given that the Commonwealth's January 31, 2013, SIP revision fulfills the conditional approval requirements for conversion to a full approval, the conditional approval language at section 52.919(a)–(c) of 40 CFR part 52, included in EPA's final conditional approvals published on October 3, 2012 (77 FR 60307), March 7, 2013 (78 FR 14681) and March 26, 2013 (78 FR 18241) is no longer necessary. This action removes the

26, 2013). EPA had already conditionally approved the Commonwealth's infrastructure SIPs for the 1997 and 2006 $PM_{2.5}$ NAAQS for the PSD-related requirements related to sections 110(a)(2)(C) and (J) on October 3, 2012. *See* 77 FR 60307.

[14] EPA has not taken action on the Commonwealth's 2008 lead infrastructure SIP submission but will consider the action in a separate rulemaking.

[15] EPA set a deadline of December 31, 2014, for the states to submit any additional attainment related SIP elements that may be needed to meet the applicable requirements of subpart 4 for areas currently designated nonattainment for the 1997 and/or 2006 $PM_{2.5}$ NAAQS, and to submit SIPs addressing the NNSR requirements in subpart 4. EPA believes that this period provides a relatively brief but reasonable amount of time for states to ascertain whether and to what extent any additional submissions are needed for a particular 1997 or 2006 $PM_{2.5}$ NAAQS nonattainment area, and to develop, adopt and submit any such SIPs.

conditional approval language at 40 CFR 52.919, with the approval of the Commonwealth's January 31, 2013, SIP revision, to reflect that the infrastructure SIPs for the Commonwealth's 2008 8-hour ozone, and 1997 annual and 2006 24-hour $PM_{2.5}$ NAAQS have been fully approved.

III. Final Action

EPA is taking final action to approve the Commonwealth of Kentucky's January 31, 2013, SIP revision adopting Federal regulations amended in the May 16, 2008, NSR $PM_{2.5}$ Rule and the October 20, 2010, $PM_{2.5}$ PSD Increment-SILs-SMC rule. EPA is approving these revisions into the Kentucky SIP because they are consistent with section 110 of the CAA and its implementing regulations. Final approval of the Commonwealth's January 31, 2013, SIP also satisfies the requirements upon which EPA conditionally approved several Kentucky infrastructure requirements related to the 1997 and 2006 $PM_{2.5}$ and the 2008 8-hour ozone NAAQS. Accordingly, EPA is also taking final action today to convert EPA's previous conditional approval of the Commonwealth's infrastructure requirements related to PSD requirements for the $PM_{2.5}$ and ozone NAAQS to a full approval.

IV. Statutory and Executive Order Reviews

Under the CAA, the Administrator is required to approve a SIP submission that complies with the provisions of the Act and applicable federal regulations. 42 U.S.C. 7410(k); 40 CFR 52.02(a). Thus, in reviewing SIP submissions, EPA's role is to approve state choices, provided that they meet the criteria of the CAA. Accordingly, this action merely approves state law as meeting federal requirements and does not impose additional requirements beyond those imposed by state law. For that reason, this action:

- Is not a ''significant regulatory action'' subject to review by the Office of Management and Budget under Executive Order 12866 (58 FR 51735, October 4, 1993);
- does not impose an information collection burden under the provisions of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*);
- is certified as not having a significant economic impact on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*);
- does not contain any unfunded mandate or significantly or uniquely affect small governments, as described in the Unfunded Mandates Reform Act of 1995 (Pub. L. 104–4);
- does not have Federalism implications as specified in Executive Order 13132 (64 FR 43255, August 10, 1999);
- is not an economically significant regulatory action based on health or safety risks subject to Executive Order 13045 (62 FR 19885, April 23, 1997);
- is not a significant regulatory action subject to Executive Order 13211 (66 FR 28355, May 22, 2001);
- is not subject to requirements of Section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) because application of those requirements would be inconsistent with the CAA; and
- does not provide EPA with the discretionary authority to address, as appropriate, disproportionate human health or environmental effects, using practicable and legally permissible methods, under Executive Order 12898 (59 FR 7629, February 16, 1994).

The SIP is not approved to apply on any Indian reservation land or in any other area where 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 as specified by Executive Order 13175 (65 FR 67249, November 9, 2000), nor will it impose substantial direct costs on tribal governments or preempt tribal law.

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).

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 January 2, 2015. 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, Incorporation by reference, Intergovernmental relations, Nitrogen oxides, Particulate matter, Reporting and recordkeeping requirements.

Dated: October 22, 2014.

Heather McTeer Toney,

Regional Administrator, Region 4.

40 CFR part 52 is amended as follows:

PART 52–APPROVAL AND PROMULGATION OF PLANS

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

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

Subpart S—Kentucky

§ 52.919 [Removed and Reserved]

■ 2. Section 52.919 is removed and reserved.

■ 3. Section 52.920(c) is amended by revising the entries for 401 KAR 51:001, 401 KAR 51:017 and 401 KAR 51:052 to read as follows:

§ 52.920 Identification of plan.

* * * * *

(c) * * *

TABLE 1—EPA APPROVED KENTUCKY REGULATIONS

State citation	Title/subject	State effective date	EPA approval date	Explanation
*	*	*	*	*
401 KAR 51:001	Definitions for 401 KAR Chapter 51.	12/7/2012	11/3/14 [Insert **Federal Register** Citation].	

TABLE 1—EPA APPROVED KENTUCKY REGULATIONS—Continued

State citation	Title/subject	State effective date	EPA approval date	Explanation
*	*	*	*	*
401 KAR 51:017	Prevention of significant deterioration of air quality.	12/7/2012	11/3/14 [Insert **Federal Register** Citation].	With the exception of the SILs and SMC provisions for $PM_{2.5}$.
401 KAR 51:052	Review of new sources in or impacting upon nonattainment areas.	12/7/2012	11/3/14 [Insert **Federal Register** Citation].	With the exception of the SILs and SMC provisions for $PM_{2.5}$.
*	*	*	*	*

* * * * *

[FR Doc. 2014–25950 Filed 10–31–14; 8:45 am]

BILLING CODE 6560–50–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

44 CFR Part 64

[Docket ID FEMA–2014–0002; Internal Agency Docket No. FEMA–8357]

Suspension of Community Eligibility

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Final rule.

SUMMARY: This rule identifies communities where the sale of flood insurance has been authorized under the National Flood Insurance Program (NFIP) that are scheduled for suspension on the effective dates listed within this rule because of noncompliance with the floodplain management requirements of the program. If the Federal Emergency Management Agency (FEMA) receives documentation that the community has adopted the required floodplain management measures prior to the effective suspension date given in this rule, the suspension will not occur and a notice of this will be provided by publication in the **Federal Register** on a subsequent date. Also, information identifying the current participation status of a community can be obtained from FEMA's Community Status Book (CSB). The CSB is available at *http://www.fema.gov/fema/csb.shtm.*

DATES: *Effective Dates:* The effective date of each community's scheduled suspension is the third date (''Susp.'') listed in the third column of the following tables.

FOR FURTHER INFORMATION CONTACT: If you want to determine whether a particular community was suspended on the suspension date or for further information, contact David Stearrett, Federal Insurance and Mitigation Administration, Federal Emergency Management Agency, 500 C Street SW., Washington, DC 20472, (202) 646–2953.

SUPPLEMENTARY INFORMATION: The NFIP enables property owners to purchase Federal flood insurance that is not otherwise generally available from private insurers. In return, communities agree to adopt and administer local floodplain management measures aimed at protecting lives and new construction from future flooding. Section 1315 of the National Flood Insurance Act of 1968, as amended, 42 U.S.C. 4022, prohibits the sale of NFIP flood insurance unless an appropriate public body adopts adequate floodplain management measures with effective enforcement measures. The communities listed in this document no longer meet that statutory requirement for compliance with program regulations, 44 CFR Part 59. Accordingly, the communities will be suspended on the effective date in the third column. As of that date, flood insurance will no longer be available in the community. We recognize that some of these communities may adopt and submit the required documentation of legally enforceable floodplain management measures after this rule is published but prior to the actual suspension date. These communities will not be suspended and will continue to be eligible for the sale of NFIP flood insurance. A notice withdrawing the suspension of such communities will be published in the **Federal Register**.

In addition, FEMA publishes a Flood Insurance Rate Map (FIRM) that identifies the Special Flood Hazard Areas (SFHAs) in these communities. The date of the FIRM, if one has been published, is indicated in the fourth column of the table. No direct Federal financial assistance (except assistance pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act not in connection with a flood) may be provided for construction or acquisition of buildings in identified SFHAs for communities not participating in the NFIP and identified for more than a year on FEMA's initial FIRM for the community as having flood-prone areas (section 202(a) of the Flood Disaster Protection Act of 1973, 42 U.S.C. 4106(a), as amended). This prohibition against certain types of Federal assistance becomes effective for the communities listed on the date shown in the last column. The Administrator finds that notice and public comment procedures under 5 U.S.C. 553(b), are impracticable and unnecessary because communities listed in this final rule have been adequately notified.

Each community receives 6-month, 90-day, and 30-day notification letters addressed to the Chief Executive Officer stating that the community will be suspended unless the required floodplain management measures are met prior to the effective suspension date. Since these notifications were made, this final rule may take effect within less than 30 days.

National Environmental Policy Act. This rule is categorically excluded from the requirements of 44 CFR Part 10, Environmental Considerations. No environmental impact assessment has been prepared.

Regulatory Flexibility Act. The Administrator has determined that this rule is exempt from the requirements of the Regulatory Flexibility Act because the National Flood Insurance Act of 1968, as amended, Section 1315, 42 U.S.C. 4022, prohibits flood insurance coverage unless an appropriate public body adopts adequate floodplain management measures with effective enforcement measures. The communities listed no longer comply with the statutory requirements, and after the effective date, flood insurance will no longer be available in the communities unless remedial action takes place.

Regulatory Classification. This final rule is not a significant regulatory action under the criteria of section 3(f) of Executive Order 12866 of September 30, 1993, Regulatory Planning and Review, 58 FR 51735.

Executive Order 13132, Federalism. This rule involves no policies that have federalism implications under Executive Order 13132.

Executive Order 12988, Civil Justice Reform. This rule meets the applicable standards of Executive Order 12988.

Paperwork Reduction Act. This rule does not involve any collection of information for purposes of the Paperwork Reduction Act, 44 U.S.C. 3501 *et seq.*

List of Subjects in 44 CFR Part 64

Flood insurance, Floodplains.

Accordingly, 44 CFR part 64 is amended as follows:

PART 64—[AMENDED]

■ 1. The authority citation for part 64 continues to read as follows:

Authority: 42 U.S.C. 4001 *et seq.;* Reorganization Plan No. 3 of 1978, 3 CFR, 1978 Comp.; p. 329; E.O. 12127, 44 FR 19367, 3 CFR, 1979 Comp.; p. 376.

§ 64.6 [Amended]

■ 2. The tables published under the authority of § 64.6 are amended as follows:

State and location	Community No.	Effective date authorization/cancellation of sale of flood insurance in community	Current effective map date	Date certain federal assistance no longer available in SFHAs
Region III				
Pennsylvania:				
East Brady, Borough of, Clarion County	421501	December 10, 1974, Emerg; June 30, 1976, Reg; December 9, 2014, Susp.	December 9, 2014.	December 9, 2014.
Foxburg, Borough of, Clarion County ...	421502	February 28, 1977, Emerg; September 30, 1987, Reg; December 9, 2014, Susp.	.....do	Do.
Hawthorn, Borough of, Clarion County	421503	October 13, 1976, Emerg; May 1, 1986, Reg; December 9, 2014, Susp.	.....do	Do.
Madison, Township of, Clarion County	422370	January 16, 1976, Emerg; September 30, 1987, Reg; December 9, 2014, Susp.	.....do	Do.
New Bethlehem, Borough of, Clarion County.	420296	December 26, 1974, Emerg; August 15, 1990, Reg; December 9, 2014, Susp.	.....do	Do.
Perry, Township of, Clarion County	421509	March 12, 1976, Emerg; May 1, 1986, Reg; December 9, 2014, Susp.	.....do	Do.
Porter, Township of, Clarion County	421510	January 21, 1976, Emerg; October 1, 1986, Reg; December 9, 2014, Susp.	.....do	Do.
Redbank, Township of, Clarion County	421511	April 2, 1975, Emerg; May 1, 1986, Reg; December 9, 2014, Susp.	.....do	Do.
Richland, Township of, Clarion County	422375	May 4, 1979, Emerg; October 1, 1986, Reg; December 9, 2014, Susp.	.....do	Do.
Virginia: Mathews County, Unincorporated Areas.	510096	March 27, 1974, Emerg; February 4, 1987, Reg; December 9, 2014, Susp.	.....do	Do.
Newport News, City of, Independent City.	510103	August 16, 1974, Emerg; May 2, 1977, Reg; December 9, 2014, Susp.	.....do	Do.
Region V				
Indiana:				
Bartholomew County, Unincorporated Areas.	180006	January 20, 1975, Emerg; March 15, 1982, Reg; December 9, 2014, Susp.	.....do	Do.
Columbus, City of, Bartholomew County	180007	November 12, 1974, Emerg; July 19, 1982, Reg; December 9, 2014, Susp.	.....do	Do.
Converse, Town of, Grant and Miami Counties.	180497	N/A, Emerg; February 13, 2009, Reg; December 9, 2014, Susp.	.....do	Do.
Edinburgh, Town of, Bartholomew, Johnson and Shelby Counties.	180113	February 13, 1975, Emerg; September 16, 1981, Reg; December 9, 2014, Susp.	.....do	Do.
Fairmount, Town of, Grant County	180074	July 21, 1975, Emerg; July 3, 1985, Reg; December 9, 2014, Susp.	.....do	Do.
Gas City, City of, Grant County	180075	July 21, 1975, Emerg; July 5, 1983, Reg; December 9, 2014, Susp.	.....do	Do.
Grant County, Unincorporated Areas	180435	May 6, 1983, Emerg; June 17, 1986, Reg; December 9, 2014, Susp.	.....do	Do.
Hope, Town of, Bartholomew County ...	180607	N/A, Emerg; December 11, 2012, Reg; December 9, 2014, Susp.	.....do	Do.
Jonesboro, City of, Grant County	180076	July 25, 1975, Emerg; August 1, 1983, Reg; December 9, 2014, Susp.	.....do	Do.
Marion, City of, Grant County	180412	July 25, 1975, Emerg; December 1, 1982, Reg; December 9, 2014, Susp.	.....do	Do.
Matthews, Town of, Grant County	180329	April 21, 1975, Emerg; November 15, 1985, Reg; December 9, 2014, Susp.	.....do	Do.
Sweetser, Town of, Grant County	180503	N/A, Emerg; November 7, 1991, Reg; December 9, 2014, Susp.	.....do	Do.
Upland, Town of, Grant County	180504	N/A, Emerg; November 7, 1991, Reg; December 9, 2014, Susp.	.....do	Do.

State and location	Community No.	Effective date authorization/cancellation of sale of flood insurance in community	Current effective map date	Date certain federal assistance no longer available in SFHAs
Van Buren, Town of, Grant County	180469	N/A, Emerg; November 7, 1991, Reg; December 9, 2014, Susp.	.....do	Do.

* -do- = Ditto.
Code for reading third column: Emerg.—Emergency; Reg.—Regular; Susp.—Suspension.

Dated: October 9, 2014.

David L. Miller,

Associate Administrator, Federal Insurance and Mitigation Administration, Department of Homeland Security, Federal Emergency Management Agency.

[FR Doc. 2014–25986 Filed 10–31–14; 8:45 am]

BILLING CODE 9110–12–P

Proposed Rules

Federal Register
Vol. 79, No. 212
Monday, November 3, 2014

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[REG–151416–06]

RIN 1545–BG21

Certain Distributions Treated as Sales or Exchanges

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice of proposed rulemaking.

SUMMARY: This document contains proposed regulations that prescribe how a partner should measure its interest in a partnership's unrealized receivables and inventory items, and that provide guidance regarding the tax consequences of a distribution that causes a reduction in that interest. The proposed regulations take into account statutory changes that have occurred subsequent to the issuance of the existing regulations. The proposed regulations affect partners in partnerships that own unrealized receivables and inventory items and that make a distribution to one or more partners.

DATES: Comments and requests for a public hearing must be received by February 2, 2015.

ADDRESSES: Send submissions to CC:PA:LPD:PR (REG–151416–06), Room 5203, Internal Revenue Service, P.O. Box 7604, Ben Franklin Station, Washington, DC, 20044. Submissions may be hand-delivered Monday through Friday between the hours of 8 a.m. and 4 p.m. to CC:PA:LPD:PR (REG–151416–06), Courier's Desk, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC 20224, or via the Federal eRulemaking Portal at *www.regulations.gov* (IRS REG–151416–06).

FOR FURTHER INFORMATION CONTACT: Concerning the proposed regulations, Allison R. Carmody at (202) 317–5279 or Frank J. Fisher at (202) 317–6850; concerning submissions of comments and requests for hearing, Oluwafunmilayo Taylor at (202) 317–6901 (not toll-free numbers).

SUPPLEMENTARY INFORMATION:

Paperwork Reduction Act

The collection of information contained in this notice of proposed rulemaking has been submitted to the Office of Management and Budget for review in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)). Comments on the collection of information should be sent to the Office of Management and Budget, Attn: Desk Officer for the Department of the Treasury, Office of Information and Regulatory Affairs, Washington, DC 20503, with copies to the Internal Revenue Service, Attn: IRS Reports Clearance Officer, SE–:CAR:MP:T:T:SP, Washington, DC 20224. Comments on the collection of information should be received by January 2, 2015.

Comments are specifically requested concerning:

Whether the proposed collection of information is necessary for the proper performance of the Internal Revenue Service, including whether the information will have practical utility;

The accuracy of the estimated burden associated with the proposed collection of information;

How the quality, utility, and clarity of the information to be collected may be enhanced;

How the burden of complying with the proposed collection of information may be minimized, including through the application of automated collection techniques or other forms of information technology; and

Estimates of capital or start-up costs and costs of operation, maintenance, and purchase of service to provide information.

The collection of information required by this proposed regulation is in § 1.751–1(b)(3) and (b)(6), and in § 1.755–1(c)(2)(vi). This information is required for a partnership and certain partners to report the information to the IRS necessary to ensure that the partners of the partnership properly report in accordance with the rules of the proposed regulations the correct amount of ordinary income and/or capital gain upon a distribution of property from the partnership to its partners. The collection of information is necessary to ensure tax compliance.

The likely respondents are business or other for-profit institutions.

Estimated total annual reporting burden: 22,500 hours.

Estimated average annual burden hours per respondent vary from 30 minutes to 2 hours, depending on individual circumstances, with an estimated average of 1 hour.

Estimated number of respondents: 22,500.

Estimated annual frequency of responses: Annually.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number assigned by the Office of Management and Budget.

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Background

This document contains proposed amendments to the Income Tax Regulations (26 CFR part 1) under section 751(b) of the Internal Revenue Code (the Code). In 1954, Congress enacted section 751 to prevent the use of a partnership to convert potential ordinary income into capital gain. *See* H.R. Rep. No. 1337 at 70 (1954), reprinted in 1954 U.S.C.C.A.N. 4017, 4097. To that end, section 751(a) provides that the amount of any money, or the fair market value of any property, received by a transferor partner in exchange for all or part of that partner's interest in the partnership's unrealized receivables and inventory items is considered as an amount realized from the sale or exchange of property other than a capital asset. Further, section 751(b) overrides the nonrecognition provisions of section 731 to the extent a partner receives a distribution from the partnership that causes a shift between the partner's interest in the partnership's unrealized receivables or substantially appreciated inventory items (collectively, the partnership's ''section 751 property'') and the partner's interest in the partnership's other property.

Whether section 751(b) applies depends on the partner's interest in the partnership's section 751 property before and after a distribution. The statute does not define a partner's interest in a partnership's section 751 property, but the legislative history indicates that Congress believed a partner's interest in a partnership's section 751 property equals the partner's rights to income from the partnership's section 751 property:

> The provisions relating to unrealized receivables and appreciated inventory items are necessary to prevent the use of the partnership as a device for obtaining capital-gain treatment on fees or other rights to income and on appreciated inventory. Amounts attributable to such rights would be treated as ordinary income if realized in normal course by the partnership. The sale of a partnership interest or distributions to partners should not be permitted to change the character of this income. *The statutory treatment proposed, in general, regards the income rights as severable from the partnership interest and as subject to the same tax consequences which would be accorded an individual entrepreneur.*

S. Rep. No. 1622 at 99 (1954), reprinted in 1954 U.S.C.C.A.N. 4621, 4732. (Emphasis added.)

In 1984, Congress amended section 704(c), making mandatory its application to property contributed to a partnership. While Congress did not specifically address the overlap of section 704(c) and section 751, the Conference Report indicates that the 1984 Congress understood that the section 704(c) amendment would impact other provisions in subchapter K and provides regulatory authority to the Secretary of the Treasury to address those repercussions. *See* H.R. Conf. Rep. No. 861, 98th Cong., 2d Sess., June 23, 1984, reprinted in 1984 U.S.C.C.A.N. 1445, 1545.

The IRS and the Treasury Department first issued regulations implementing section 751 in 1956. Following the changes to section 704(c) making its application mandatory, the IRS and the Treasury Department amended the regulations under section 751(a) to provide generally that a partner's interest in section 751 property is the amount of income or loss from section 751 property that would be allocated to the partner if the partnership had sold all of its property in a fully taxable transaction for cash in an amount equal to the fair market value of such property. (*See* TD 8847, 64 FR 69903, Dec. 15, 1999.) However, the 1956 regulations with respect to section 751(b) remained unchanged.

The examples in the current regulations under section 751(b) determine a partner's interest in section 751 property by reference to the partner's share of the gross value of the partnership's assets (the ''gross value'' approach), not by reference to the partner's share of the unrealized gain or loss in the property. *See,* for example, § 1.751–1(g), *Example 2.* Because the gross value approach focuses on a partner's share of the asset's value rather than the partner's share of the unrealized gain, the examples in the current regulations may be too narrow in some respects, and too broad in others, to carry out the intended purpose of section 751(b). That is, the gross value approach may allow a distribution that reduces a partner's share of the unrealized gain in the partnership's section 751 property without triggering section 751(b), and, conversely, may trigger section 751(b) even if the partner's share of the unrealized gain in the partnership's section 751 property is not reduced. For example, Rev. Rul. 84–102 (84–102 CB 119) provides that deemed distributions under section 752 resulting from shifting allocations of indebtedness may result in the partners' shares of asset gross value changing, even though the partners' shares of unrealized gain associated with section 751 property would not necessarily have changed.

If the distribution results in a shift between the partner's interest in the partnership's section 751 property and the partnership's other property, the current regulations require a deemed asset exchange of both section 751 property and other property between the partner and the partnership to determine the tax consequences of the distribution (the ''asset exchange'' approach). *See,* for example, § 1.751–1(g), *Example 6,* of the current regulations. The asset exchange approach is complex, requiring the partnership and partner to determine the tax consequences of both a deemed distribution of relinquished property and a deemed taxable exchange of that property back to the partnership. The asset exchange approach also often accelerates capital gain unnecessarily by requiring certain partners to recognize capital gain even when their shares of partnership capital gain have not been reduced.

In 2006, the IRS and the Treasury Department published Notice 2006–14 (2006–1 CB 498), which suggested, and requested comments on, alternative approaches to section 751(b) that were intended to better achieve the purpose of the statute while providing greater simplicity. *See* § 601.601(d)(2)(ii)(*b*). Specifically, Notice 2006–14 asked for comments on: (1) Replacing the gross value approach with a ''hypothetical sale'' approach for purposes of determining a partner's interest in the partnership's section 751 property, and (2) replacing the asset exchange approach with a ''hot asset sale'' approach to determine the tax consequences when section 751(b) applies. The hypothetical sale approach and the hot asset sale approach are described in Parts 1.A and 3, respectively, of the Summary of Comments and Explanation of Provisions section of this preamble. Notice 2006–14 also requested comments on other possible approaches to simplifying compliance with section 751(b).

As described in Notice 2006–14, the hypothetical sale approach for section 751(b) is similar to the approach taken in the 1999 regulations issued under section 751(a), shifting the focus to tax gain and away from gross value. Under the hypothetical sale approach, a partner's interest in section 751 property is determined by reference to the amount of ordinary income that would be allocated to the partner if the partnership disposed of all of its property for fair market value immediately before the distribution. More specifically, the hypothetical sale approach applies section 704(c) principles in comparing: (1) The amount of ordinary income that each partner would recognize if the partnership sold all of its property for fair market value immediately before the distribution, with (2) the amount of ordinary income each partner would recognize if the partnership sold all of its property (and the distributee partners sold the distributed assets) for fair market value immediately after the distribution. If the distribution reduces the amount of ordinary income (or increases the amount of ordinary loss) from section 751 property that would be allocated to, or recognized by, a partner (thus reducing that partner's interest in the partnership's section 751 property), the distribution triggers section 751(b).

Notice 2006–14 indicated that changes to the framework of subchapter K since the promulgation of the existing regulations would work in tandem with the hypothetical sale approach to achieve the statute's objective of ensuring that a partner recognizes its proper share of the partnership's income from section 751 property without unnecessarily accelerating the recognition of that income. For example, regulations under section 704(b) allow a partnership to revalue its assets upon a distribution in consideration of a partnership interest. Any revaluation gain or loss is subject to the rules of section 704(c), which generally preserve

each partner's share of the unrealized gain and loss in the partnership's assets.

Notice 2006–14 also requested comments on using the hot asset sale approach, rather than the asset exchange approach, to determine the tax consequences of the distribution that is subject to section 751(b). The hot asset sale approach deems the partnership to distribute the relinquished section 751 property to the partner whose interest in the partnership's section 751 property is reduced, and then deems the partner to sell the relinquished section 751 property back to the partnership immediately before the actual distribution.

Summary of Comments and Explanation of Provisions

The IRS and the Treasury Department received both formal and informal responses to Notice 2006–14. In addition, a number of commentators published articles analyzing the proposals outlined in Notice 2006–14. Commentators' responses to Notice 2006–14 were predominantly favorable.

These proposed regulations adopt many of the principles described in Notice 2006–14. Part 1 of this section describes the rules included in the proposed regulations for determining partners' interests in section 751 property. Part 2 of this section sets forth the proposed regulations' test to determine whether section 751(b) applies to a partnership distribution, including anti-abuse principles that may apply in certain situations in which the test would not otherwise be satisfied. Part 3 of this section explains the tax consequences of a section 751(b) distribution under the proposed regulations. Finally, Part 4 of this section describes certain ancillary issues relating to the proposed regulations, including a clarification to the scope of § 1.751–1(a).

1. Determination of a Partner's Interest in Section 751 Property

Section 751(b) applies to a partnership distribution to the extent the distribution reduces a partner's interest in section 751 property. As discussed further in this Part 1, the proposed regulations establish an approach for measuring partners' interests in section 751 property, provide new rules under section 704(c) to help partnerships compute partner gain in section 751 property more precisely, and describe how basis adjustments under sections 734(b) and 743(b) affect the computation of partners' interests in section 751 property.

A. Adoption of Hypothetical Sale Approach

The first step in computing the effect of section 751(b) is to measure the partners' interests in section 751 property. Commentators generally agreed that the hypothetical sale approach is a substantial improvement over the gross value approach in the existing regulations. As described in this preamble, the hypothetical sale approach requires a partnership to compare: (1) The amount of ordinary income (or ordinary loss) that each partner would recognize if the partnership sold its property for fair market value immediately before the distribution with (2) the amount of ordinary income (or ordinary loss) each partner would recognize if the partnership sold its property, and the distributee partner sold the distributed assets, for fair market value immediately after the distribution. The commentators agreed that, when compared against the gross value approach, the hypothetical sale approach is more consistent with Congress's intent in enacting section 751(b), is easier to apply, and reduces the likelihood that section 751(b) would unnecessarily accelerate ordinary income. Accordingly, these proposed regulations adopt the hypothetical sale approach as the method by which the partners must measure their respective interests in section 751 property for the purpose of determining whether a distribution reduces a partner's interest in the partnership's section 751 property. (A distribution that reduces a partner's interest in the partnership's section 751 property is referred to as a ''section 751(b) distribution.'')

B. Revaluations

Because the hypothetical sale approach relies on the principles of section 704(c) to preserve a partner's share of the unrealized gain and loss in the partnership's section 751 property, these proposed regulations make several changes to the regulations relating to section 704(c). Specifically, the proposed regulations revise § 1.704–1(b)(2)(iv)(*f*), regarding revaluations of partnership property, to make its provisions mandatory if a partnership distributes money or other property to a partner as consideration for an interest in the partnership, and the partnership owns section 751 property immediately after the distribution. (A partnership that does not own section 751 property immediately after the distribution may still revalue its property under the existing regulation, but is not required to do so under these proposed regulations.) If a partnership does not maintain capital accounts in accordance with § 1.704–1(b)(2)(iv), the partnership must comply with this requirement by computing each partner's share of gain or loss in each partnership asset prior to a distribution, and making future allocations of partnership items in a manner that takes these amounts into account (making subsequent adjustments for cost recovery and other events that affect the property basis of each such asset).

In addition, the proposed regulations contain a special revaluation rule for distributing partnerships that own an interest in a lower-tier partnership. Because a partnership's section 751 property includes, under section 751(f), the partnership's proportionate share of section 751 property owned by any other partnership in which the distributing partnership is a partner, these proposed regulations also require a partnership in which the distributing partnership owns a controlling interest (which is defined as a greater than 50 percent interest) to revalue its property if the lower-tier partnership owns section 751 property immediately after the distribution. If the distributing partnership owns a non-controlling (that is, less than or equal to 50 percent) interest in a lower-tier partnership, these proposed regulations require the distributing partnership to allocate its distributive share of the lower-tier partnership's items among its partners in a manner that reflects the allocations that would have been made had the lower-tier partnership revalued its partnership property. The IRS and the Treasury Department are aware that in some instances a distributing partnership may be unable to obtain sufficient information to comply with this requirement from a lower-tier partnership in which the distributing partnership holds a non-controlling interest. We request comments on reasonable approaches to address this issue.

Upon the revaluation of partnership property in connection with a partnership distribution, the regulations under section 704(c) permit a partnership to choose any reasonable method to account for the built-in gain or built-in loss that is consistent with the purpose of section 704(c). If property with built-in gain decreases in value (or property with built-in loss increases in value), then the partnership may be unable to allocate tax losses (or gains) to a non-contributing partner in an amount equal to the partner's economic loss (or gain). If the property with built-in gain (or loss) is section 751 property, then the inability to allocate those tax losses (or gains) may cause

ordinary income to shift among the partners. The regulations under section 704(c) provide two reasonable methods for a partnership to allocate items to cure or remediate that shift. However, the regulations under section 704(c) also provide a third reasonable method, the traditional method, under which the shift of ordinary income is not cured. The IRS and the Treasury Department are aware that distortions created under the section 704(c) traditional method may cause ordinary income to shift among partners. However, the regulations under section 704(c) contain an anti-abuse rule that provides that a method is not reasonable if, for example, the event that results in a reverse section 704(c) allocation and the corresponding allocation of tax items with respect to the property are made with a view to shifting the tax consequences of built-in gain or built-in loss among the partners in a manner that substantially reduces the present value of the partners' aggregate tax liability. The IRS and the Treasury Department believe that this anti-abuse provision under section 704(c) properly addresses the possibility that taxpayers would use the traditional method to shift ordinary income.

Some commentators suggested changing the regulations under section 704(c) to minimize the situations in which section 751(b) applies. Generally, when a partnership revalues its assets, the partnership allocates a reverse section 704(c) amount with respect to each partnership asset, as opposed to an aggregate section 704(c) amount with respect to all assets (subject to certain exceptions). As a result, any distribution of appreciated section 751 property in which another partner has a share of income would trigger section 751(b) under the hypothetical sale approach. The commentators recommended that the IRS and the Treasury Department narrow the application of section 751(b) by allowing partners (subject to the substantiality requirements of § 1.704–1(b)(2)(iii)) to ''exchange'' reverse section 704(c) amounts resulting from a section 751 distribution. These proposed regulations do not adopt this comment because it is beyond the scope of these regulations and would impact other provisions of subchapter K. However, the IRS and the Treasury Department believe that the issue merits further study and request comments on how such permissible exchanges of reverse section 704(c) amounts might be addressed in future regulations.

C. Effect of Basis Adjustments on Section 751(b) Computations

While section 704(c) revaluations generally preserve partners' interests in section 751 property upon a partnership distribution, certain basis adjustments under sections 732(c) or 734(b) may alter partners' interests in section 751 property following the distribution. Accordingly, these proposed regulations provide rules on the effect of these basis adjustments on the computation of partners' interests in section 751 property.

If a distribution of capital gain property results in a basis adjustment under section 734(b), that basis adjustment is allocated to capital gain property of the partnership under § 1.755–1(c)(1). However, some property that is characterized as capital gain property for purposes of section 755 can also result in ordinary income when sold. For example, section 1231 property is characterized as a capital asset for purposes of section 755, but selling the property can also result in ordinary income from recapture under section 1245(a)(1). The regulations under section 755 do not differentiate between the capital gain aspect of the property and the ordinary income aspect of the property for this purpose. Accordingly, allocating a section 734(b) positive basis adjustment to such property as capital gain property may reduce the amount of ordinary income that would result on a sale of the property. Under these proposed regulations, that reduction in ordinary income would constitute a reduction in the partners' shares of unrealized gain in the partnership's section 751 property, which could trigger section 751(b) in situations in which 751(b) would not have otherwise applied. A similar reduction in section 751 property could occur if the basis of the distributed property increases under section 732.

One commentator recommended allowing partnerships to avoid this result by eliminating a positive section 734(b) adjustment to the extent the section 734(b) adjustment would reduce the partnership's ordinary income. Another commentator recommended allocating the section 734(b) adjustment to other partnership capital gain property. The same commentator alternatively recommended treating a positive section 734(b) adjustment that reduced the partnership's ordinary income as a separate asset.

Although these proposed regulations do not treat the section 734(b) adjustment as a separate asset, the proposed regulations reach a similar result to this last recommendation. They provide that a basis adjustment under section 732(c) or section 734(b) (as adjusted for recovery of the basis adjustment) that is allocated to capital gain property and that reduces the ordinary income (attributable, for example, to recapture under section 1245(a)(1)) that the partner or partnership would recognize on a taxable disposition of the property is not taken into account in determining (1) the partnership's basis for purposes of sections 617(d)(1), 1245(a)(1), 1250(a)(1), 1252(a)(1), and 1254(a)(1), and (2) the partner or partnership's respective gain or loss for purposes of sections 995(c), 1231(a), and 1248(a). The IRS and the Treasury Department intend for these amendments to apply for purposes of other provisions that cross-reference those sections (for example, the reference in § 1.367(b)–2(c) to section 1248). The IRS and the Treasury Department are aware that these rules may result in additional administrative burden and, therefore, permit a partnership and its partners to elect to recognize ordinary income currently under section 751(b) in lieu of applying these rules.

In addition, one commentator raised questions about the application of section 751(b) upon the distribution to a partner of section 751 property for which another partner has a basis adjustment under section 743(b) (the transferee partner). The commentator questioned whether the distributee partner's share of section 751 property could be increased inappropriately if the special basis adjustment is not taken into account in determining the distributee's basis in the section 751 property under section 732. The IRS and the Treasury Department believe that although the distributee partner does not take the section 743(b) basis adjustment into account in determining its basis in the distributed property, the reallocation of the section 743(b) basis adjustment pursuant to § 1.743–1(g)(2)(ii) should generally reduce the transferee partner's share of section 751 property, triggering an income inclusion to that partner under section 751(b) which is offset by the basis adjustment. The IRS and the Treasury Department acknowledge that, in situations in which the partnership holds no other section 751 property (and the section 743(b) basis adjustment is temporarily suspended under §§ 1.743–1(g)(2)(ii) and 1.755–1(c)(4) until the partnership acquires additional ordinary income property), the application of section 751(b) may be unclear. Accordingly, the proposed regulations require that

partners include the effect of carryover basis adjustments when determining their shares of section 751 property, as though those basis adjustments were immediately allocable to ordinary income property. *See Example 4* in § 1.751–1(g) of the proposed regulations.

2. Distributions to Which Section 751(b) Applies

A. General Principle

The purpose of section 751 is to prevent a partner from converting its share of potential ordinary income into capital gain. A distribution of partnership property (including money) is a section 751(b) distribution if the distribution reduces any partner's share of net section 751 unrealized gain or increases any partner's share of net section 751 unrealized loss (as determined under the hypothetical sale approach described in Part 1.A of the Summary of Comments and Explanation of Provisions section of this preamble). For this purpose, a partner's net section 751 unrealized gain or loss immediately before a distribution equals the amount of net gain or loss, as the case may be, from section 751 property that would be allocated to the partner if the partnership disposed of all of the partnership's assets for cash in an amount equal to the fair market value of such property (taking into account section 7701(g)). A partner's net section 751 unrealized gain or loss includes any remedial allocations under § 1.704–3(d).

A partner's net section 751 unrealized gain or loss also takes into account any section 743 basis adjustment pursuant to § 1.743–1(j)(3), including any carryover basis adjustment that results under any of § 1.743–1(g)(2)(ii), § 1.755–1(b)(5)(iii)(D), or § 1.755–1(c)(4) when the partnership must adjust the basis of a specific class of assets, but that adjustment is suspended because the partnership does not own assets in that class. The regulations take such suspended basis adjustments into account as though the basis adjustment is applied to the basis of notional partnership section 751 property with a fair market value of zero. For example, if A and B are partners in the AB partnership, which owns capital assets and a single ordinary income asset that is the subject of a section 743(b) adjustment with respect to B, and that asset is distributed to partner A, B's basis adjustment is suspended because the partnership lacks other ordinary income property. However, the basis adjustment will eventually benefit B when the partnership acquires new ordinary income property. For this reason, the proposed regulations require B to take the suspended adjustment into account when determining whether section 751(b) applies to B with respect to the distribution.

A partner's share of net section 751 unrealized gain or loss from section 751 property immediately following a distribution is computed using the same formula. However, the distributee partner also includes in its post-distribution amount its share of net income or loss from a hypothetical sale of the distributed section 751 property.

If section 751(b) applies to a distribution, each partner must generally recognize or take into account currently ordinary income equal to its ''section 751(b) amount.'' If a partner has net section 751 unrealized gain both before and after the distribution, then the partner's section 751(b) amount equals the partner's net section 751 unrealized gain immediately before the distribution less the partner's net section 751 unrealized gain immediately after the distribution. If a partner has net section 751 unrealized loss both before and after the distribution, then the partner's section 751(b) amount equals the partner's net section 751 unrealized loss immediately after the distribution less the partner's net section 751 unrealized loss immediately before the distribution. If a partner has net section 751 unrealized gain before the distribution and net section 751 unrealized loss after the distribution, then the partner's section 751(b) amount equals the sum of the partner's net section 751 unrealized gain immediately before the distribution and the partner's net section 751 unrealized loss immediately after the distribution.

Commentators requested a de minimis exception to section 751(b). The IRS and the Treasury Department continue to study the issue and request comments describing the parameters of a de minimis rule that would be helpful.

B. Section 751 Anti-Abuse Rule

The IRS and the Treasury Department believe that, despite the general principle that section 751(b) should apply only at the time that a partner's share of net section 751 unrealized gain is reduced (or net section 751 loss is increased), the deferral of ordinary income upon the receipt of a distribution is inappropriate in certain circumstances. Specifically, deferral is inappropriate if a partner engages in a transaction that relies on the rules of section 704(c) to defer or eliminate ordinary income while monetizing most of the value of the partnership interest. Accordingly, these proposed regulations provide an anti-abuse rule that requires taxpayers to apply the rules set forth in the proposed regulations in a manner consistent with the purpose of section 751, and that allows the Commissioner to recast transactions for federal tax purposes as appropriate to achieve tax results that are consistent with the purpose of section 751.

The proposed regulations provide a list of situations that are presumed inconsistent with the purpose of section 751. Under this list, a distribution is presumed inconsistent with the purpose of section 751 if section 751(b) would apply but for the application of section 704(c) principles, and one or more of the following conditions exists: (1) A partner's interest in net section 751 unrealized gain is at least four times greater than the partner's capital account immediately after the distribution, (2) a distribution reduces a partner's interest to such an extent that the partner has little or no exposure to partnership losses and does not meaningfully participate in partnership profits aside from a preferred return for the use of capital, (3) the net value of the partner (or its successor) becomes less than its potential tax liability from section 751 property as a result of a transaction, (4) a partner transfers a portion of its partnership interest within five years after the distribution to a tax-indifferent party in a manner that would not trigger ordinary income recognition in the absence of this anti-abuse rule, or (5) a partnership transfers to a corporation in a nonrecognition transaction section 751 property other than pursuant to a transfer of all property used in a trade or business (excluding assets that are not material to a continuation of the trade or business). In addition, the proposed regulations provide that an amendment to the partnership agreement that results in a reduction in a partner's interest in section 751 property is also presumed inconsistent with the purpose of section 751. A partnership or a partner taking a position on its return that section 751 does not apply to a transaction that meets one or more of these situations must disclose its position on Form 8275, Disclosure Statement.

3. Tax Consequences of a Section 751(b) Distribution

If section 751(b) applies to a distribution under the principles set forth in Part 2 of the Summary of Comments and Explanation of Provisions section of this preamble, then the partners must determine the consequences of its application to the partnership and its partners. As described in the Background section of this preamble, Notice 2006–14 discussed replacing the asset exchange

approach with a hot asset sale approach to determine these consequences. While most commentators agreed that the hot asset sale approach is an improvement over the existing regulations' asset exchange approach, commentators were able to identify situations in which the hot asset sale approach fails to achieve the correct result or causes undesirable results under other Code provisions. Two commentators advocated adopting, in lieu of the hot asset sale approach, an approach similar to that taken in section 704(c)(1)(B) (referred to in this preamble as a ''deemed gain'' approach), in which a section 751(b) distribution results in: (1) The partnership recognizing ordinary income in the aggregate amount of each partner's reduction in the partner's interest in section 751 property, (2) the partnership allocating ordinary income to the partner or partners whose interest in section 751(b) property was reduced by the distribution, and (3) the partnership making appropriate basis adjustments to its assets to reflect its ordinary income recognition. One variation of the deemed gain approach would require capital gain recognition in certain cases.

The IRS and the Treasury Department determined that a deemed gain approach produces an appropriate outcome in the greatest number of circumstances out of the approaches under consideration, and that the hot asset sale approach also produced an appropriate outcome in most circumstances. However, no one approach produced an appropriate outcome in all circumstances. Therefore, these proposed regulations withdraw the asset exchange approach of the current regulations, but do not require the use of a particular approach for determining the tax consequences of a section 751(b) distribution. Instead, these proposed regulations provide that if, under the hypothetical sale approach, a distribution reduces a partner's interest in the partnership's section 751 property, giving rise to a section 751(b) amount, then the partnership must use a reasonable approach that is consistent with the purpose of section 751(b) to determine the tax consequences of the reduction. Except in limited situations, a partnership must continue to use the same approach, once chosen, including after a termination of the partnership under section 708(b)(1)(B). These proposed regulations include examples in which the approach adopted is generally reasonable based on the facts of the examples, and one example in which it is determined that the adopted approach is not reasonable based on the facts of the example.

Finally, some commentators recommended allowing taxpayers to elect to recognize capital gain in certain situations (for example, in the situation described in *Example 2* in Notice 2006–14 involving distributions of section 751(b) property to a partner that has insufficient basis in its partnership interest to absorb fully the partnership's basis in the distributed property). Recognition of gain may be appropriate where failing to recognize gain would cause an adjustment to the basis of distributed property (under section 732) or to the basis of partnership property (under section 734(b)) if those basis adjustments would change the partners' shares of ordinary income already determined under the principles described in Part 1 of the Summary of Comments and Explanation of Provisions section of this preamble. Such changes in ordinary income amounts could (in the case of certain adjustments under section 734(b)) decrease partners' shares of partnership ordinary income, requiring the recognition of additional income under section 751(b), or could (in the case of certain adjustments under section 732) convert a distributee partner's share of capital gain into ordinary income. Thus, these proposed regulations require that distributee partners recognize capital gain in certain situations, and permit distributee partners to elect to recognize capital gain in certain other situations.

The proposed regulations require a distributee partner to recognize capital gain to the extent necessary to prevent the distribution from triggering a basis adjustment under section 734(b) that would reduce other partners' shares of net unrealized section 751 gain or loss. Capital gain recognition is necessary in this situation because the section 734(b) basis adjustment was not taken into account in determining the partners' net section 751 unrealized gain or loss immediately after the section 751 distribution, and the IRS and the Treasury Department believe that an approach under which a partnership redetermines a partner's net section 751 unrealized gain or loss to account for section 734(b) basis adjustments would be both administratively burdensome and would accelerate ordinary income unnecessarily. *See Examples 5* and *6* in § 1.751–1(g) of the proposed regulations. Gain recognized in this event is generally capital; however, if the partnership makes an election under § 1.755–1(c)(2)(vi), then the partner must characterize all or a portion of the gain recognized under this rule as ordinary income or a dividend, as appropriate, to preserve the character of the gain in the adjusted asset. *See Example 9* in § 1.751–1(g) of the proposed regulations.

These proposed regulations also allow distributee partners to elect to recognize capital gain in certain circumstances to avoid decreases to the basis of distributed section 751 property. Elective capital gain recognition is appropriate to eliminate a negative section 732(a)(2) or (b) basis adjustment to the asset or assets received in distribution if, and to the extent that, the distributee partner's net section 751 unrealized gain would otherwise be greater immediately after the distribution than it was immediately before the distribution (or would cause the distributee partner's net section 751 unrealized loss to be less immediately after the distribution than it was immediately before the distribution). For example, elective capital gain recognition is appropriate if a partner with zero basis in its partnership interest receives a distribution of partnership section 751 property with basis in the hands of the partnership equal to its value, and the distribution otherwise increases the distributee partner's net section 751 unrealized gain.

4. Miscellaneous

A. Section 751(a)

As described in Parts 2.A and 2.B of this preamble, these proposed regulations generally defer the recognition of ordinary income upon a distribution when the partner's unrealized gain and loss in the partnership's section 751 property is preserved through the application of the principles of section 704(c). This approach is consistent with the 1984 amendment to section 704(c). By mandating the application of section 704(c) principles, that amendment partially severed the relationship that had generally existed between a partner's distributive share (that is, the right to share in the economic gain or loss) associated with a partnership item and the partner's share of tax gain or loss from the sale of that item. The IRS and the Treasury Department believe that, by mandating the application of section 704(c) principles in 1984, Congress intended that impacted provisions be interpreted consistent with this new emphasis on tax gain or loss. Congress provided a broad delegation of authority to the Treasury Department to address these repercussions of amending section 704(c) on other provisions in subchapter K.

Some commentators interpret section 751(a) as limiting the amount of ordinary income that a transferor partner may recognize upon a transfer of a partnership interest to the amount of any money or property received by the transferor partner, without taking into account the total amount of ordinary income attributable to the partnership interest transferred that relates to section 751 property. However, interpreting section 751(a) as limiting ordinary income in this way would contravene Congress's intent to tax partners on their shares of partnership ordinary income as determined by applying section 704(c) principles. The IRS and the Treasury Department believe that section 751(a) should be interpreted in a manner that accounts for the impact of section 704(c). Thus, these proposed regulations provide that the amount of money or the fair market value of property received for purposes of section 751(a) takes into account the transferor partner's share of income or gain from section 751 property.

The IRS and the Treasury Department alternatively considered addressing this issue by deeming a partner that sells or exchanges its partnership interest to receive a distribution of the partner's share of the section 751 property, followed by a sale of the property back to the partnership for its fair market value, recognizing the deferred ordinary income inherent in the section 751 property. The partner would then be deemed to contribute the cash proceeds to the partnership thereby increasing the partner's basis in the partner's partnership interest. Finally, upon the sale or exchange of the partnership interest, the partner would recognize the appropriate amount of capital loss. This potential multi-step deemed approach would result in additional complexity and would reach the same result that the current regulations under § 1.751–1(a) reach as clarified by these proposed regulations. Therefore, the IRS and the Treasury Department are not proposing this alternative approach.

B. Previously Contributed Property Exception

Section 751(b)(2)(A) provides that section 751(b) does not apply to a distribution of property that the distributee contributed to the partnership (''previously contributed property exception''). Unlike other provisions in subchapter K that include similar previously contributed property exceptions, the current regulations under section 751(b) do not contain successor rules for purposes of applying the section 751(b) previously contributed property exception. These proposed regulations add successor rules to section 751(b) similar to the successor rules contained in other previously contributed property exceptions within subchapter K.

C. Mergers and Divisions

A commentator requested guidance confirming how the rules of section 751(b) apply in the case of an incorporation, merger, or division of a partnership. The proposed regulations do not adopt this comment because the IRS and the Treasury Department believe such guidance is beyond the scope of these proposed regulations.

D. Substantial Appreciation Test

These proposed regulations also make a number of technical corrections to account for changes in the law since the issuance of existing regulations under section 751. For example, these proposed regulations remove the language ''substantially appreciated'' from the first sentence of § 1.751–1(a)(1), which applies with respect to sales or exchanges of an interest in a partnership. In addition to conforming the language of the regulations to that of the Code, this change is intended to clarify that, upon a sale or exchange of a partnership interest, unrealized receivables and inventory items are treated in the same manner. Thus, a transferor partner may recognize an ordinary loss with respect to inventory items pursuant to section 751(a) to the extent the transferor would be allocated a net ordinary loss pursuant to § 1.751–1(a)(2). These proposed regulations also update the definition of ''inventory items which have appreciated substantially in value'' with respect to section 751(b) to reflect the 1993 amendment to the statute that eliminated the 10-percent test from the definition of ''*substantial appreciation.*'' *See* Public Law 103–66, Sec. 13206(e)(1). These proposed regulations also clarify that unrealized receivables are not included in the term ''inventory items which have appreciated substantially in value.''

E. Other Changes Relating to Revaluations

Finally, these proposed regulations address some of the comments received in response to Notice 2009–70 (2009–2 CB 255), in which the IRS and the Treasury Department requested comments on, among other things, whether additional events should be added to the list of events permitting a revaluation of partnership property pursuant to § 1.704–1(b)(2)(iv)(*f*) and whether, in a tiered partnership structure, a revaluation at one partnership in the tier should permit another partnership in the tier to revalue that partnership's property. Commentators recommended that partnership recapitalizations (changes to the way partners agree to share partnership profits and losses) be added as a permissible revaluation event. The IRS and the Treasury Department agree that partnership recapitalizations should be added as a permissible event because, absent providing for a special allocation of any unrealized gain or loss in partnership assets that arose prior to the recapitalization, a revaluation is necessary to preserve each partner's share of such unrealized amounts. In addition, commentators recommended that a partnership in a tiered partnership structure be able to revalue its partnership property if another partnership in the tiered structure was permitted to revalue its partnership property. The IRS and the Treasury Department agree and believe that permitting successive revaluations in a tiered partnership structure is necessary to properly allocate items with respect to a reverse section 704(c) allocation to the appropriate partner.

Availability of IRS Documents

IRS notices cited in this preamble are made available by the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402.

Effect on Other Documents

The following publication will be obsolete as of the date of publication of a Treasury decision adopting these rules as final regulations in the **Federal Register**:

Rev. Rul. 84–102 (1984–2 CB 119).

Proposed Effective/Applicability Date

The regulations, as proposed, apply to distributions occurring in any taxable period ending on or after the date of publication of a Treasury decision adopting these rules as final regulations in the **Federal Register**. The rules contained in § 1.751–1(a)(2) would apply to transfers of partnership interests that occur on or after November 3, 2014. However, the rules contained in § 1.751–1(a)(2) are a clarification of existing rules, and no inference is intended from the change to § 1.751–1(a)(2) with respect to sales or exchanges of partnership interests prior to the effective date for § 1.751–1(a)(2). The rules contained in § 1.751–1(a)(3) continue to apply to transfers of partnership interests that occur on or after December 15, 1999. A partnership and its partners would be able to rely on § 1.751–1(b)(2) of these proposed regulations for purposes of determining

a partner's interest in the partnership's section 751 property on or after November 3, 2014 provided the partnership and its partners apply each of § 1.751–1(a)(2), § 1.751–1(b)(2), and § 1.751–1(b)(4) of these proposed regulations consistently for all partnership distributions and sales or exchanges, including for any distributions and sales or exchanges the partnership makes after a termination of the partnership under section 708(b)(1)(B).

Special Analyses

It has been determined that this notice of proposed rulemaking is not a significant regulatory action as defined in Executive Order 12866, as supplemented by Executive Order 13653. Therefore, a regulatory assessment is not required. It has also been determined that section 553(b) of the Administrative Procedure Act (5 U.S.C. chapter 5) does not apply to these regulations. It is hereby certified that the collection of information in these regulations will not have a significant economic impact on a substantial number of small entities. This certification is based on the fact that the amount of time necessary to prepare the required disclosure is not lengthy and few small businesses are likely to be partners or partnerships required to make the disclosures required by the rule. Accordingly, a Regulatory Flexibility Analysis under the Regulatory Flexibility Act (5 U.S.C. chapter 6) does not apply. Pursuant to section 7805(f) of the Code, this notice of proposed rulemaking has been submitted to the Chief Counsel for Advocacy of the Small Business Administration for comment on its impact on small business.

Comments and Requests for Public Hearing

The IRS and the Treasury Department request comments on all aspects of the proposed rules. In particular, the IRS and the Treasury Department request comments, in addition to those previously requested in this preamble, on: (1) Whether and how carryover adjustments to ordinary income property under sections 734(b) and 743(b) should be taken into account under the hypothetical sale approach, (2) whether the final regulations should exclude certain types of transactions from the previously contributed property successor rules provided in these proposed regulations, (3) whether the regulations should specifically describe approaches as generally reasonable approaches for determining the tax consequences of a section 751(b) distribution, and which approaches should be specified as generally reasonable, (4) whether the final regulations should provide rules similar to those proposed in new § 1.755–1(c)(2)(iii) through (vi) in § 1.755–1(b)(5) with respect to section 743(b) adjustments in substituted basis transactions, and (5) what disclosures the IRS and the Treasury Department should require from partners and partnerships that either recognize gain under section 751(a) or (b), or rely on reverse section 704(c) allocations to defer the gain recognition required by section 751(a) or (b).

The IRS and the Treasury Department also request comments on a topic that, although not specific to section 751, may impact the rules under section 751. The IRS and the Treasury Department are aware that the regulations under § 1.1245–1(e)(3) (concerning the interaction of section 1245 and section 743), and § 1.1250–1(f), by reference to § 1.1245–1(e)(3), are out of date. The intent of the regulations under § 1.1245–1(e)(3) is, in part, to ensure that a transferee partner does not recognize ordinary income with respect to section 1245 property to the extent a section 743 adjustment has displaced that ordinary income. For example, if a partner sells in a fully taxable exchange its interest in a partnership that has elected under section 754, and the selling partner recognizes ordinary income under section 751(a) with respect to partnership section 1245 property, then the rules under sections 1245 and 743 are intended to ensure that the transferee partner recognizes no ordinary income on an immediately subsequent disposition of the section 1245 property in a fully taxable transaction. However, the regulations under § 1.1245–1(e)(3) have not been amended to take into account changes to subchapter K, including the regulations under section 751, resulting in issues and uncertainties. The IRS and the Treasury Department are studying these issues and request comments in this area.

Finally, the IRS and the Treasury Department request comments as to how section 751(b) should interact with rules for withholding and reporting with respect to nonresident aliens and foreign corporations. For example, the IRS and the Treasury Department are considering whether regulations should provide that for purposes of withholding under chapter 3 of Subtitle A (for example, under section 1446), income recognized as a result of a section 751(b) distribution is treated as recognized by the partnership regardless of the approach chosen to determine the U.S. tax consequences of the section 751(b) distribution. The IRS and the Treasury Department are also considering whether additional guidance with respect to tax or information returns (for example, pursuant to section 6031(b) or section 6050K) is necessary for gain recognized on section 751(b) distributions affecting these taxpayers.

Before these proposed regulations are adopted as final regulations, consideration will be given to any comments that are submitted timely to the IRS as prescribed in this preamble under the ''Addresses'' heading. All comments will be available at *www.regulations.gov* or upon request. A public hearing will be scheduled if requested in writing by any person who submits timely written or electronic comments. If a public hearing is scheduled, notice of the date, time, and place for the public hearing will be published in the **Federal Register**.

Drafting Information

The principal authors of these regulations are Allison R. Carmody and Frank J. Fisher, Office of the Associate Chief Counsel (Passthroughs and Special Industries). However, other personnel from the IRS and the Treasury Department participated in their development.

List of Subjects in 26 CFR Part 1

Income taxes, Reporting and recordkeeping requirements.

Proposed Amendments to the Regulations

Accordingly, 26 CFR part 1 is proposed to be amended as follows:

PART 1—INCOME TAXES

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

Authority: 26 U.S.C. 7805 * * *

■ **Par. 2.** Section 1.617–4 is amended by adding a new sentence at the end of paragraph (c)(3)(ii)(*g*) to read as follows:

§ 1.617–4 Treatment of gain from disposition of certain mining property.

* * * * *

(c) * * *

(3) * * *

(ii) * * *

(*g*) * * * *See also* §§ 1.732–1(c)(2)(iii) and 1.755–1(c)(2)(iii) for rules governing the application of section 617 to partnership property in certain situations.

* * * * *

■ **Par. 3.** Section 1.704–1 is amended by:

■ a. Revising paragraph (b)(2)(iv)(*f*) introductory text.
■ b. Redesignating paragraph (b)(2)(iv)(*f*)(*5*)(*v*) as paragraph (b)(2)(iv)(*f*)(*5*)(*vi*).
■ c. Adding new paragraph (b)(2)(iv)(*f*)(*5*)(*v*).
■ d. Designating the undesignated text after paragraph (b)(2)(iv)(*f*)(*5*)(*vi*) as paragraph (b)(2)(iv)(*f*)(*5*)(*vii*).

The revisions and additions read as follows:

§ 1.704–1 Partner's distributive share.

* * * * *

(b) * * *

(2) * * *

(iv) * * *

(*f*) *Revaluations of property.* A partnership agreement may, upon the occurrence of certain events, and must in the circumstances described in § 1.751–1(b)(2)(iv), increase or decrease the capital accounts of the partners to reflect a revaluation of partnership property (including intangible assets such as goodwill) on the partnership's books. If a partnership that revalues its property pursuant to this paragraph owns an interest in another partnership, that partnership in which it owns an interest may also revalue its property in accordance with this section. Similarly, if an interest in a partnership that revalues its property pursuant to this paragraph is owned by another partnership, the partnership owning that interest may also revalue its property in accordance with this section. Capital accounts so adjusted will not be considered to be determined and maintained in accordance with the rules of this paragraph (b)(2)(iv) unless—

* * * * *

(5) * * *

(v) In connection with an agreement to change (other than a de minimis change) the manner in which the partners share any item or class of items of income, gain, loss, deduction or credit of the partnership under the partnership agreement, or

* * * * *

■ **Par. 4.** Section 1.704–3 is amended in paragraph (a)(9) by adding a sentence immediately following the first sentence to read as follows:

§ 1.704–3 Contributed property.

(a) * * *

(9) * * * If a partnership (the upper-tier partnership) owns an interest in another partnership (the lower-tier partnership), and both the upper-tier partnership and the lower-tier partnership simultaneously revalue partnership property pursuant to § 1.704–1(b)(2)(iv)(*f*), the principles of this paragraph (a)(9) shall apply to any reverse section 704(c) allocations created upon the revaluation. * * *

* * * * *

■ **Par. 5.** Section 1.732–1 is amended by adding paragraphs (c)(2)(iii), (iv), (v), (vi), and (vii), and revising paragraph (c)(5) to read as follows:

§ 1.732–1 Basis of distributed property other than money.

* * * * *

(c) * * *

(2) * * *

(iii) *Property subject to section 1245.* Any increase in basis allocated to capital gain property pursuant to the second sentence in paragraph (c)(2)(ii) of this section is not taken into account in determining the recomputed or adjusted basis in the property for purposes of section 1245(a)(1). Notwithstanding the prior sentence, any depreciation or amortization of the increase in basis that is allowed or allowable is taken into account in computing the property's recomputed basis. In the case of property that is subject to section 617(d)(1), section 1250(a)(1), section 1252(a)(1), or section 1254(a)(1), rules similar to the rule in this paragraph (c)(2)(iii) shall apply. *See Examples 2* and *3* in § 1.755–1(c)(6).

(iv) *Section 1231 property.* Any increase in basis allocated to capital gain property pursuant to the second sentence in paragraph (c)(2)(ii) of this section is not taken into account in determining section 1231 gain and loss, as defined in section 1231(a)(3). *See Examples 2* and *3* in § 1.755–1(c)(6).

(v) *Property subject to section 1248.* Any increase in basis allocated to stock in a foreign corporation pursuant to the second sentence in paragraph (c)(2)(ii) of this section or any decrease in basis allocated to stock in a foreign corporation pursuant to the second sentence in paragraph (c)(2)(i) of this section is not taken into account in determining the amount of gain recognized on the sale or exchange of such stock for purposes of section 1248(a). In the case of property that is subject to section 995(c), rules similar to the rule set forth in this paragraph (c)(2)(v) shall apply. *See Examples 8* and *9* in § 1.751–1(g).

(vi) *Special rule.* Any basis adjustment to an asset that is not taken into account under paragraph (c)(2)(iii), (iv), or (v) of this section shall, upon a taxable disposition, be treated as gain or loss, as the case may be, from the sale or exchange of a capital asset with the same holding period as the underlying asset. *See Examples 2* and *3* in § 1.755–1(c)(6).

(vii) *Election not to apply the provisions of paragraphs (c)(2)(iii), (iv), and (v). See* § 1.755–1(c)(2)(vi) for rules regarding an election to have the provisions of paragraphs (c)(2)(iii), (iv), and (v) of this section, and § 1.755–1(c)(2)(iii), (iv), and (v) not apply. *See Examples 2* and *3* in § 1.755–1(c)(6).

* * * * *

(5) *Effective/applicability date.* This paragraph (c) applies to distributions of property from a partnership that occur on or after December 15, 1999, except that paragraphs (c)(2)(iii), (iv), (v), (vi), and (vii) of this section apply to distributions of property from a partnership that occur on or after the date of publication of a Treasury decision adopting these rules as final regulations in the **Federal Register**.

* * * * *

§ 1.736–1 [Amended]

■ **Par. 6.** Section 1.736–1 is amended in paragraph (b)(4) by removing the language ''paragraph (b)(3)(iii)'' from the last sentence and adding the language ''paragraph (b)(3)'' in its place.

■ **Par. 7.** Section 1.751–1 is amended by:
■ a. Revising paragraphs (a)(1) and (2).
■ b. Revising the first sentence of paragraph (b)(1)(i) and adding a new sentence at the end of paragraph (b)(1)(i).
■ c. Removing the last four sentences of paragraph (b)(1)(ii).
■ d. Revising paragraphs (b)(1)(iii) and (b)(2) and (3).
■ e. Redesignating paragraphs (b)(4) and (5) as paragraphs (b)(5) and (6).
■ f. Adding a new paragraph (b)(4).
■ g. Revising the paragraph heading of newly designated paragraph (b)(5).
■ h. Further redesignating newly redesignated paragraph (b)(5)(ii) as paragraph (b)(5)(vi) and adding paragraphs (b)(5)(ii), (iii), (iv), and (v).
■ i. Revising newly designated paragraph (b)(6).
■ j. Revising paragraph (c)(4)(vi).
■ k. Adding paragraph (c)(4)(x).
■ l. Removing paragraphs (c)(5) and (6).
■ m. Revising the first and second sentences of paragraph (d)(1).
■ n. Revising paragraphs (e), (f), and (g).

The additions and revisions read as follows:

§ 1.751–1 Unrealized receivables and inventory items.

(a) * * * (1) *Character of amount realized.* To the extent that money or property received by a partner in exchange for all or part of his partnership interest is attributable to his share of the value of partnership unrealized receivables or inventory items, the money or fair market value of

the property received shall be considered as an amount realized from the sale or exchange of property other than a capital asset. The remainder of the total amount realized on the sale or exchange of the partnership interest is realized from the sale or exchange of a capital asset under section 741. For definition of ''unrealized receivables'' and ''inventory items,'' see section 751(c) and (d). *See* paragraph (e) of this section for the definition of section 751 property.

(2) *Determination of gain or loss.* The income or loss realized by a partner upon the sale or exchange of its interest in section 751 property is the amount of income or loss from section 751 property (taking into account allocations of tax items applying the principles of section 704(c), including any remedial allocations under § 1.704–3(d), and any section 743 basis adjustment pursuant to § 1.743–1(j)(3)) that would have been allocated to the partner (to the extent attributable to the partnership interest sold or exchanged) if the partnership had sold all of its property in a fully taxable transaction for cash in an amount equal to the fair market value of such property (taking into account section 7701(g)) immediately prior to the partner's transfer of the interest in the partnership. Any gain or loss recognized that is attributable to section 751 property will be ordinary gain or loss. The difference between the amount of capital gain or loss that the partner would realize in the absence of section 751 and the amount of ordinary income or loss determined under this paragraph (a)(2) is the transferor's capital gain or loss on the sale of its partnership interest. For purposes of section 751(a) and paragraph (a) of this section, the amount of money or the fair market value of property received by the partner in exchange for all or part of his partnership interest must take into account the partner's share of income or gain from section 751 property. *See Example 1* in paragraph (g) of this section. *See* § 1.460–4(k)(2)(iv)(E) for rules relating to the amount of ordinary income or loss attributable to a contract accounted for under a long-term contract method of accounting.

* * * * *

(b) *Certain distributions treated as sales or exchanges*—(1) *In general.* (i) Certain distributions to which section 751(b) applies are treated in whole or in part as sales or exchanges of property, and not as distributions to which sections 731 through 736 apply. * * * For purposes of section 751 and this section, a partner's interest in the partnership's section 751 property includes allocations of tax items applying the principles of section 704(c).

* * * * *

(iii) If a distribution is a section 751(b) distribution, as described in paragraph (b)(2)(i) of this section, the tax consequences of the section 751(b) distribution, as determined under paragraph (b)(3) of this section, shall first apply, and then the rules of sections 731 through 736 shall apply. *See* paragraph (b)(5)(vi) of this section for treatment of payments under section 736(a).

(2) *Distributions to which section 751(b) applies*—(i) *Section 751(b) amount.* A distribution is a section 751(b) distribution if it gives rise to a ''section 751(b) amount'' for any partner. A partner's section 751(b) amount (if any) associated with a distribution of partnership property (including money) equals the greatest of—

(A) The amount by which the partner's net section 751 unrealized gain immediately before the distribution exceeds the partner's net section 751 unrealized gain immediately after the distribution;

(B) The amount by which the partner's net section 751 unrealized loss immediately after the distribution exceeds the partner's net section 751 unrealized loss immediately before the distribution; and

(C) The amount of the partner's net section 751 unrealized gain immediately before the distribution, increased by the total amount of the partner's net section 751 unrealized loss immediately after the distribution (where neither of those numbers equals zero).

(ii) *Net section 751 unrealized gain or loss before a distribution.* A partner's net section 751 unrealized gain or loss immediately before a distribution equals the amount of net income or loss, as the case may be, from section 751 property that would be allocated to the partner if the partnership disposed of all of the partnership's assets for cash in an amount equal to the fair market value of such property (taking into account section 7701(g)). For this purpose, a partner's net section 751 unrealized gain or loss includes any remedial allocations under § 1.704–3(d), and takes into account any section 743 basis adjustment pursuant to § 1.743–1(j)(3) and any carryover basis adjustment described in §§ 1.743–1(g)(2)(ii), 1.755–1(b)(5)(iii)(D), or 1.755–1(c)(4) as though the carryover basis adjustment was applied to the basis of new partnership section 751 property with fair market value of zero.

(iii) *Net section 751 unrealized gain or loss after a distribution.* A partner's net section 751 unrealized gain or loss immediately after a distribution equals the sum of (to the extent applicable)—

(A) With respect to a partner remaining in the partnership immediately after the distribution (including a distributee partner remaining in the partnership), the amount of net income or loss, as the case may be (including any remedial allocations under § 1.704–3(d) and taking into account any section 743 basis adjustment pursuant to § 1.743–1(j)(3) and any carryover basis adjustment described in §§ 1.743–1(g)(2)(ii), 1.755–1(b)(5)(iii)(D), or 1.755–1(c)(4) as though the carryover basis adjustment was applied to the basis of new partnership section 751 property with fair market value of zero), from section 751 property that would be allocated to the partner if the partnership disposed of all of the partnership's assets for cash in an amount equal to the fair market value of such property (taking into account section 7701(g)); and

(B) With respect to a partner receiving a distribution, the amount of net income or loss, as the case may be, from section 751 property that would be recognized by the distributee if, immediately after the distribution, the distributee disposed of the distributed assets for cash in an amount equal to the fair market value of such property (taking into account section 7701(g)).

(iv) *Revaluation of assets.* For a partnership that distributes money or property (other than a de minimis amount) to a partner as consideration for an interest in the partnership, and that owns section 751 property immediately after the distribution, if the partnership maintains capital accounts in accordance with § 1.704–1(b)(2)(iv), the partnership must revalue its assets immediately prior to the distribution in accordance with § 1.704–1(b)(2)(iv)(*f*). If a partnership does not maintain capital accounts in accordance with § 1.704–1(b)(2)(iv), the partnership must comply with this section by computing its partners' shares of partnership gain or loss immediately before the distribution as if the partnership assets were sold for cash in a fully taxable transaction (taking into account section 7701(g)), and by taking those computed shares of gain or loss into account under the principles of section 704(c) (making subsequent adjustments for cost recovery and other events that affect the basis of the property). In addition, if the partnership (upper-tier partnership) owns another partnership directly or indirectly through one or more

partnerships (lower-tier partnership), and the same persons own, directly or indirectly (through one or more entities), more than 50 percent of the capital and profits interests in both the upper-tier partnership and the lower-tier partnership, the lower-tier partnership must also revalue its assets immediately prior to the distribution in accordance with § 1.704–1(b)(2)(iv)(*f*) if the lower-tier partnership owns section 751 property. If the same persons do not own, directly or indirectly, more than 50 percent of the capital and profits interests in both the upper-tier partnership and the lower-tier partnership, the upper-tier partnership must allocate its distributive share of the lower-tier partnership's items among its partners in a manner that reflects the allocations that would have been made had the lower-tier partnership revalued its property.

(3) *Tax consequences of a section 751(b) distribution*—(i) *Reasonable approach.* In the case of a section 751(b) distribution described in paragraph (b)(2) of this section, the partnership must choose a reasonable approach that is consistent with the purpose of section 751(b) under which each partner with a section 751(b) amount recognizes ordinary income (or takes it into account by eliminating a basis adjustment) equal to that section 751(b) amount immediately prior to the section 751(b) distribution. In certain circumstances described in paragraph (b)(3)(ii) of this section, a distributee partner may also be permitted or required to recognize capital gain. To be reasonable, an approach must conform to the general principles and anti-abuse rules described in paragraph (b)(4) of this section. An approach is not necessarily unreasonable merely because another approach would result in a higher aggregate tax liability. Once the partnership has adopted a reasonable approach, it must apply that approach consistently for all section 751(b) distributions, including for any distributions the partnership makes after a termination of the partnership under section 708(b)(1)(B). If the application of the adopted approach to a later section 751(b) distribution produces results inconsistent with the purpose of section 751, the partnership must adopt another reasonable approach that achieves the purposes of section 751 for that distribution only. *See Example 3* through *Example 8* in paragraph (g) of this section.

(ii) *Gain Recognition*—(A) *Mandatory recognition.* A partner's net section 751 unrealized gain or net section 751 unrealized loss for purposes of paragraph (b)(3)(i) of this section is determined before taking into account any basis adjustments required by paragraph (b)(3)(iii) of this section. In certain instances, the application of paragraph (b)(3)(iii) of this section may cause a partner to receive distributed property with a basis that differs from the basis of the property in the hands of the distributing partnership. If an adjustment to the basis of the distributed section 751 property results in a section 734(b) basis adjustment, and that basis adjustment would have altered the amount of net section 751 unrealized gain or loss computed under paragraph (b)(2) of this section if the section 734(b) adjustment had been included immediately prior to the distribution, then the distributee partner must recognize capital gain immediately prior to the distribution in an amount sufficient to eliminate that section 734(b) basis adjustment. *See Examples 5* and *6* in paragraph (g) of this section. If, however, the partnership makes an election under § 1.755–1(c)(2)(vi), then the partner must characterize all or a portion of the gain recognized under this paragraph as ordinary income or a dividend, as appropriate, to preserve the character of the gain in the adjusted asset. *See Example 9* in paragraph (g) of this section.

(B) *Elective recognition.* A distributee partner may elect to recognize capital gain (in addition to amounts required to be recognized under this section) to eliminate section 732(a)(2) or (b) basis adjustments to the asset or assets received in distribution if, and to the extent that, the basis adjustments required by paragraph (b)(3)(iii) of this section would otherwise cause the distributee partner's net section 751 unrealized gain to be greater immediately after the distribution than it was immediately before the distribution or would cause the distributee partner's net section 751 unrealized loss to be less immediately after the distribution than it was immediately before the distribution. A distributee partner elects under this paragraph (b)(3)(ii)(B) by providing the partnership with written notification of its intent to make the election and reporting the capital gain on its return. An extension of time to make an election under this paragraph (b)(3)(ii)(B) will not be granted under § 301.9100–3 of this chapter. The requirement in paragraph (b)(1)(i) of this section that a partnership apply a chosen reasonable method consistently across all partnership distributions does not apply for purposes of this paragraph. *See Example 7* in paragraph (g) of this section.

(iii) *Adjustments to Basis.* The partnership and its partners must make appropriate adjustments to the adjusted basis of the partners' interests in the partnership, and of section 751 property and other property held by the partnership or partners, in a manner consistent with the adopted approach to reflect any ordinary income or capital gain recognized upon application of paragraph (b)(3) of this section, and section 704(c) amounts must be adjusted accordingly.

(4) *General principles and anti-abuse rules.* (i) The purpose of section 751 is to prevent a partner from converting its rights to ordinary income into capital gain, including by relying on the rules of section 704(c) to defer ordinary income while monetizing most of the value of the partnership interest. The partnership and all partners of the partnership must apply the rules of section 751 and § 1.751–1 in a manner consistent with the purpose of section 751. Accordingly, if a principal purpose of a transaction is to achieve a tax result that is inconsistent with the purpose of section 751, the Commissioner may recast the transaction for federal tax purposes as appropriate to achieve tax results that are consistent with the purpose of section 751. The Commissioner will determine whether a tax result is inconsistent with the purpose of section 751 based on all the facts and circumstances. The existence of one or more of the situations set forth below is presumed to establish that a transaction is inconsistent with the purpose of section 751 and disclosure to the Internal Revenue Service in accordance with § 1.751–1(b)(4)(ii) is required.

(A) Circumstances in which a partner received a distribution that would otherwise be subject to section 751(b), but for the application of the principles of section 704(c), and one or more of the following conditions exist (whether at the time of the distribution or, in the case of paragraph (b)(4)(i)(A)(*2*), (*3*), (*4*), or (*5*) of this section, a later date):

(*1*) The partner's interest in net section 751 unrealized gain is at least four times greater than the partner's capital account immediately after the distribution, pursuant to § 1.704–1(b)(2)(iv) (or comparable amount for partnerships not maintaining capital accounts under § 1.704–1(b)(2)(iv));

(*2*) The partner is substantially protected from losses from the partnership's activities and has little or no participation in the profits from the partnership's activities other than a preferred return that is in the nature of a payment for the use of capital;

(*3*) The partner engages in a transaction that, at the time of the transaction, causes the net value of the partner (or its successor) to be less than the tax liability that the partner (or its successor) would incur with respect to its interest in the partnership's section 751 property upon a sale of its partnership interest for its fair market value at the time of the transaction. For this purpose, the net value of the partner (or its successor) equals—

(*i*) The fair market value of all assets owned by the partner (or its successor) that may be subject to creditor's claims under local law (including the partner's enforceable right to contributions from its owner or owners), less

(*ii*) All obligations of the partner (or its successor) other than the partner's obligation with respect to the tax liability for which the net value is being determined;

(*4*) The partner transfers a portion of its partnership interest within five years after the distribution in a manner that does not trigger ordinary income recognition, and ordinary income or gain with respect to the partnership interest is subject to Federal income tax in the hands of the transferor partner immediately before the transfer, but any ordinary income or gain with respect to the partnership interest is exempt from, or otherwise not subject to, Federal income tax in the hands of the transferee partner immediately after the transfer;

(*5*) The partnership transfers to a corporation in a nonrecognition transaction section 751 property other than pursuant to a transfer of all property used in a trade or business (excluding assets that are not material to a continuation of the trade or business); or

(B) The partners agree to change (other than a de minimis change) the manner in which the partners share any item or class of items of income, gain, loss, deduction or credit of the partnership under the partnership agreement and that change reduces the partner's net section 751 unrealized gain.

(ii) If a partner participates in a transaction described in paragraph (b)(4)(i)(A) or (B) of this section and does not recognize and report its share of ordinary income from section 751 property on its tax return for the taxable year of the transaction, the partner must file Form 8275–R, Regulation Disclosure Statement, or any appropriate successor form, disclosing its participation in the transaction for the taxable year in which the transaction occurred.

(5) *Special rules.* * * *

* * * * *

(ii) The transferee in a nonrecognition transaction of all or a portion of the partnership interest of a contributing partner is treated as the contributing partner for purposes of section 751(b)(2) in an amount attributable to the interest transferred.

(iii) For purposes of section 751(b)(2), if a partnership disposes of contributed section 751 property in a nonrecognition transaction, the substituted basis property (within the meaning of section 7701(a)(42)) received in exchange for such substituted basis property is treated as the contributed section 751 property with regard to the contributing partner. If a partnership transfers contributed section 751 property together with other property in a nonrecognition transaction, the substituted basis property (within the meaning of section 7701(a)(42)) is treated as the contributed section 751 property with regard to the contributing partner in the same proportion as the fair market value of the contributed section 751 property, at the time of the transfer, bears to the fair market value of the other property transferred at the time of the transfer. If a transfer described in this paragraph (b)(5)(iii) was in exchange for an interest in an entity, the interest in the entity will not be treated as the contributed section 751 property with regard to the contributing partner to the extent the value of the interest is attributable to other property the partnership contributed to the entity.

(iv) For purposes of section 751(b)(2), an interest in an entity previously contributed to the partnership is not treated as previously contributed property to the extent the value of the interest is attributable to property the partnership contributed to the entity after the interest was contributed to the partnership. The preceding sentence does not apply to the extent that the property contributed to the entity was contributed to the partnership by the partner that also contributed the interest in the entity to the partnership.

(v) For purposes of section 751(b)(2), the distribution of an undivided interest in property is treated as the distribution of previously contributed property to the extent that the undivided interest does not exceed the undivided interest, if any, contributed by the distributee partner in the same property.

* * * * *

(6) *Statements required*—(i) *Partnership.* A partnership that makes a section 751(b) distribution must submit with its return for the year of the distribution a statement for each section 751(b) distribution made during the year that includes the following:

(A) A caption identifying the statement as the disclosure of a section 751(b) distribution and the date of the distribution; and

(B) A brief description of the reasonable approach adopted by the partnership pursuant to paragraph (b)(3)(i) of this section for recognizing the ordinary income; if applicable, the capital gain required to be recognized; and if relevant, whether the approach varies from an approach previously adopted within any of the three tax years preceding the current tax year.

(ii) *Partner.* A partnership that makes a section 751(b) distribution during the partnership's tax year must submit with its return for the year of the distribution a statement for each partner that has a section 751(b) amount greater than $0 in connection with that distribution. The statement must be attached to the statement for that partner required by section 6031(b) and § 1.6031(b)–1T(a), and must include the following:

(A) The date of the section 751(b) distribution;

(B) The amount of ordinary income the partner recognized pursuant to paragraph (b)(3)(i) of this section; and

(C) The amount of capital gain the partner recognized, if any, pursuant to paragraph (b)(3)(ii)(A) or (B) of this section.

(c) * * *

(4) * * *

(vi) With respect to any taxable year of a partnership beginning after July 18, 1984, amounts treated as ordinary income under section 467 are treated as ordinary income under this section in the same manner as amounts treated as ordinary income under section 1245 (*see* paragraph (c)(4)(iii) of this section) or section 1250 (*see* paragraph (c)(4)(v) of this section).

* * * * *

(x) With respect to any taxable year of a partnership beginning after July 18, 1984, the term *unrealized receivables,* for purposes of this section and sections 731, 732, and 741 (but not for purposes of section 736), includes any market discount bond (as defined in section 1278) and any short-term obligation (as defined in section 1283) but only to the extent of the amount that would be treated as ordinary income if (at the time of the transaction described in this section or section 731, 732, or 741, as the case may be) such property had been sold by the partnership.

* * * * *

(d) *Inventory items which have substantially appreciated in value*— (1) *Substantial appreciation.* Partnership

inventory items shall be considered to have appreciated substantially in value if, at the time of the distribution, the total fair market value of all the inventory items of the partnership exceeds 120 percent of the aggregate adjusted basis for such property in the hands of the partnership (without regard to any special basis adjustment to the partner). The terms ''inventory items which have appreciated substantially in value'' or ''substantially appreciated inventory items'' refer to the aggregate of all partnership inventory items but do not include any unrealized receivables.

* * *

* * * * * *

(e) *Section 751 property and other property.* For purposes of paragraph (a) of this section, *section 751 property* means unrealized receivables or inventory items. For purposes of paragraph (b) of this section, *section 751 property* means unrealized receivables or substantially appreciated inventory items. For purposes of all paragraphs of this section, *other property* means all property (including money) that is not section 751 property.

(f) *Applicability date.* The rules contained in paragraph (a)(2) of this section apply to transfers of partnership interests that occur on or after November 3, 2014. The rules contained in paragraph (a)(3) of this section apply to transfers of partnership interests that occur on or after December 15, 1999. The rules contained in paragraphs (b)(2) and (3) of this section apply to distributions of partnership property that occur on or after the date of publication of a Treasury decision adopting these rules as final regulations in the **Federal Register**. However, a partnership and its partners may apply the rules contained in paragraph (b)(2) of this section for purposes of determining a partner's interest in the partnership's section 751 property on or after November 3, 2014, provided the partnership and its partners apply paragraphs (a)(2), (b)(2), and (b)(4) of this section consistently for all partnership sales, exchanges, and distributions, including for any distributions the partnership makes after a termination of the partnership under section 708(b)(1)(B).

(g) *Examples.* Application of the provisions of section 751 may be illustrated by the following examples. In each of *Examples 2* through *9* of this paragraph (g), none of the section 751 property qualifies as property that the distributee previously contributed as described in section 751(b)(2)(A), and no distribution to a retiring partner is a payment described in section 736(a):

Example 1. (i)(A) A and B are equal partners in personal service partnership PRS. A contributed nondepreciable capital assets (the ''Capital Assets'') to PRS with a basis and fair market value of $14,000. B contributed unrealized receivables described in paragraph (c) of this section (the ''Unrealized Receivables'') to PRS with a basis of zero and fair market value of $14,000. Later, when the fair market value of the Capital Assets had declined to $2,000, B transferred its interest in PRS to T for $9,000 when PRS's balance sheet (reflecting a cash receipts and disbursements method of accounting) was as follows:

	Adjusted basis	Fair market value
Assets		
Cash	$ 4,000	$ 4,000
Capital Assets	14,000	2,000
Unrealized Receivables	0	14,000
Total	18,000	20,000
Liabilities and Capital		
Liabilities	$2,000	$2,000
Capital:		
A	15,000	9,000
B	1,000	9,000
Total	18,000	20,000

(B) The total amount realized by B is $10,000, consisting of the cash received, $9,000, plus $1,000, B's share of the partnership liabilities assumed by T. *See* section 752. B's interest in the partnership property includes an interest in the partnership's Unrealized Receivables. B's basis in its partnership interest is $2,000 ($1,000, plus $1,000, B's share of partnership liabilities). If section 751(a) did not apply to the sale, B would recognize $8,000 of capital gain from the sale of the interest in PRS. However, section 751(a) does apply to the sale.

(ii) For purposes of section 751(a), the amount of money or the fair market value of property received by the partner in exchange for all or part of his partnership interest must take into account the partner's share of income or gain from section 751 property. If PRS sold all of its section 751 property in a fully taxable transaction immediately prior to the transfer of B's partnership interest to T, B would have been allocated $14,000 of ordinary income from the sale of PRS's Unrealized Receivables under section 704(c). Therefore, B will recognize $14,000 of ordinary income with respect to the Unrealized Receivables. The difference between the amount of capital gain or loss that the partner would realize in the absence of section 751 ($8,000) and the amount of ordinary income or loss determined under paragraph (a)(2) of this section ($14,000) is the transferor's capital gain or loss on the sale of its partnership interest. In this case, B will recognize a $6,000 capital loss.

Example 2. (i) A, B, and C each contribute $120 to partnership ABC in exchange for a 1/3 interest. A, B, and C each share in the profits and losses of ABC in accordance with their 1/3 interest. ABC purchases land for $100 in Year 1. At the end of Year 3, when ABC holds $260 in cash and land with a value of $100 and has generated $90 in zero-basis unrealized receivables, ABC distributes $50 cash to C in a current distribution, reducing C's interest in ABC from 1/3 to 1/4. ABC has a section 754 election in effect. To determine if the distribution is a distribution to which section 751(b) applies, ABC must apply the test set forth in paragraph (b)(2) of this section.

(ii)(A) Pursuant to paragraph (b)(2)(iv) of this section, ABC revalues its assets and its partners' capital accounts are increased under § 1.704–1(b)(2)(iv)(*f*) to reflect each partner's share of the unrealized gain in the partnership's assets. Before the distribution, ABC's balance sheet is as follows:

	Tax	Book	Capital	Tax	Book
Cash	$260	$260	A	$120	$150
Unrealized Receivable	0	90	B	120	150
Real Property	100	100	C	120	150
Totals	360	450		360	450

(B) If ABC disposed of all of its assets for cash in an amount equal to the fair market value of such property immediately before the distribution, A, B, and C would each be allocated $30 of net income from ABC's section 751 property. Accordingly, A, B, and C's net section 751 unrealized gain immediately before the distribution is $30 each under paragraph (b)(2)(ii) of this section.

(iii)(A) After the distribution (but before taking into account any consequences under this section), ABC's balance sheet would be as follows:

	Tax	Book	Capital	Tax	Book
Cash	$210	$210	A	$120	$150
Unrealized Receivable	0	90	B	120	150
Real Property	100	100	C	70	100
Totals	310	400		310	400

(B) If ABC disposed of all of its assets in exchange for cash in amounts equal to the fair market values of those assets immediately after the distribution, A, B, and C would each still be allocated $30 of net income from ABC's section 751 property pursuant to § 1.704–3(a)(6). C did not receive any section 751 property in the distribution. Accordingly, A, B, and C's net section 751 unrealized gain immediately after the distribution is $30 each under paragraph (b)(2)(iii) of this section.

(iv) Because no partner's net section 751 unrealized gain is greater immediately before the distribution than immediately after the distribution, and because no partner's net section 751 unrealized loss is greater immediately after the distribution than immediately before the distribution, the distribution is not a section 751(b) distribution under paragraph (b)(2)(i) of this section. Accordingly, section 751(b) does not apply to the distribution.

Example 3. (i) Assume the same facts as in *Example 2* of this paragraph (g), but assume ABC distributes $150 cash to C in complete liquidation of C's interest. To determine if the distribution is a distribution to which section 751(b) applies, ABC must apply the test set forth in paragraph (b)(2) of this section.

(ii)(A) Pursuant to paragraph (b)(2)(iv) of this section, ABC revalues its assets and its partners' capital accounts are increased under § 1.704–1(b)(2)(iv)(*f*) to reflect each partner's share of the unrealized gain in the partnership's assets. Before the distribution, ABC's balance sheet is as follows:

	Tax	Book	Capital	Tax	Book
Cash	$260	$260	A	$120	$150
Unrealized Receivable	0	90	B	120	150
Real Property	100	100	C	120	150
Totals	360	450		360	450

(B) If ABC disposed of all of its assets in exchange for cash in amounts equal to the fair market values of these assets immediately before the distribution, A, B, and C would each be allocated $30 of net income from ABC's section 751 property. Accordingly, A, B, and C's net section 751 unrealized gain immediately before the distribution is $30 each under paragraph (b)(2)(ii) of this section.

(iii)(A) Because ABC has elected under section 754, and because A recognizes $30 gain on the distribution of cash, the basis of the real property is increased to $130 under section 734(b). After the distribution (but before taking into account any consequences under this section), ABC's balance sheet would be as follows:

	Tax	Book	Capital	Tax	Book
Cash	$110	$110	A	$120	$150
Unrealized Receivable	0	90	B	120	150
Real Property	130	100	C	0	0
Totals	240	300		240	300

(B) Because C is no longer a partner in ABC, C would not be allocated any net income from ABC's section 751 property immediately after the distribution. Also, C did not receive any section 751 property in the distribution. Accordingly, C's net section 751 unrealized gain immediately after the distribution is $0 under paragraph (b)(2)(iii) of this section.

(iv) Because C's net section 751 unrealized gain is greater immediately before the distribution than immediately after the distribution, section 751(b) applies to the distribution. Under paragraph (b)(2)(i) of this section, C has a section 751(b) amount equal to $30, the amount by which C's share of pre-distribution net section 751 unrealized gain ($30) exceeds C's share of post-distribution net section 751 unrealized gain ($0). Accordingly, paragraph (b)(3)(i) of this section requires C to recognize $30 of ordinary income using a reasonable approach consistent with the purpose of this section. ABC considers two approaches, the first of which is described in paragraphs (v) and (vi) of this example, and the second of which is described in paragraphs (vii) and (viii) of this example.

(v) Assume ABC adopts an approach under which, immediately before the section 751(b) distribution, C is deemed to recognize $30 of ordinary income. To reflect C's recognition of $30 of ordinary income, C increases its basis in its ABC partnership interest by $30, and the partnership increases its basis in the unrealized receivable by the $30 of income recognized by C, immediately before the distribution. Provided the partnership applies the approach consistently for all section 751(b) distributions, ABC's adopted approach is reasonable. After taking into account the tax consequences of the section 751(b) distribution immediately prior to the cash distribution, ABC's modified balance sheet is as follows:

	Tax	Book	Capital	Tax	Book
Cash	$260	$260	A	$120	$150
Unrealized Receivable	30	90	B	120	150
Real Property	100	100	C	150	150
Totals	390	450		390	450

(vi) After determining the tax consequences of the section 751(b) distribution, the rules of sections 731 through 736 apply. Accordingly, C recognizes no gain or loss under section 731(a) upon the distribution. Because C recognizes no gain on the distribution, the basis of the partnership real property is not adjusted. After the distribution, ABC's balance sheet is as follows:

	Tax	Book	Capital	Tax	Book
Cash	$110	$110	A	$120	$150
Unrealized Receivable	30	90	B	120	150
Real Property	100	100	C	0	0
Totals	240	300		240	300

(vii) Assume alternatively that ABC adopts an approach under which, immediately before the section 751(b) distribution, C is deemed to—

(A) Receive a distribution of ABC's unrealized receivables with a fair market value of $30 and a tax basis of $0;

(B) Sell the unrealized receivable to ABC in exchange for $30, recognizing $30 of ordinary income; and

(C) Contribute the $30 to ABC. Provided the partnership applies the approach consistently for all section 751(b) distributions, ABC's adopted approach is reasonable. After taking into account the tax consequences of the section 751(b) distribution immediately prior to the cash distribution, ABC's modified balance sheet is the same as the balance sheet shown in paragraph (v) of this example.

(viii) After determining the tax consequences of the section 751(b) distribution, the rules of sections 731 through 736 apply. The tax consequences under the rules of sections 731 through 736 are the same tax consequences described in paragraph (vi) of this example.

Example 4. (i) A and B are equal partners in a partnership, AB, that owns Unrealized Receivable with a fair market value of $50 and nondepreciable real property with a basis of $50 and a fair market value of $100. A has an adjusted basis in its partnership interest of $25, and B has an adjusted basis in its partnership interest of $50. The partnership has a section 754 election in effect, and B has a basis adjustment under section 743(b) of $25 that is allocated to Unrealized Receivable. AB distributes Unrealized Receivable to A in a current distribution. To determine if the distribution is a distribution to which section 751(b) applies, AB must apply the test set forth in paragraph (b)(2) of this section.

(ii)(A) AB makes a non-mandatory revaluation of its assets and its partners' capital accounts are increased under § 1.704–1(b)(2)(iv)(*f*) to reflect each partner's share of the unrealized gain in the partnership's assets. Before the distribution, AB's balance sheet is as follows:

	Tax	Basis adj.	Book	Capital	Tax	Special basis	Book
Unrealized Receivable	0	25	50	A	25	.....	75
Real Property	50	.....	100	B	25	25	75
Totals	50	25	150		50	25	150

(B) If AB disposed of all of its assets in exchange for cash in amounts equal to the fair market values of these assets immediately before the distribution, A and B would each be allocated $25 of net income from AB's section 751 property. However, B's net income from Unrealized Receivable would be offset by its $25 section 743 adjustment. § 1.743–1(j)(3). Accordingly, A and B's net section 751 unrealized gain immediately before the distribution are $25 and $0, respectively, under paragraph (b)(2)(ii) of this section.

(iii)(A) After the distribution (but before taking into account any consequences under this section), AB's balance sheet would be as follows:

	Tax	Basis adj.	Book	Capital	Tax	Carryover adjustment	Book
Carryover Adjustment	.....	25	0	A	25	.....	25
Real Property	50	.....	100	B	25	25	75
Totals	50	25	100		50	25	100

(B) If AB disposed of all of its assets in exchange for cash in amounts equal to the fair market values of those assets immediately after the distribution, no partner would be allocated net income or loss from section 751 property. However, B has a carryover basis adjustment to ordinary income property of $25 under §§ 1.743–1(g)(2)(ii) and 1.755–1(c)(4), which B must treat as applied to section 751 property with fair market value of $0 pursuant to paragraph (b)(2)(ii) of this section. Accordingly, B's net section 751 unrealized loss immediately after the distribution is $25 under paragraph (b)(2)(iii)(A) of this section. If, immediately after the distribution, A disposed of Unrealized Receivable in exchange for $50 cash, A would recognize $50 of net income from section 751 property. Accordingly, A's net section 751 unrealized gain immediately after the distribution is $50 under paragraph (b)(2)(iii)(B) of this section.

(iv) Because B's net section 751 unrealized loss immediately after the distribution ($25) exceeds B's net section 751 unrealized loss immediately before the distribution ($0), the distribution is a section 751(b) distribution. Under paragraph (b)(2)(i) of this section, B has a section 751(b) amount equal to $25, the difference of B's share of pre-distribution net section 751 unrealized gain ($0) and B's share of post-distribution net section 751 unrealized loss ($25). Accordingly, paragraph (b)(3)(i) of this section requires B to account for $25 of ordinary income using a reasonable approach consistent with the purpose of this section.

(v) Assume AB adopts an approach under which, immediately before the section 751(b) distribution, B is deemed to—

(A) Receive a distribution of Unrealized Receivable with a fair market value of $25 and a tax basis of $25 (which consists of B's section 743(b) basis adjustment and is determined solely for purposes of applying a reasonable method consistent with the purposes of section 751(b));

(B) Sell Unrealized Receivable to AB in exchange for $25, so that B recognizes $0 of ordinary income, and AB receives Unrealized Receivable with a basis of $25; and

(C) Contribute the $25 to AB. Provided the partnership applies the approach consistently for all section 751(b) distributions, AB's adopted approach is reasonable. After taking into account the tax consequences of the section 751(b) distribution, AB's modified balance sheet is as follows:

	Tax	Book	Capital	Tax	Book
			A	0	25
Real Property	50	100	B	50	75
Totals	50	100		50	100

(vi) After determining the tax consequences of the section 751(b) distribution, the rules of sections 731 through 736 apply. Accordingly, A recognizes no gain on the distribution of Unrealized Receivable, which A takes with a basis of $25.

Example 5. Capital Gain Recognition Required. (i) A, B, and C are each 1/3 partners in a partnership, ABC, that holds Unrealized Receivable 1 with a fair market value of $90, Unrealized Receivable 2 with a fair market value of $30, and nondepreciable real property with a fair market value of $180. The partnership has a section 754 election in effect. Each of the partners has an adjusted basis in its partnership interest of $0 with a fair market value of $100. None of the partners has a capital loss carryforward. ABC distributes to A Unrealized Receivable 1 in a current distribution. To determine if the distribution is a distribution to which section 751(b) applies, ABC must apply the test set forth in paragraph (b)(2) of this section.

(ii)(A) Pursuant to paragraph (b)(2)(iv) of this section, ABC revalues its assets and its partners' capital accounts are increased under § 1.704–1(b)(2)(iv)(*f*) to reflect each partner's share of the unrealized gain in the partnership's assets. Before the distribution, ABC's balance sheet is as follows:

	Tax	Book	Capital	Tax	Book
Unrealized Receivable 1	$0	$90	A	$0	$100
Unrealized Receivable 2	0	30	B	0	100
Real Property	0	180	C	0	100
Totals	0	300		0	300

(B) If ABC disposed of all of its assets for cash in an amount equal to the fair market value of such property immediately before the distribution, A, B, and C would each be allocated $40 of net income from ABC's section 751 property ($30 each from Unrealized Receivable 1 and $10 each from Unrealized Receivable 2). Accordingly, A, B, and C's net section 751 unrealized gain immediately before the distribution is $40 each under paragraph (b)(2)(ii) of this section.

(iii)(A) After the distribution (but before taking into account any consequences under this section), ABC's balance sheet would be as follows:

	Tax	Book	Capital	Tax	Book
Unrealized Receivable 2	$0	$30	A	$0	$10
			B	0	100
Real Property	0	180	C	0	100
Totals	0	210		0	210

(B) If ABC disposed of all of its assets in exchange for cash in amounts equal to the fair market values of those assets immediately after the distribution, A, B, and C would each be allocated $10 of net income from ABC's section 751 property ($10 each from Unrealized Receivable 2). If immediately after the distribution, A disposed of Unrealized Receivable 1 in exchange for $90 cash, A would recognize $90 of net income from section 751 property. Accordingly, B and C's net section 751 unrealized gain immediately after the distribution is $10 each under paragraph (b)(2)(iii)(A) of this section, and A's is $100 under paragraphs (b)(2)(iii)(A) and (B) of this section.

(iv) Because B and C's net section 751 unrealized gain is greater immediately before the distribution than immediately after the distribution, the distribution is a section 751(b) distribution. Under paragraph (b)(2)(i) of this section, each of B and C has a section 751(b) amount equal to $30, the amount by which each partner's share of pre-distribution net section 751 unrealized gain ($40) exceeds its share of post-distribution net section 751 unrealized gain ($10). Accordingly, paragraph (b)(3)(i) of this section requires each of B and C to recognize

$30 of ordinary income using a reasonable approach consistent with the purpose of this section. ABC considers three approaches, the first of which is described in paragraphs (v) and (vi) of this example, the second of which is described in paragraphs (vii) and (viii) of this example, and the third of which is described in paragraph (ix) of this example.

(v) Assume ABC adopts an approach under which, immediately before the section 751(b) distribution, B and C are each deemed to recognize $30 of ordinary income. To reflect B and C's recognition of $30 of ordinary income, B and C increase their bases in their ABC partnership interests by $30 each, and the partnership increases its basis in Unrealized Receivable 1 by $60 immediately before the distribution to A. Following the distribution to A, A's basis in Unrealized Receivable 1 is $0 under section 732(a)(2). Because ABC has elected under section 754, the distribution of Unrealized Receivable 1 to A would result in a $60 section 734(b) adjustment to Unrealized Receivable 2. *See* § 1.755–1(c)(1). Because that basis adjustment would have altered the amount of net section 751 unrealized gain or loss computed under paragraph (b)(2) of this section, A must recognize $60 of capital gain prior to the distribution of Unrealized Receivable 1 pursuant to paragraph (b)(3)(ii)(A) of this section. This gain recognition increases A's basis in its ABC partnership interest by $60 immediately before the distribution to A, eliminating the section 734(b) adjustment. *See* section 732(a)(2). In addition, the partnership increases its basis in Real Property by $60 pursuant to paragraph (b)(3)(iii) of this section, and treats A's gain recognized as reducing A's $60 reverse section 704(c) amount in the Real Property. Provided the partnership applies the approach consistently for all section 751(b) distributions, ABC's adopted approach is reasonable. After taking into account the tax consequences of the deemed gain approach described in this example, ABC's modified balance sheet immediately prior to the distribution is as follows:

	Tax	Book	Capital	Tax	Book
Unrealized Receivable 1	$60	$90	A	$60	$100
Unrealized Receivable 2	0	30	B	30	100
Real Property	60	180	C	30	100
Totals	120	300		120	300

(vi) After determining the tax consequences of the section 751(b) distribution, the rules of sections 731 through 736 apply. Thus, Unrealized Receivable 1 would take a $60 basis in A's hands under section 732(a), and no section 734(b) adjustment would be made to Unrealized Receivable 2. After the distribution, ABC's balance sheet is as follows:

	Tax	Book	Capital	Tax	Book
Unrealized Receivable 2	$0	$30	A	$0	$10
			B	30	100
Real Property	60	180	C	30	100
Totals	60	210		60	210

(vii) Assume alternatively that ABC adopts an approach under which, immediately before the section 751(b) distribution, B and C are each deemed to:

(A) Receive a distribution of Unrealized Receivable 1 with a fair market value of $30 and tax basis of $0;

(B) Sell the unrealized receivable to ABC for $30, recognizing $30 of ordinary income; and

(C) Contribute the $30 to ABC. For the same reasons stated in paragraph (v) of this example, A recognizes capital gain of $60. To accomplish this, A, immediately before the section 751(b) distribution, is deemed to:

(*1*) Receive a distribution of Real Property with a fair market value of $60 and tax basis of $0;

(*2*) Sell the Real Property to ABC for $60, recognizing $60 of capital gain; and

(*3*) Contribute the $60 to ABC.

(viii) The partnership treats the $60 of gain recognized by A as reducing A's $60 reverse section 704(c) amount in the Real Property. Provided the partnership applies the approach consistently for all section 751(b) distributions, ABC's adopted approach is reasonable. Before taking into account the tax consequences of the section 751(b) distribution, ABC's balance sheet is the same as the balance sheet shown in paragraph (v) of this example. After determining the tax consequences of the section 751(b) distribution, the rules of sections 731 through 736 apply. The tax consequences under the rules of sections 731 through 736 are the same tax consequences described in paragraph (vi) of this example.

(ix) Assume alternatively that A does not recognize capital gain of $60. As a result, upon the distribution of Unrealized Receivable 1 to A, ABC makes a $60 section 734(b) adjustment to Unrealized Receivable 2. The adopted approach is not reasonable because it is contrary to paragraph (b)(3)(ii)(A) of this section.

Example 6. Capital Gain Recognition Required. (i)(A) Assume the same facts as *Example 5* of this paragraph (g), except that Unrealized Receivable 1 has a $9 tax basis, and each of the partners has an adjusted basis in its partnership interest of $3. Before the distribution, ABC's balance sheet is as follows:

%	Tax	Book	Capital	Tax	Book
Unrealized Receivable 1	$9	$90	A	$3	$100
Unrealized Receivable 2	0	30	B	3	100
Real Property	0	180	C	3	100
.....	.....	.....		.....	.....
Totals	9	300		9	300

(B) If ABC disposed of all of its assets for cash in an amount equal to the fair market value of such property immediately before the distribution, A, B, and C would each be allocated $37 of net income from ABC's section 751 property ($27 each from Unrealized Receivable 1 and $10 each from Unrealized Receivable 2). Accordingly, A, B, and C's net section 751 unrealized gain immediately before the distribution is $37 each under paragraph (b)(2)(ii) of this section.

(ii)(A) After the distribution (but before taking into account any consequences under this section), ABC's balance sheet would be as follows:

	Tax	Book	Capital	Tax	Book
Unrealized Receivable 2	$6	$30	A	$0	$10
			B	3	100
Real Property	0	180	C	3	100
Totals	6	210		6	210

(B) If ABC disposed of all of its assets for cash in an amount equal to the fair market value of such property immediately after the distribution, taking into account the $6 section 734(b) adjustment allocated to Unrealized Receivable 2, A, B, and C would each be allocated $8 of net income from ABC's section 751 property ($8 each from Unrealized Receivable 2). If, immediately after the distribution, A disposed of Unrealized Receivable 1 for cash in an amount equal to its fair market value, A would recognize $87 of net income from section 751 property. Accordingly, B and C's net section 751 unrealized gain immediately after the distribution is $8 each under paragraph (b)(2)(iii)(A) of this section, and A's is $95 under paragraphs (b)(2)(iii)(A) and (B) of this section.

(iii) Because B and C's net section 751 unrealized gain is greater immediately before the distribution than immediately after the distribution, the distribution is a section 751(b) distribution. Under paragraph (b)(2)(i) of this section, each of B and C has a section 751(b) amount equal to $29, the amount by which each partner's share of pre-distribution net section 751 unrealized gain ($37) exceeds its share of post-distribution net section 751 unrealized gain ($8). Accordingly, paragraph (b)(3)(i) of this section requires each of B and C to recognize $29 of ordinary income using a reasonable approach consistent with the purpose of this section. ABC considers two approaches, the first of which is described in paragraphs (iv) and (v) of this example, and the second of which is described in paragraphs (vi) and (vii) of this example.

(iv) Assume ABC adopts an approach under which, immediately before the section 751(b) distribution, B and C are each deemed to recognize $29 of ordinary income. To reflect B and C's recognition of $29 of ordinary income, B and C increase their bases in their ABC partnership interests by $29 each, and the partnership increases its basis in Unrealized Receivable 1 by $58 to $67 immediately before the distribution to A. Following the distribution to A, A's basis in Unrealized Receivable 1 is $3 under section 732(a)(2). Because ABC has elected under section 754, the distribution of Unrealized Receivable 1 to A would result in a $64 section 734(b) adjustment to Unrealized Receivable 2 (rather than the $6 section 734(b) adjustment computed prior to the application of this section). *See* § 1.755–1(c)(1). Because that additional basis adjustment would have altered the amount of net section 751 unrealized gain or loss computed under paragraph (b)(2) of this section, A must recognize $58 of capital gain prior to the distribution of Unrealized Receivable 1 pursuant to paragraph (b)(3)(ii)(A) of this section. This gain recognition increases A's basis in its ABC partnership interest by $58 to $61 immediately before the distribution to A. In addition, the partnership increases its basis in Real Property by $58 pursuant to paragraph (b)(3)(iii) of this section, and treats A's gain recognized as reducing A's $60 reverse section 704(c) amount in the Real Property. Provided the partnership applies the approach consistently for all section 751(b) distributions, ABC's adopted approach is reasonable. After taking into account the tax consequences of the deemed gain approach described in this example, ABC's modified balance sheet immediately prior to the distribution is as follows:

	Tax	Book	Capital	Tax	Book
Unrealized Receivable 1	$67	$90	A	$61	$100
Unrealized Receivable 2	0	30	B	32	100
Real Property	58	180	C	32	100
Totals	125	300		125	300

(v) After determining the tax consequences of the section 751(b) distribution, the rules of sections 731 through 736 apply. Thus, A would take a $61 tax basis in Unrealized Receivable 1 under section 732(a), and a $6 section 734(b) adjustment would be made to Unrealized Receivable 2. After the distribution, ABC's balance sheet is as follows:

	Tax	Book	Capital	Tax	Book
Unrealized Receivable 2	$6	$30	A	$0	$10
			B	32	100
Real Property	58	180	C	32	100
Totals	64	210		64	210

(vi) Assume alternatively that ABC adopts an approach under which, immediately before the section 751(b) distribution, B and C are each deemed to:

(A) Receive a distribution of Unrealized Receivable 1 with a fair market value of $29 and tax basis of $0;

(B) Sell the unrealized receivable to ABC for $29, recognizing $29 of ordinary income; and

(C) Contribute the $29 to ABC. For the same reasons stated in paragraph (iv) of this example, A recognizes capital gain of $58. To accomplish this, A, immediately before the section 751(b) distribution, is deemed to:

(*1*) Receive a distribution of Real Property with a fair market value of $58 and tax basis of $0;

(*2*) Sell the Real Property to ABC for $58, recognizing $58 of capital gain; and

(*3*) Contribute the $58 to ABC.

(vii) The partnership treats the $58 of gain recognized by A as reducing A's $60 reverse section 704(c) amount in the Real Property. Provided the partnership applies the approach consistently for all section 751(b) distributions, ABC's adopted approach is reasonable. After taking into account the tax consequences of the section 751(b) distribution, ABC's balance sheet is the same as the balance sheet shown in paragraph (iv) of this example. After determining the tax consequences of the section 751(b) distribution, the rules of sections 731 through 736 apply. The tax consequences under the rules of sections 731 through 736 are the same tax consequences described in paragraph (v) of this example.

Example 7. Capital Gain Recognition Elective. (i)(A) Assume the same facts as described in *Example 6* of this paragraph (g),

including that ABC adopts the deemed gain approach described in paragraph (iv), except that ABC does not have a section 754 election in effect. As in *Example 6,* each of A, B, and C has net section 751 unrealized gain of $37 immediately before the distribution. After the distribution (but before taking into account any consequences under this section), ABC's balance sheet would be as follows:

	Tax	Book	Capital	Tax	Book
Unrealized Receivable 2	$0	$30	A	0	10
			B	3	100
Real Property	0	180	C	3	100
Totals	0	210		6	210

(B) If ABC disposed of all of its assets for cash in an amount equal to the fair market value of such property immediately after the distribution, because there is no section 734(b) adjustment allocated to Unrealized Receivable 2, A, B, and C would each be allocated $10 of net income from ABC's section 751 property ($10 each from Unrealized Receivable 2). If, immediately after the distribution, A disposed of Unrealized Receivable 1 for cash in an amount equal to its fair market value, A would recognize $87 of net income from section 751 property. Accordingly, B and C's net section 751 unrealized gain immediately after the distribution is $10 each under paragraph (b)(2)(iii)(A) of this section, and A's is $97 under paragraphs (b)(2)(iii)(A) and (B) of this section.

(ii) Because B and C's net section 751 unrealized gain is greater immediately before the distribution than immediately after the distribution, the distribution is a section 751(b) distribution. Under paragraph (b)(2)(i) of this section B and C each have a section 751(b) amount equal to $27, the amount by which those partners' shares of pre-distribution net section 751 unrealized gain ($37), exceeds their shares of post-distribution net section 751 unrealized gain ($10). Accordingly, paragraph (b)(3)(i) of this section requires each of B and C to recognize $27 of ordinary income using a reasonable approach consistent with the purpose of this section.

(iii) Assume ABC adopts an approach under which, immediately before the section 751(b) distribution, B and C are each deemed to recognize $27 of ordinary income. To reflect B and C's recognition of $27 of ordinary income, B and C increase their bases in their ABC partnership interests by $27, and the partnership increases its basis in Unrealized Receivable 1 by $54 to $63 immediately before the distribution to A. The distribution to A results in an adjustment to the basis of the distributed Unrealized Receivable 1 under section 732(a)(2), reducing the basis of Unrealized Receivable 1 in the hands of A to $3. Because ABC has not elected under section 754 and does not have a substantial basis reduction under section 734(d), this $60 decrease to the basis of Unrealized Receivable 1 will not affect the basis of other assets held by ABC. Thus, the distribution does not alter the amount of net section 751 unrealized gain or loss computed under paragraph (b)(2) of this section. Accordingly, A is not obligated under paragraph (b)(3)(ii)(A) of this section to recognize gain or income upon the distribution of Unrealized Receivable 1. However, A may elect to recognize $60 of capital gain under paragraph (b)(3)(ii)(B) of this section to eliminate the section 732 basis adjustment to the distributed Unrealized Receivable 1 which would otherwise cause A's net section 751 unrealized gain to be greater immediately after the distribution than it was immediately before the distribution. This gain recognition increases A's basis in its ABC partnership interest by $60 immediately before the distribution to A. In addition, the partnership increases its basis in Real Property by $60 pursuant to paragraph (b)(3)(iii) of this section, and treats A's gain recognized as reducing A's $60 reverse section 704(c) amount in the Real Property. A receives the distributed Unrealized Receivable 1 with a basis of $63, so that the distribution does not increase A's net section 751 unrealized gain. After the distribution, ABC's balance sheet is as follows:

	Tax	Book	Capital	Tax	Book
Unrealized Receivable 2	$0	$30	A	0	10
			B	30	100
Real Property	60	180	C	30	100
Totals	60	210		60	210

Example 8. (i) A, B, and C, each domestic corporations, are 1/3 partners in a domestic partnership ABC. ABC purchased 100% of the stock in two foreign corporations, X and Y. X and Y each have one share of stock outstanding. ABC has a basis of $15 in its X share with a fair market value of $150, and a basis of $3 in its Y share with a fair market value of $30. The earnings and profits of X that are attributable to ABC's X stock under section 1248 are $135; the earnings and profits of Y that are attributable to ABC's Y stock are $27. ABC has a section 754 election in effect. Each of A, B, and C has a partnership interest with an adjusted basis of $6 and a fair market value of $60. On January 1, 2013, ABC distributes the Y share to A in a current distribution. To determine if the distribution is a distribution to which section 751(b) applies, ABC must apply the test set forth in paragraph (b)(2) of this section.

(ii)(A) Pursuant to paragraph (b)(2)(iv) of this section, ABC revalues its assets. Its partners' capital accounts are increased under § 1.704–1(b)(2)(iv)(*f*) to reflect each partner's share of the unrealized gain in the partnership's assets. Before the distribution, ABC's balance sheet is as follows (with the shares of X and Y each reflected as having both an unrealized receivable component and a capital gain component):

	Tax	Book	Capital	Tax	Book
X stock (total)	$15	$150	A	$6	$60
Unrealized receivable	0	135	B	6	60
Capital gain asset	15	15	C	6	60
Y stock (total)	3	30		.....	.....
Unrealized receivable	0	27		.....	.....
Capital gain asset	3	3		.....	.....
Totals	18	180		18	180

(B) If ABC disposed of all of its assets for cash in an amount equal to the assets' fair market value immediately before the distribution, A, B, and C would each be allocated $54 of net income from ABC's section 751 property ($45 each from X stock and $9 each from Y stock). Accordingly, A, B, and C's net section 751 unrealized gain immediately before the distribution is $54 each under paragraph (b)(2)(ii) of this section.

(iii)(A) After the distribution (but before taking into account any consequences under this section), ABC's balance sheet is as follows:

	Tax	Book	Capital	Tax	Book
X stock (total)	$15	$150	A	$3	$30
Unrealized receivable	0	135	B	6	60
Capital gain asset	15	15	C	6	60
Totals	15	150		15	150

(B) If ABC disposed of its asset for cash in an amount equal to the fair market value of that asset immediately after the distribution, A, B, and C would each be allocated $45 of net income from ABC's section 751 property pursuant to § 1.704–3(a)(6). A, however, received Y stock, which continues to be section 751 property in A's hands under section 735(a), with a holding period that includes the partnership's holding period under section 735(b). If A disposed of its Y stock for cash in an amount equal to its fair market value, A would recognize $27 of gain under section 751(b) on the Y stock (a foreign corporation described in section 1248) that is included in A's income under section 1248 as a dividend to the extent of the attributable earnings. Accordingly, B and C's net section 751 unrealized gain immediately after the distribution is $45 each under paragraph (b)(2)(iii)(A) of this section, and A's is $72 under paragraphs (b)(2)(iii)(A) and (B) of this section.

(iv) Because B and C's net section 751 unrealized gain is greater immediately before the distribution than immediately after the distribution, the distribution is a section 751(b) distribution. Under paragraph (b)(2)(i) of this section, B and C each have a section 751(b) amount equal to $9, the amount by which those partners shares of pre-distribution net section 751 unrealized gain ($54) exceeds their shares of post-distribution net section 751 unrealized gain ($45). Accordingly, paragraph (b)(3)(i) of this section requires each of B and C to recognize $9 as a dividend under section 1248 using a reasonable approach consistent with the purpose of this section. ABC considers two approaches, the first of which is described in paragraphs (v) and (vi) of this example, and the second of which is described in paragraph (vii) of this example.

(v) Assume ABC adopts an approach under which, immediately before the section 751(b) distribution, B and C are each deemed to recognize $9 of gain includible as a dividend with respect to the distribution of the Y stock, which is treated as a sale or exchange for purposes of section 1248. To reflect B and C's recognition of $9 of dividend income, B and C increase the bases in their ABC partnership interests by $9 each, and the partnership increases its basis in the Y share unrealized receivable component by $18 immediately before the distribution. The portion of the unrealized receivable component of the Y share that is deemed to be sold or exchanged under section 1248 has a new holding period beginning on the day after the section 751(b) distribution (''the new holding period portion''). The earnings and profits of $18 attributable to the new holding period portion of the Y share are 2/3 of the total earnings and profits attributable to the Y share immediately before the distribution (B and C's $18 aggregate gain recognized under section 751(b) divided by $27, the aggregate of all the partners' net section 751 unrealized gain immediately before the distribution). The remaining earnings and profits are allocated to the remainder of the Y share. Provided the partnership applies the approach consistently for all section 751(b) distributions, ABC's adopted approach is reasonable. After taking into account the tax consequences of the deemed gain approach described in this example, ABC's modified balance sheet immediately before the distribution is as follows:

	Tax	Book	Capital	Tax	Book
X stock	$15	$150	A	$6	$60
Unrealized receivable	0	135	B	15	60
Capital gain asset	15	15	C	15	60
Y stock	21	30			
New holding period portion	18	18			
Unrealized receivable	0	9			
Capital gain asset	3	3			
Totals	36	180		36	180

(vi) After determining the tax consequences of the section 751(b) distribution, the rules of sections 731 through 736 apply. Accordingly, the basis of the distributed Y stock in A's hands is limited under section 732(a)(2) to A's $6 basis in its partnership interest. Pursuant to section 732(c)(3)(B), the $15 decrease in basis from $21 to $6 must be allocated to the distributed components of the Y stock in proportion to their respective adjusted bases. A must allocate the $15 decrease in basis in the Y stock between the new holding period portion (which has a basis of $18) and the remainder of the Y share (which has a basis of $3). Accordingly, A receives the new holding period portion of the Y share with an adjusted basis of $5.14 ($6 multiplied by ($18 divided by $21)), and the remainder of the Y share with an adjusted basis of $0.86 ($6 multiplied by ($3 divided by $21)). Because the basis of the distributed Y stock in A's hands was reduced from $21 (the basis of the Y stock in the hands of ABC) to $6 (the basis in A's hands), ABC must increase the basis of its remaining asset under section 734(b)(1)(B) by $15. ABC must allocate the $15 under § 1.755–1(c)(1)(i) to the capital gain portion of the X stock. After the distribution, ABC's balance sheet is as follows:

	Tax	Book	Capital	Tax	Book
X stock	$30	$150	A	$0	$30
Unrealized receivable	0	135	B	15	60
Capital gain asset	30	15	C	15	60

	Tax	Book	Capital	Tax	Book
Totals	30	150		30	150

(vii) Assume alternatively that ABC adopts an approach under which, immediately before the section 751(b) distribution, B and C are each deemed to:

(A) Receive a distribution of the portion of the partnership's Y stock with a fair market value of $9 and a tax basis of $0;

(B) Sell the Y stock back to ABC for $9, recognizing $9 of gain includible as a dividend; and

(C) Contribute the $9 to ABC. ABC will be deemed to have purchased for $18 a portion of the Y stock unrealized receivable component, which will have a new holding period. The deemed sale of Y stock by B and C to ABC will be treated as a sale or exchange for purposes of section 1248. Provided that the partnership applies the approach consistently for all section 751(b) distributions, Partnership ABC's adopted approach is reasonable. After taking into account the tax consequences of the deemed transaction, ABC's balance sheet is the same as the balance sheet shown in paragraph (v) of this example. After taking into account the tax consequences of the section 751(b) distribution, ABC's balance sheet is the same as the balance sheet shown in paragraph (vi) of this example.

(viii) Assume that in a later unrelated transaction, A sells its Y stock at a time when its fair market value, earnings and profits, and adjusted basis have not changed. The sale of Y stock by A is a sale or exchange subject to section 1248. Pursuant to § 1.732–1(c)(2)(v), in determining the dividend portion of its gain on the Y stock under section 1248, A does not take into account the $15 decrease in basis under section 732. Accordingly, upon the sale of the Y stock, A recognizes $9 of gain, the lesser of $9 ($0 gain on the new holding period portion ($18 fair market value minus $18 basis) plus $9 gain on the remainder ($12 fair market value minus $3 basis)) or $9 (earnings and profits attributable to the remainder of the Y share) as dividend income under section 1248. A recognizes $15 of capital gain in addition to the $9 of dividend income ($30 amount realized minus $15 ($6 aggregate basis in Y share plus $9 section 1248 dividend income)).

(ix) Assume that ABC also sells its X stock in a later unrelated transaction at a time when its fair market value has declined to $120 but earnings and profits have remained the same. ABC has not made an election under § 1.755–1(c)(2)(vi). In determining the dividend portion of its gain on the X stock under section 1248, ABC does not take into account the $15 increase in basis under section 734(b). Upon the sale of the stock, ABC recognizes $105, the lesser of $105 ($120–$15) or $135 (earnings and profits attributable to the X stock for the partnership's holding period) as dividend income. In addition to the $105 of gain includible as a dividend, ABC recognizes $15 of capital loss ($120 amount realized minus $135 ($30 aggregate basis in X stock plus $105 section 1248 dividend income)).

Example 9. (i) Assume the same facts as in *Example 8* of this paragraph (g), except assume that Partnership ABC makes an election under § 1.755–1(c)(2)(vi). As in *Example 8,* paragraph (b)(3)(i) of this section requires each of B and C to recognize $9 as a dividend under section 1248 using a reasonable approach consistent with the purpose of this section for the reasons described in paragraphs (ii) through (iv) of *Example 8.* Further assume that ABC adopts the deemed gain approach described in paragraph (v) of *Example 8.* As in *Example 8,* B and C are each deemed to recognize $9 of dividend income with respect to the distribution of the Y stock, which is treated as a sale or exchange for purposes of section 1248. To reflect B and C's recognition of $9 of dividend income, B and C increase the bases in their ABC partnership interests by $9 each. The partnership increases its basis in the Y share unrealized receivable component by $18 immediately before the distribution. The portion of the unrealized receivable component of the Y share that is deemed to be sold or exchanged under section 1248 has a new holding period beginning on the day after the section 751(b) distribution (''the new holding period portion'').

(ii) Because ABC makes an election under § 1.755–1(c)(2)(vi), the distribution of the Y share to A results in a $15 section 734(b) adjustment to the unrealized receivable component of the X share. Because that basis adjustment would have altered the amount of net section 751 unrealized gain or loss computed under paragraph (b)(2) of this section, A must recognize $15 of gain with respect to the X share pursuant to paragraph (b)(3)(ii)(A) of this section. Also pursuant to paragraph (b)(3)(ii)(A) of this section, A's recognition of income with respect to the X stock is a sale or exchange for purposes of section 1248 and begins a new holding period for this portion of ABC's X stock, including for purposes of attributing earnings and profits. This income recognition increases A's basis in its ABC partnership interest by $15 immediately before the distribution to A. In addition, the partnership increases its basis in the X share by $15, immediately before the distribution to A. The partnership treats the $15 of dividend income recognized by A as reducing A's $15 reverse section 704(c) amount in the X stock. Provided the partnership applies the approach consistently for all section 751(b) distributions, ABC's adopted approach is reasonable. After taking into account the tax consequences of the deemed gain approach described above, ABC's balance sheet is as follows:

	Tax	Book	Capital	Tax	Book
X stock	$30	$150	A	$21	$60
Unrealized receivable	0	120	B	15	60
Capital gain asset	30	30	C	15	60
Y stock	21	30		.....	.....
Unrealized receivable	0	9		.....	.....
Capital gain asset	21	21		.....	.....
Totals	51	180		51	180

(iii)(A) After determining the tax consequences of the section 751(b) distribution, the rules of sections 731 through 736 apply. Accordingly, the Y stock would take a $21 basis in A's hands under section 732(a), and no section 734(b) adjustment would be made to the X stock. After the distribution, ABC's balance sheet is as follows:

	Tax	Book	Capital	Tax	Book
X stock	$30	$150	A	$0	$30
Unrealized receivable	0	120	B	15	60
Capital gain asset	30	30	C	15	60
Totals	30	150		30	150

(B) If the partnership sells the X stock, the gain recognized is $120 ($150—$30), all of which is recharacterized as a dividend under section 1248. Because A's recognition of $15 of dividend income reduced A's reverse section 704(c) amount in the X stock, this gain is allocated $45 to B, $45 to C, and $30 to A.

■ **Par. 8.** Section 1.755–1 is amended by:

■ a. Adding paragraphs (c)(2)(iii), (iv), (v), and (vi).

■ b. Revising the paragraph heading and the introductory text of paragraph (c)(6).

■ c. Removing the paragraph heading ''*Example.''* in paragraph (c)(6) and adding ''*Example 1.''* in its place.

■ d. Adding *Examples 2* and *3* to paragraph (c)(6).

■ e. Revising paragraph (e)(2).

The additions and revisions read as follows:

§ 1.755–1 Rules for allocation of basis.

* * * * *

(c) * * *

(2) * * *

(iii) *Coordination with section 1245 and similar provisions.* Any increase in basis allocated to capital gain property pursuant to the second sentence in paragraph (c)(2)(i) of this section is not taken into account in determining the recomputed or adjusted basis in the property for purposes of section 1245(a)(1). Notwithstanding the prior sentence, any depreciation or amortization of the increase in basis that is allowed or allowable is taken into account in computing the property's recomputed basis. In the case of property that is subject to section 617(d)(1), 1250(a)(1), 1252(a)(1), or 1254(a)(1), rules similar to the rule in this paragraph (c)(2)(iii) shall apply.

(iv) *Coordination with section 1231.* Any increase in basis allocated to capital gain property pursuant to the second sentence in paragraph (c)(2)(i) of this section is not taken into account in determining section 1231 gain and loss, as defined in section 1231(a)(3). Any basis adjustment to an asset not taken into account pursuant to this paragraph (c)(2)(iv) shall be treated as gain from the sale or exchange of a capital asset with the same holding period as the underlying asset.

(v) *Coordination with sections 1248 and 995.* Any increase in basis allocated to stock in a foreign corporation pursuant to the second sentence in paragraph (c)(2)(i) of this section, or any decrease in basis allocated to stock in a foreign corporation pursuant to the second sentence in paragraph (c)(2)(ii) of this section, is not taken into account in determining the amount of gain recognized on the sale or exchange of such stock for purposes of section 1248(a). In the case of property that is subject to section 995(c), rules similar to the rule set forth in this paragraph (c)(2)(v) shall apply.

(vi) *Election not to apply the provisions of paragraphs (c)(2)(iii), (iv), and (v).* A partnership may elect not to apply paragraphs (c)(2)(iii), (iv), and (v) of this section, and § 1.732–1(c)(2)(iii), (iv), and (v). An election made under this paragraph (c)(2)(vi) shall apply to all property distributions taking place in the partnership taxable year for which the election is made and in all subsequent partnership taxable years (including after a termination of the partnership under section 708(b)(1)(B)). An election under this paragraph (c)(2)(vi) must be made in a written statement filed with the partnership return for the first taxable year in which any of paragraph (c)(2)(iii), (iv), or (v) of this section, or § 1.732–1(c)(2)(iii), (iv), and (v), would have applied if no election was made. An election under this paragraph (c)(2)(vi) is valid only if the required statement is included with a partnership return that is filed not later than the time prescribed by paragraph (e) of this section or § 1.6031(a)–1 (including extensions thereof) for filing the return for such taxable year. This election is a method of accounting under section 446, and once the election is made, it can be revoked only with the consent of the Commissioner. The revocation of the election, or the making of a late election, under this paragraph (c)(2)(vi) is a change in method of accounting to which the provisions of section 446(e) and the regulations under section 446(e) apply. *See* paragraph (c)(6), *Example 3,* of this section for the treatment of a section 734(b) adjustment if an election under this paragraph (c)(2)(vi) is made, and certain consequences of the election under section 751(b). The statement required by this paragraph (c)(2)(vi) shall—

(A) Set forth the name and address of the partnership making the election;

(B) Be signed by any officer, manager, or member of the partnership who is authorized (under local law or the partnership's organizational documents) to make the election and who represents to having such authorization under penalties of perjury; and

(C) Contain a declaration that the partnership elects not to apply paragraphs (c)(2)(iii), (iv), and (v) of this section and § 1.732–1(c)(2)(iii), (iv), and (v).

* * * * *

(6) *Examples.* The following examples illustrate this paragraph (c):

* * * * *

Example 2. (i) A, B, and C are equal partners in ABC. Each partner has an outside basis in its partnership interest of $20. ABC owns depreciable equipment X with an adjusted basis of $30 and a fair market value of $150 and depreciable equipment Y with an adjusted basis of $30 and a fair market value of $30. ABC has made an election under section 754.

(ii) The depreciable equipment X has $120 of adjustments reflected in its adjusted basis within the meaning of § 1.1245–2(a)(2). Accordingly, the entire $120 of the gain with respect to depreciable equipment X would be treated as gain to which section 1245(a)(1) would apply if the partnership sold the depreciable equipment X for its fair market value. ABC, therefore, has a $120 unrealized receivable within the meaning of § 1.751–1(c)(4)(iii). Assume ABC makes a current distribution of the depreciable equipment Y to A. Because A's basis in his partnership interest is only $20, A's basis in the depreciable equipment Y will be limited to $20 under section 732(a). Under section 734(b), ABC will increase the basis in its capital gain property by $10 and will not adjust the basis of ordinary income property. Assume ABC has not made an election under § 1.755–1(c)(2)(vi).

(iii) *Allocation between classes.* Pursuant to § 1.755–1(a)(1), ABC's $120 unrealized receivable associated with the depreciable equipment X is treated as a separate asset that is ordinary income property. Thus, ABC is treated as having two assets (each actually a component of the single asset, equipment X) after the distribution, one that is capital gain property with a basis of $30 and a fair market value of $30, and one that is ordinary income property with a basis of $0 and a fair market value of $120.

(iv) *Allocation within class.* ABC must allocate the $10 basis increase entirely to the capital gain portion of the depreciable equipment X, as it holds no other capital gain property after it distributes the depreciable equipment Y to A. Therefore, ABC increases the basis of the capital gain property to $40.

(v) *Treatment of section 734(b) adjustment.* Pursuant to paragraph (c)(2)(iii) of this section, if ABC sold its depreciable equipment X for $150 immediately after the distribution to A, ABC would not take into account the $10 section 734(b) adjustment in determining ABC's recomputed or adjusted basis in the depreciable equipment X for purposes of section 1245(a)(1) and, accordingly, would recognize $120 of ordinary income. Also pursuant to paragraph (c)(2)(iv) of this section, the $10 section 734(b) adjustment is not taken into account for purposes of determining section 1231 gain or loss. Thus, pursuant to paragraph (c)(2)(vi) of this section, ABC would recognize a $10 capital loss.

(vi) *Treatment of additional depreciation and appreciation.* (A) Assume, instead, that ABC continues to own the equipment and takes additional depreciation deductions of $16 ($15 with respect to the original remaining $30 basis and $1 with respect to the additional $10 basis resulting from the section 734(b) adjustment). At a time when the equipment has appreciated in value to $170, ABC sells the depreciable equipment X

for $170 in a taxable transaction. In that same taxable year, ABC does not sell any other property used in its trade or business.

(B) Pursuant to section 1245(a)(1), ABC must recognize ordinary income in an amount by which the lesser of the following two amounts exceeds ABC's adjusted basis in the depreciable equipment X—

(*1*) ABC's recomputed basis in the depreciable equipment, or

(*2*) ABC's amount realized;

(C) Pursuant to section 1245(a)(2)(A), ABC's recomputed basis is an amount equal to the sum of—

(*1*) ABC's adjusted basis of the property, plus

(*2*) The amount of adjustments reflected in the adjusted basis on account of deductions allowed or allowable.

(D) Pursuant to (c)(2)(iii) of this section, the $9 remaining section 734(b) adjustments is not taken into account in determining ABC's recomputed or adjusted basis in the property for purposes of section 1245(a)(1). Thus, ABC's adjusted basis in the property is $15 (the remaining original basis). Also pursuant to (c)(2)(iii) of this section, however, any depreciation, or amortization of the section 734(b) adjustment that is allowed or allowable is taken into account in computing the property's recomputed basis. Thus, ABC's amount of adjustments reflected in the adjusted basis is $136 (the original $120 adjustment for depreciation deductions plus the additional $15 adjustment for depreciation deductions plus the additional $1 adjustment for depreciation deductions taken with respect to the section 734(b) adjustment). Accordingly, ABC's recomputed basis is $151 ($15 adjusted basis plus $136 of adjustments), which is lower than ABC's amount realized of $170. ABC, therefore, must recognize ordinary income in an amount by which ABC's recomputed basis of $151 exceeds ABC's adjusted basis in the depreciable equipment X. Pursuant to (c)(2)(iii) of this section, the $9 remaining section 734(b) adjustments is not taken into account in determining the adjusted basis in the property for purposes of section 1245(a)(1). Accordingly, ABC must recognize $136 of ordinary income (the excess of ABC's $151 recomputed basis in the depreciable equipment X over ABC's $15 adjusted basis in the depreciable equipment X).

(E) Pursuant to paragraph (c)(2)(iv) of this section, the section 734(b) adjustment is not taken into account in determining ABC's section 1231 gain or loss. Accordingly, pursuant to section 1231(a)(1), ABC recognizes $19 of capital gain (ABC's $170 amount realized on the disposition of the depreciable equipment X over ABC's adjusted basis of $15 in the depreciable equipment X, reduced by the $136 of ordinary income ABC recognized under section 1245(a)(1)). Pursuant to paragraph (c)(2)(vi) of this section, ABC also recognizes a capital loss equal to the remaining $9 section 734(b) adjustment.

Example 3. (i) Assume the same facts as *Example 2* of this paragraph (c), except ABC has made an election under paragraph (c)(2)(vi) of this section.

(ii) *Treatment of section 734(b) adjustment.* Because ABC has made an election under paragraph (c)(2)(vi) of this section, paragraph (c)(2)(iii) of this section does not apply. Thus, if ABC sold its depreciable equipment X immediately after the distribution to A, ABC would take into account the $10 section 734(b) adjustment in determining ABC's recomputed or adjusted basis in the depreciable equipment X for purposes of section 1245(a)(1) and, accordingly, would recognize $110 of ordinary income (including for purposes of applying section 751).

* * * * *

(e) * * *

(2) *Special rules.* Paragraphs (a) and (b)(3)(iii) of this section apply to transfers of partnership interests and distributions of property from a partnership that occur on or after June 9, 2003, and paragraphs (c)(2)(iii), (iv), (v), (vi), and (c)(6) of this section and *Examples 2* and *3* of paragraph (c) of this section apply to distributions of property from a partnership that occur on or after the date of publication of a Treasury decision adopting these rules as final regulations in the **Federal Register**.

Par. 9. Section 1.995–4 is amended by revising the section heading and adding a new sentence at the end of paragraph (a)(1) to read as follows:

§ 1.995–4 Gain on certain dispositions of stock in a DISC.

(a) * * * (1) * * * *But see* §§ 1.732–1(c)(2)(v) and 1.755–1(c)(2)(v) for rules governing the application of section 995(c) to partnership property in situations in which the basis of the property is increased or decreased under section 732 or 734(b).

* * * * *

Par. 10. Section 1.1231–1 is amended by adding a new sentence after the third sentence in the introductory text of paragraph (d) to read as follows:

§ 1.1231–1 Gains and losses from the sale or exchange of certain property used in the trade or business.

* * * * *

(d) * * * *See also* §§ 1.732–1(c)(2)(iv) and 1.755–1(c)(2)(iv) for rules governing the application of section 1231 to partnership property in situations in which the basis of the property is increased under section 732 or 734(b). * * *

* * * * *

§ 1.1245–2 [Amended]

Par. 11. Section 1.1245–2 is amended by removing paragraph (c)(6)(ii) and redesignating paragraph (c)(6)(iii) as paragraph (c)(6)(ii).

Par. 12. Section 1.1245–4 is amended by revising paragraphs (f)(2)(ii) and (f)(3) and *Example 2* to read as follows:

§ 1.1245–4 Exceptions and limitations.

* * * * *

(f) * * *

(2) * * *

(ii) The portion of such potential section 1245 income which is recognized as ordinary income under paragraphs (b)(3)(i) and (b)(4)(i) of § 1.751–1.

(3) * * *

Example 2. Assume the same facts as in *Example 1* of this paragraph (f) except that the machine had been purchased by the partnership. Assume further that upon the distribution, $4,000 of gain is recognized as ordinary income under section 751(b). Under section 1245(b)(3), gain to be taken into account under section 1245(a)(1) by the partnership is limited to $4,000. Immediately after the distribution, the amount of adjustments reflected in the adjusted basis of the property is $2,000 (that is, potential section 1245 income of the partnership, $6,000, minus gain recognized under section 751(b), $4,000). Thus, if the adjusted basis of the machine in the hands of C were $10,000, the recomputed basis of the machine would be $12,000 ($10,000 plus $2,000).

* * * * *

■ **Par. 13.** Section 1.1248–1 is amended by adding a new sentence at the end of paragraph (a)(1) to read as follows:

§ 1.1248–1 Treatment of gain from certain sales or exchanges of stock in certain foreign corporations.

(a) * * * (1) * * * *See also* §§ 1.732–1(c)(2)(v) and 1.755–1(c)(2)(v) for rules governing the application of section 1248 to partnership property in situations in which the basis of the property is increased or decreased under section 732 or 734(b).

* * * * *

■ **Par. 14.** Section 1.1250–1 is amended by revising the section heading and adding a new sentence at the end of paragraph (f) to read as follows:

§ 1.1250–1 Gain from disposition of certain depreciable property.

(f) * * * *See also* §§ 1.732–1(c)(2)(iii) and 1.755–1(c)(2)(iii) for rules governing the application of section 1250 to partnership property in situations in which the basis of the property is increased under section 732 or 734(b).

* * * * *

■ **Par. 15.** Section 1.1252–2 is amended by adding a new sentence at the end of paragraph (c)(2)(vii) to read as follows:

§ 1.1252–2 Special rules.

* * * * *

(c) * * *

(2) * * *

(vii) * * * *See also* §§ 1.732–1(c)(2)(iii) and 1.755–1(c)(2)(iii) for rules governing the application of section 1252 to partnership property in situations in which the basis of the

property is increased under section 732 or 734(b).

* * * * *

■ **Par. 16.** Section 1.1254–5 is amended by revising the introductory text of paragraph (b)(1) to read as follows:

§ 1.1254–5 Special rules for partnerships and their partners.

* * * * *

(b) *Determination of gain treated as ordinary income under section 1254 upon the disposition of natural resource recapture property by a partnership*—(*1*) *General rule.* Upon a disposition of natural resource recapture property by a partnership, the amount treated as ordinary income under section 1254 is determined at the partner level. *See also* §§ 1.732–1(c)(2)(iii) and 1.755–1(c)(2)(iii) for rules governing the application of section 1254 to partnership property in certain situations. Each partner must recognize as ordinary income under section 1254 the lesser of—

* * * * *

■ **Par. 17.** Section 1.6050K–1 is amended by revising paragraph (a)(4)(ii) and adding a new sentence after the third sentence of paragraph (c) introductory text to read as follows:

§ 1.6050K–1 Returns relating to sales or exchanges of certain partnership interests.

(a) * * *

(4) * * *

(ii) *Section 751 property.* For purposes of this section, the term ''section 751 property'' means unrealized receivables, as defined in section 751(c) and the regulations, and inventory items, as defined in section 751(d) and the regulations.

* * * * *

(c) * * * With respect to any statement required to be furnished to a transferor, the statement shall, in addition to the other information required, include the amount of any gain or loss attributable to section 751 property that is required to be recognized pursuant to paragraph (a)(2) of § 1.751–1. * * *

* * * * *

■ **Par. 18.** For each section listed in the table, remove the language in the ''Remove'' column and add in its place the language in the ''Add'' column as set forth below:

Section	Remove	Add
§ 1.704–3, paragraph (a)(6)(ii)	§ 1.743–1(b) or 1.751–1(a)(2)	§ 1.743–1(b), 1.751–1(a)(2), or 1.751–1(b).
§ 1.751–1, paragraph (c)(4)(i) first and last sentences.	sections 731, 736, 741, and 751	sections 731, 732, and 741 (but not for purposes of section 736).
§ 1.751–1, paragraph (c)(4)(ii), first and last sentences.	sections 731, 736, 741, and 751	sections 731, 732, and 741 (but not for purposes of section 736).
§ 1.751–1, paragraph (c)(4)(iii) first and last sentences.	sections 731, 736, 741, and 751	sections 731, 732, and 741 (but not for purposes of section 736).
§ 1.751–1, paragraph (c)(4)(iv) first and last sentences.	sections 731, 736, 741, and 751	sections 731, 732, and 741 (but not for purposes of section 736).
§ 1.751–1, paragraph (c)(4)(v) first and last sentences.	sections 731, 736, 741, and 751	sections 731, 732, and 741 (but not for purposes of section 736).
§ 1.751–1, paragraph (c)(4)(vii) first and last sentences.	sections 731, 736, 741, and 751	sections 731, 732, and 741 (but not for purposes of section 736).
§ 1.751–1, paragraph (c)(4)(viii) first and last sentences.	sections 731, 736, 741, and 751	sections 731, 732, and 741 (but not for purposes of section 736).
§ 1.751–1, paragraph (c)(4)(ix) first and last sentences.	sections 731, 736, 741, and 751	sections 731, 732, and 741 (but not for purposes of section 736).
§ 1.751–1, paragraph (d)(2)(i) last sentence	section 1221(1)	section 1221(a)(1).
§ 1.751–1, paragraph (d)(2)(ii) second sentence	section 1221(4)	section 1221(a)(4).
§ 1.1245–1, paragraph (a) last sentence	see section 1245(b) and § 1.1245–4	*see* section 1245(b), and §§ 1.732–1(c)(2)(iii), 1.755–1(c)(2)(iii), and 1.1245–4.
§ 1.1245–2, paragraph (c)(6)(i)	1245(b)(6)(B)	1245(b)(5)(B).

John Dalrymple,

Deputy Commissioner for Services and Enforcement.

[FR Doc. 2014–25487 Filed 10–31–14; 8:45 am]

BILLING CODE 4830–01–P

Notices

Federal Register
Vol. 79, No. 212
Monday, November 3, 2014

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

DEPARTMENT OF AGRICULTURE

Rural Utilities Service

Information Collection Activity; Comment Request

AGENCY: Rural Utilities Service (RUS), USDA.

ACTION: Notice and request for comments.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. chapter 35, as amended), the Rural Utilities Service (RUS) invites comments on this information collection for which RUS intends to request approval from the Office of Management and Budget (OMB).

DATES: Comments on this notice must be received by January 2, 2015.

FOR FURTHER INFORMATION CONTACT: Michele L. Brooks, Director, Program Development and Regulatory Analysis, Rural Utilities Service, 1400 Independence Ave. SW., STOP 1522, Room 5168 South Building, Washington, DC 20250–1522. Telephone: (202) 690–1078. Fax: (202) 720–4120, Email: *Michele.Brooks@wdc.usda.gov*.

SUPPLEMENTARY INFORMATION: The Office of Management and Budget's (OMB) regulation (5 CFR part 1320) implementing provisions of the Paperwork Reduction Act of 1995 (Pub. L. 104–13) requires that interested members of the public and affected agencies have an opportunity to comment on information collection and recordkeeping activities (see 5 CFR 1320.8(d)). This notice identifies an information collection that RUS is submitting to OMB as a revision to an existing collection. 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: Michele L. Brooks, Director, Program Development and Regulatory Analysis, Rural Utilities Service, U.S. Department of Agriculture, STOP 1522, Room 5168, 1400 Independence Ave. SW., Washington, DC 20250–1522. Fax: (202) 690–1078. Email: *Michele.Brooks@wdc.usda.gov*.

Title: Accounting Requirements for Electric and Telecommunications Borrowers.

OMB Control Number: 0572–0003.

Type of Request: Revision of a currently approved collection.

Abstract: This collection is primarily a recordkeeping requirement, although, the Agency is requiring borrowers to establish an index of records. The hours of burden to maintain this index are directly related to those portions of the accounting system that are unique to the Agency.

Specifically, 7 CFR Parts 1767 and 1770 establish basic accounting requirements for the recording of financial information that must be available to the management, investors, and lenders of any business enterprise. There are many important financial considerations for the retention and preservation of accounting records. One of the most important considerations to RUS is that documentation be available so that the borrower's records may be audited for proper disbursements of funds. 7 CFR Parts 1767 and 1770 prescribe accounting requirements that are unique to RUS borrowers.

Estimate of Burden: Public reporting burden for this collection of information is estimated to average 2 hours per response.

Respondents: Business or other for-profit, Not-for-profit institutions.

Estimated Number of Respondents and Recordkeepers: 650.

Estimated Number of Responses per Respondent: 1.

Estimated Number of Hours per Recordkeeper: 24 hours.

Estimated Total Annual Burden on Respondents: 2100 hours.

Estimated Total Annual Burden on Recordkeepers: 26,250 hours.

Copies of this information collection can be obtained from MaryPat Daskal, Program Development and Regulatory Analysis, at (202) 720–7853, Fax: (202) 720–4120, Email: *MaryPat.Daskal@wdc.usga.gov*.

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.

Dated: October 28, 2014.

Jasper Schneider,

Acting Administrator, Rural Utilities Service.

[FR Doc. 2014–26045 Filed 10–31–14; 8:45 am]

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DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[B–48–2014]

Foreign-Trade Zone 277—Western Maricopa County, Arizona; Authorization of Production Activity; Maxwell Technologies, Inc. (Electrode and Capacitor Manufacturing); Peoria, Arizona

On June 27, 2014, Greater Maricopa Foreign-Trade Zone, Inc., grantee of FTZ 277, submitted a notification of proposed production activity to the Foreign-Trade Zones (FTZ) Board on behalf of Maxwell Technologies, Inc., within Site 10, in Peoria, Arizona.

The notification was processed in accordance with the regulations of the FTZ Board (15 CFR part 400), including notice in the **Federal Register** inviting public comment (79 FR 38488, 07/08/2014). The FTZ Board has determined that no further review of the activity is warranted at this time. The production activity described in the notification is authorized, subject to the FTZ Act and the Board's regulations, including Section 400.14.

Dated: October 28, 2014.

Andrew McGilvray,

Executive Secretary.

[FR Doc. 2014–26092 Filed 10–31–14; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity To Request Administrative Review

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

FOR FURTHER INFORMATION CONTACT: Brenda E. Waters, Office of AD/CVD Operations, Customs Liaison Unit, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230, telephone: (202) 482–4735.

Background

Each year during the anniversary month of the publication of an antidumping or countervailing duty order, finding, or suspended investigation, an interested party, as defined in section 771(9) of the Tariff Act of 1930, as amended (''the Act''), may request, in accordance with 19 CFR 351.213, that the Department of Commerce (''the Department'') conduct an administrative review of that antidumping or countervailing duty order, finding, or suspended investigation.

All deadlines for the submission of comments or actions by the Department discussed below refer to the number of calendar days from the applicable starting date.

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 release the CBP data under Administrative Protective Order (''APO'') to all parties having an APO within five days of publication of the initiation notice and to make our decision regarding respondent selection within 21 days of publication of the initiation **Federal Register** notice. Therefore, we encourage all parties interested in commenting on respondent selection to submit their APO applications on the date of publication of the initiation notice, or as soon thereafter as possible. The Department invites comments regarding the CBP data and respondent selection within five days of placement of the CBP data on the record of the review.

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 finds 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 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 quantity and value 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 requests 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, with regard to reviews requested on the basis of anniversary months on or after November 2014, the Department does not intend to extend the 90-day deadline unless the requestor demonstrates that an extraordinary circumstance 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.

The Department is providing this notice on its Web site, as well as in its ''Opportunity to Request Administrative Review'' notices, so that interested parties will be aware of the manner in which the Department intends to exercise its discretion in the future.

Opportunity To Request a Review: Not later than the last day of November 2014,[1] interested parties may request administrative review of the following orders, findings, or suspended investigations, with anniversary dates in November for the following periods:

	Period of review
Antidumping Duty Proceedings	
BRAZIL:	
Circular Welded Non-Alloy Steel Pipe, A–351–809	11/1/13–10/31/14
Polyethylene Terephthalate Film, Sheet and Strip, A–351–841	11/1/13–10/31/14
GERMANY: Lightweight Thermal Paper, A–428–840	11/1/13–10/31/14
INDONESIA: Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses, A–560–823	11/1/13–10/31/14
MEXICO:	

[1] Or the next business day, if the deadline falls on a weekend, federal holiday or any other day when the Department is closed.

	Period of review
Certain Circular Welded Non-Alloy Steel Pipe, A–201–805	11/1/13–10/31/14
Seamless Refined Copper Pipe and Tube, A–201–838	11/1/13–10/31/14
REPUBLIC OF KOREA: Certain Circular Welded Non-Alloy Steel Pipe, A–580–809	11/1/13–10/31/14
TAIWAN:	
Certain Hot-Rolled Carbon Steel Flat Products, A–583–835	11/1/13–10/31/14
Certain Circular Welded Non-Alloy Steel Pipe, A–583–814	11/1/13–10/31/14
THAILAND: Certain Hot-Rolled Carbon Steel Flat Products, A–549–817	11/1/13–10/31/14
THE PEOPLE'S REPUBLIC OF CHINA:	
Certain Cut-to-Length Carbon Steel Plate, A–570–849	11/1/13–10/31/14
Certain Hot-Rolled Carbon Steel Flat Products, A–570–865	11/1/13–10/31/14
Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses, A–570–958	11/1/13–10/31/14
Diamond Sawblades and Parts Thereof, A–570–900	11/1/13–10/31/14
Fresh Garlic, A–570–831	11/1/13–10/31/14
Lightweight Thermal Paper, A–570–920	11/1/13–10/31/14
Paper Clips, A–570–826	11/1/13–10/31/14
Polyethylene Terephthalate Film, Sheet and Strip, A–570–924	11/1/13–10/31/14
Pure Magnesium in Granular Form, A–570–864	11/1/13–10/31/14
Refined Brown Aluminum Oxide, A–570–882	11/1/13–10/31/14
Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe, A–570–956	11/1/13–10/31/14
Seamless Refined Copper Pipe and Tube, A–570–964	11/1/13–10/31/14
UKRAINE: Certain Hot-Rolled Carbon Steel Flat Products, A–823–811	11/1/13–10/31/14
UNITED ARAB EMIRATES: Polyethylene Terephthalate Film, Sheet and Strip, A–520–803	11/1/13–10/31/14
Countervailing Duty Proceedings	
INDONESIA: Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses, C–560–824	1/1/13–12/31/13
THE PEOPLE'S REPUBLIC OF CHINA:	
Certain Coated Paper Suitable for High-Quality Print Graphics Using Sheet-Fed Presses, C–570–959	1/1/13–12/31/13
Lightweight Thermal Paper, C–570–921	1/1/13–12/31/13
Seamless Carbon and Alloy Steel Standard, Line, and Pressure Pipe, C–570–957	1/1/13–12/31/13
Suspension Agreements	
UKRAINE: Certain Cut-to-Length Carbon Steel Plate, A–823–808	11/1/13–10/31/14

In accordance with 19 CFR 351.213(b), an interested party as defined by section 771(9) of the Act may request in writing that the Secretary conduct an administrative review. For both antidumping and countervailing duty reviews, the interested party must specify the individual producers or exporters covered by an antidumping finding or an antidumping or countervailing duty order or suspension agreement for which it is requesting a review. In addition, a domestic interested party or an interested party described in section 771(9)(B) of the Act must state why it desires the Secretary to review those particular producers or exporters. If the interested party intends for the Secretary to review sales of merchandise by an exporter (or a producer if that producer also exports merchandise from other suppliers) which was produced in more than one country of origin and each country of origin is subject to a separate order, then the interested party must state specifically, on an order-by-order basis, which exporter(s) the request is intended to cover.

Note that, for any party the Department was unable to locate in prior segments, the Department will not accept a request for an administrative review of that party absent new information as to the party's location. Moreover, if the interested party who files a request for review is unable to locate the producer or exporter for which it requested the review, the interested party must provide an explanation of the attempts it made to locate the producer or exporter at the same time it files its request for review, in order for the Secretary to determine if the interested party's attempts were reasonable, pursuant to 19 CFR 351.303(f)(3)(ii).

As explained in *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties,* 68 FR 23954 (May 6, 2003), and *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties,* 76 FR 65694 (October 24, 2011) the Department clarified its practice with respect to the collection of final antidumping duties on imports of merchandise where intermediate firms are involved. The public should be aware of this clarification in determining whether to request an administrative review of merchandise subject to antidumping findings and orders.[2]

Further, as explained in *Antidumping Proceedings: Announcement of Change in Department Practice for Respondent Selection in Antidumping Duty Proceedings and Conditional Review of the Nonmarket Economy Entity in NME Antidumping Duty Proceedings,* 78 FR 65963 (November 4, 2013), the Department clarified its practice with regard to the conditional review of the non-market economy (NME) entity in administrative reviews of antidumping duty orders. The Department will no longer consider the NME entity as an exporter conditionally subject to administrative reviews. Accordingly, the NME entity will not be under review unless the Department specifically receives a request for, or self-initiates, a review of the NME entity.[3] In administrative reviews of antidumping duty orders on merchandise from NME countries where a review of the NME entity has not been initiated, but where an individual exporter for which a review was initiated does not qualify for a separate rate, the Department will issue a final decision indicating that the company in question is part of the NME entity. However, in that situation, because no review of the NME entity was conducted, the NME entity's entries were not subject to the review and the rate for the NME entity is not subject to change as a result of that review

[2] *See also* the Enforcement and Compliance Web site at *http://trade.gov/enforcement/.*

[3] In accordance with 19 CFR 351.213(b)(1), parties should specify that they are requesting a review of entries from exporters comprising the entity, and to the extent possible, include the names of such exporters in their request.

(although the rate for the individual exporter may change as a function of the finding that the exporter is part of the NME entity).

Following initiation of an antidumping administrative review when there is no review requested of the NME entity, the Department will instruct CBP to liquidate entries for all exporters not named in the initiation notice, including those that were suspended at the NME entity rate.

All requests must be filed electronically in Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (''IA ACCESS'') on the IA ACCESS Web site at *http://iaaccess.trade.gov.*[4] Further, in accordance with 19 CFR 351.303(f)(l)(i), a copy of each request must be served on the petitioner and each exporter or producer specified in the request.

The Department will publish in the **Federal Register** a notice of ''Initiation of Administrative Review of Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation'' for requests received by the last day of November 2014. If the Department does not receive, by the last day of November 2014, a request for review of entries covered by an order, finding, or suspended investigation listed in this notice and for the period identified above, the Department will instruct CBP to assess antidumping or countervailing duties on those entries at a rate equal to the cash deposit of (or bond for) estimated antidumping or countervailing duties required on those entries at the time of entry, or withdrawal from warehouse, for consumption and to continue to collect the cash deposit previously ordered.

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 period of review.

This notice is not required by statute but is published as a service to the international trading community.

Dated: October 14, 2014.

Christian Marsh,

Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations.

[FR Doc. 2014–26089 Filed 10–31–14; 8:45 am]

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[4] *See Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures,* 76 FR 39263 (July 6, 2011).

DEPARTMENT OF COMMERCE

International Trade Administration

[C–523–809]

Certain Steel Nails From the Sultanate of Oman: Preliminary Negative Countervailing Duty Determination and Alignment of Final Countervailing Duty Determination With Final Antidumping Duty Determination

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

SUMMARY: The Department of Commerce (the Department) preliminarily determines that *de minimis* countervailable subsidies are being provided to producers/exporters of certain steel nails (nails) from the Sultanate of Oman (Oman). The period of investigation is January 1, 2013, through December 31, 2013. Interested parties are invited to comment on this preliminary determination.

DATES: *Effective Date:* November 3, 2014.

FOR FURTHER INFORMATION CONTACT: Dana Mermelstein or Trisha Tran, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482–1391 and (202) 482–4852, respectively.

SUPPLEMENTARY INFORMATION: On June 25, 2014, the Department initiated this countervailing duty (CVD) investigation.[1] On the same day, the Department also initiated an antidumping duty (AD) investigation of nails from Oman.[2] On August 7, in response to a request from the Petitioner, Mid-Continent Steel & Wire, Inc., the Department postponed the preliminary determinations in the CVD investigations.

Alignment of Final Countervailing Duty (CVD) Determination With Final Antidumping Duty (AD) Determination

In accordance with section 705(a)(1) of the Tariff Act of 1930, as amended (the Act) and 19 CFR 351.210(b)(4), and based on Petitioner's request, we are aligning the final CVD determination in this investigation with the final determination in the companion AD investigation of nails from Oman. Consequently, the final CVD determination will be issued on the same date as the final AD determination, which is currently scheduled to be issued no later than March 2, 2015, unless postponed.

Scope of the Investigation

The products covered by this investigation are certain steel nails. For a complete description of the scope of the investigation, *see* Appendix 1 to this notice.

Methodology

The Department is conducting this CVD investigation in accordance with section 701 of the Act. For a full description of the methodology underlying our preliminary conclusions, *see* the Preliminary Decision Memorandum.[3] The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). IA ACCESS is available to registered users at *http://iaaccess.trade.gov,* and is available to all parties in the Central Records Unit, Room 7046 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on the Internet at *http://enforcement.trade.gov/frn/index.html.* The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

In accordance with section 703(d)(1)(A)(i) of the Act, we calculated a CVD rate for Oman Fasteners LLC, the only individually investigated producer/exporter of the subject merchandise.

Preliminary Determination

We preliminarily determine the countervailable subsidy rates to be:

Company	Subsidy rate
Oman Fasteners LLC	0.25 percent (*de minimis*).[4]

[1] *See Certain Steel Nails From India, the Republic of Korea, Malaysia, the Sultanate of Oman, Taiwan, the Republic of Turkey, and the Socialist Republic of Vietnam,* 79 FR 36014 (June 25, 2014).

[2] *See Certain Steel Nails From the Republic of Korea, Malaysia, the Sultanate of Oman, Taiwan, and the Socialist Republic of Vietnam: Initiation of Antidumping Duty Investigations,* 79 FR 36019 (June 25, 2014).

[3] *See* Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance regarding ''Decision Memorandum for the Preliminary Determination in the Countervailing Duty Investigation of Certain Steel Nails from Oman,'' dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum). For a list of topics discussed in the Preliminary Decision Memorandum, *see* Appendix 2 to this notice.

Consistent with section 703(d) of the Act, the Department has not calculated an all-others rate because it has not reached an affirmative preliminarily determination. Because the estimated subsidy rate for the examined company is *de minimis,* we will not direct U.S. Customs and Border Protection to suspend liquidation of entries of subject merchandise from Oman.

Disclosure and Public Comment

The Department intends to disclose to interested parties the calculations performed in connection with this preliminary determination within five days of its public announcement.[5] Interested parties may submit case and rebuttal briefs,[6] and request a hearing.[7] For a schedule of the deadlines for filing case briefs, rebuttal briefs, and hearing requests, *see* the Preliminary Decision Memorandum.

This determination is issued and published pursuant to sections 703(f) and 777(i) of the Act.

Dated: October 27, 2014.

Paul Piquado,

Assistant Secretary for Enforcement and Compliance.

Appendix 1

Scope of the Investigation

The merchandise covered by this investigation is certain steel nails having a nominal shaft length not exceeding 12 inches.[8] Certain steel nails include, but are not limited to, nails made from round wire and nails that are cut from flat-rolled steel. Certain steel nails may be of one piece construction or constructed of two or more pieces. Certain steel nails may be produced from any type of steel, and may have any type of surface finish, head type, shank, point type and shaft diameter. Finishes include, but are not limited to, coating in vinyl, zinc (galvanized, including but not limited to electroplating or hot dipping one or more times), phosphate, cement, and paint. Certain steel nails may have one or more surface finishes. Head styles include, but are not limited to, flat, projection, cupped, oval, brad, headless, double, countersunk, and sinker. Shank styles include, but are not limited to, smooth, barbed, screw threaded, ring shank and fluted. Screw-threaded nails subject to this proceeding are driven using direct force and not by turning the nail using a tool that engages with the head. Point styles include, but are not limited to, diamond, needle, chisel and blunt or no point. Certain steel nails may be sold in bulk, or they may be collated in any manner using any material. If packaged in combination with one or more non-subject articles, certain steel nails remain subject merchandise if the total number of nails of all types, in aggregate regardless of size, is equal to or greater than 25.

Excluded from the scope of this investigation are certain steel nails packaged in combination with one or more non-subject articles, if the total number of nails of all types, in aggregate regardless of size, is less than 25.

Also excluded from the scope of this investigation are steel nails that meet the specifications of Type I, Style 20 nails as identified in Tables 29 through 33 of ASTM Standard F1667 (2013 revision).

Also excluded from the scope of this investigation are nails suitable for use in powder-actuated hand tools, whether or not threaded, which are currently classified under Harmonized Tariff Schedule of the United States (''HTSUS'') subheadings 7317.00.20.00 and 7317.00.30.00.

Also excluded from the scope of this investigation are nails having a case hardness greater than or equal to 50 on the Rockwell Hardness C scale (''HRC''), a carbon content greater than or equal to 0.5 percent, a round head, a secondary reduced-diameter raised head section, a centered shank, and a smooth symmetrical point, suitable for use in gas-actuated hand tools.

Also excluded from the scope of this investigation are corrugated nails. A corrugated nail is made up of a small strip of corrugated steel with sharp points on one side.

Also excluded from the scope of this investigation are thumb tacks, which are currently classified under HTSUS 7317.00.10.00.

Certain steel nails subject to this investigation are currently classified under HTSUS subheadings 7317.00.55.02, 7317.00.55.03, 7317.00.55.05, 7317.00.55.07, 7317.00.55.08, 7317.00.55.11, 7317.00.55.18, 7317.00.55.19, 7317.00.55.20, 7317.00.55.30, 7317.00.55.40, 7317.00.55.50, 7317.00.55.60, 7317.00.55.70, 7317.00.55.80, 7317.00.55.90, 7317.00.65.30, 7317.00.65.60 and 7317.00.75.00. Certain steel nails subject to this investigation also may be classified under HTSUS subheading 8206.00.00.00.

While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.

Appendix 2

List of Topics Discussed in the Preliminary Decision Memorandum

I. Summary
II. Background
III. Alignment
IV. Scope Comments
V. Scope of the Investigation
VI. Injury Test
VII. Subsidies Valuation
VIII. Analysis of Programs
IX. Calculation of the All Others Rate
X. United States International Trade Commission (ITC) Notification
XI. Disclosure and Public Comment
XII. Verification
XIII. Recommendation

[FR Doc. 2014–26071 Filed 10–31–14; 8:45 am]

BILLING CODE 3510–DS–P

[4] In accordance with 703(b)(4) of the Act, we are disregarding *de minimis* subsidies for the purposes of this preliminary determination.

[5] *See* 19 CFR 351.224(b).

[6] *See* 19 CFR 351.309(c) and (d).

[7] *See* 19 CFR 351.510.

[8] The shaft length of certain steel nails with flat heads or parallel shoulders under the head shall be measured from under the head or shoulder to the tip of the point. The shaft length of all other certain steel nails shall be measured overall.

DEPARTMENT OF COMMERCE

International Trade Administration

[C–557–817]

Certain Steel Nails From Malaysia: Preliminary Negative Countervailing Duty Determination and Alignment of Final Countervailing Duty Determination With Final Antidumping Duty Determination

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

SUMMARY: The Department of Commerce (the Department) preliminarily determines that *de minimis* countervailable subsidies are being provided to producers and exporters of certain steel nails (nails) from Malaysia. The period of investigation is January 1, 2013, through December 31, 2013. Interested parties are invited to comment on this preliminary determination.

DATES: *Effective Date:* November 3, 2014.

FOR FURTHER INFORMATION CONTACT: Yasmin Nair and Ilissa Shefferman, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482–3813 and (202) 482–4684, respectively.

SUPPLEMENTARY INFORMATION: On June 25, 2014, the Department initiated this countervailing duty (CVD) investigation.[1] On the same day, the Department also initiated an antidumping duty (AD) investigation of nails from Malaysia.[2] On August 7, in response to a request from the Petitioner, Mid-Continent Steel & Wire, Inc., the Department postponed the preliminary determinations in the CVD investigations.

[1] *See Certain Steel Nails From India, the Republic of Korea, Malaysia, the Sultanate of Oman, Taiwan, the Republic of Turkey, and the Socialist Republic of Vietnam,* 79 FR 36014 (June 25, 2014).

[2] *See Certain Steel Nails From the Republic of Korea, Malaysia, the Sultanate of Oman, Taiwan, and the Socialist Republic of Vietnam: Initiation of Antidumping Duty Investigations,* 79 FR 36019 (June 25, 2014).

Alignment of Final Countervailing Duty Determination With Final Antidumping Duty Determination

In accordance with section 705(a)(1) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.210(b)(4), and based on Petitioner's request, we are aligning the final CVD determination in this investigation with the final determination in the companion AD investigation of nails from Malaysia. Consequently, the final CVD determination will be issued on the same date as the final AD determination, which is currently scheduled to be issued no later than March 2, 2015, unless postponed.

Scope of the Investigation

The products covered by this investigation are certain steel nails. For a complete description of the scope of the investigation, *see* Appendix 1 to this notice.

Methodology

The Department is conducting this CVD investigation in accordance with section 701 of the Act. For a full description of the methodology underlying our preliminary conclusions, *see* the Preliminary Decision Memorandum.[3] The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). IA ACCESS is available to registered users at *http://iaaccess.trade.gov,* and is available to all parties in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on the Internet at *http://enforcement.trade.gov/frn/index.html.* The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

Preliminary Determination

We preliminarily determine the countervailable subsidy rates to be:

Company	Subsidy rate
Inmax Sdn. Bhd. and Inmax Industries Sdn. Bhd.	0.01 percent (*de minimis*).[4]
Region International Co., Ltd. and Region System Sdn. Bhd.	0.02 percent (*de minimis*).[5]

Consistent with section 703(d) of the Act, the Department has not calculated an all-others rate because it has not reached an affirmative preliminarily determination. Because the estimated subsidy rates for the examined companies are *de minimis,* we will not direct U.S. Customs and Border Protection to suspend liquidation of entries of subject merchandise from Malaysia.

Disclosure and Public Comment

The Department intends to disclose to interested parties the calculations performed in connection with this preliminary determination within five days of its public announcement.[6] Interested parties may submit case and rebuttal briefs,[7] and request a hearing.[8] For a schedule of the deadlines for filing case briefs, rebuttal briefs, and hearing requests, *see* the Preliminary Decision Memorandum.

This determination is issued and published pursuant to sections 703(f) and 777(i) of the Act.

Dated: October 27, 2014.

Paul Piquado,

Assistant Secretary for Enforcement and Compliance.

Appendix 1

Scope of the Investigation

The merchandise covered by this investigation is certain steel nails having a nominal shaft length not exceeding 12 inches.[9] Certain steel nails include, but are not limited to, nails made from round wire and nails that are cut from flat-rolled steel. Certain steel nails may be of one piece construction or constructed of two or more pieces. Certain steel nails may be produced from any type of steel, and may have any type of surface finish, head type, shank, point type and shaft diameter. Finishes include, but are not limited to, coating in vinyl, zinc (galvanized, including but not limited to electroplating or hot dipping one or more times), phosphate, cement, and paint. Certain steel nails may have one or more surface finishes. Head styles include, but are not limited to, flat, projection, cupped, oval, brad, headless, double, countersunk, and sinker. Shank styles include, but are not limited to, smooth, barbed, screw threaded, ring shank and fluted. Screw-threaded nails subject to this proceeding are driven using direct force and not by turning the nail using a tool that engages with the head. Point styles include, but are not limited to, diamond, needle, chisel and blunt or no point. Certain steel nails may be sold in bulk, or they may be collated in any manner using any material. If packaged in combination with one or more non-subject articles, certain steel nails remain subject merchandise if the total number of nails of all types, in aggregate regardless of size, is equal to or greater than 25.

Excluded from the scope of this investigation are certain steel nails packaged in combination with one or more non-subject articles, if the total number of nails of all types, in aggregate regardless of size, is less than 25.

Also excluded from the scope of this investigation are steel nails that meet the specifications of Type I, Style 20 nails as identified in Tables 29 through 33 of ASTM Standard F1667 (2013 revision).

Also excluded from the scope of this investigation are nails suitable for use in powder-actuated hand tools, whether or not threaded, which are currently classified under Harmonized Tariff Schedule of the United States (''HTSUS'') subheadings 7317.00.20.00 and 7317.00.30.00.

Also excluded from the scope of this investigation are nails having a case hardness greater than or equal to 50 on the Rockwell Hardness C scale (''HRC''), a carbon content greater than or equal to 0.5 percent, a round head, a secondary reduced-diameter raised head section, a centered shank, and a smooth symmetrical point, suitable for use in gas-actuated hand tools.

Also excluded from the scope of this investigation are corrugated nails. A corrugated nail is made up of a small strip of corrugated steel with sharp points on one side.

Also excluded from the scope of this investigation are thumb tacks, which are currently classified under HTSUS 7317.00.10.00.

Certain steel nails subject to this investigation are currently classified under HTSUS subheadings 7317.00.55.02, 7317.00.55.03, 7317.00.55.05, 7317.00.55.07, 7317.00.55.08, 7317.00.55.11, 7317.00.55.18, 7317.00.55.19, 7317.00.55.20, 7317.00.55.30, 7317.00.55.40, 7317.00.55.50, 7317.00.55.60, 7317.00.55.70, 7317.00.55.80, 7317.00.55.90, 7317.00.65.30, 7317.00.65.60 and 7317.00.75.00. Certain steel nails subject to this investigation also may be classified under HTSUS subheading 8206.00.00.00.

While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.

[3] *See* Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance regarding ''Decision Memorandum for the Preliminary Determination in the Countervailing Duty Investigation of Certain Steel Nails from Malaysia,'' dated concurrently with this notice (Preliminary Decision Memorandum). For a list of topics discussed in the Preliminary Decision Memorandum, *see* Appendix 2 to this notice.

[4] In accordance with 703(b)(4) of the Act, we are disregarding *de minimis* subsidies for the purposes of this preliminary determination.

[5] *Id.*

[6] *See* 19 CFR 351.224(b).

[7] *See* 19 CFR 351.309(c) and (d).

[8] *See* 19 CFR 351.510.

[9] The shaft length of certain steel nails with flat heads or parallel shoulders under the head shall be measured from under the head or shoulder to the tip of the point. The shaft length of all other certain steel nails shall be measured overall.

Appendix 2

List of Topics Discussed in the Preliminary Decision Memorandum

1. Summary
2. Background
3. Alignment
4. Scope Comments
5. Scope of the Investigation
6. Respondent Selection
7. Injury Test
8. Subsidies Valuation
9. Analysis of Programs
10. Calculation of the All Others Rate
11. ITC Notification
12. Disclosure and Public Comment
13. Verification
14. Conclusion

[FR Doc. 2014–26073 Filed 10–31–14; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[C–583–855]

Certain Steel Nails From Taiwan: Preliminary Negative Countervailing Duty Determination and Alignment of Final Countervailing Duty Determination With Final Antidumping Duty Determination

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

SUMMARY: The Department of Commerce (the Department) preliminarily determines that *de minimis* countervailable subsidies are being provided to producers and exporters of certain steel nails (nails) from Taiwan. The period of investigation is January 1, 2013, through December 31, 2013. Interested parties are invited to comment on this preliminary determination.

DATES: *Effective Date:* November 3, 2014.

FOR FURTHER INFORMATION CONTACT: Joshua Morris or Austin Redington, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482–1779 and (202) 482–1664, respectively.

SUPPLEMENTARY INFORMATION: On June 25, 2014, we initiated this countervailing duty (CVD) investigation.[1] On the same day, we also initiated an antidumping (AD) investigation of nails from Taiwan.[2] On August 7, 2014, in response to a request from the Petitioner, Mid Continent Steel & Wire, Inc., we postponed the preliminary determinations in the CVD investigations.

Alignment of Final Countervailing Duty Determination With Final Antidumping Duty Determination

On October 21, 2014, consistent with section 705(a)(1) of the Tariff Act of 1930, as amended (the Act), alignment of the final determination in this CVD investigation with the final determination in the AD investigation of nails from Taiwan was requested by Petitioner. Therefore, in accordance with section 705(a)(1) of the Act and 19 CFR 351.210(b)(4), we are aligning the final CVD determination with the final AD determination. Consequently, we intend to issue the final CVD determination on the same date as the final AD determination, which is currently scheduled to be issued no later than March 2, 2015, unless postponed.

Scope of the Investigation

The products covered by this investigation are nails. For a complete description of the scope of the investigation, *see* Appendix 1 to this notice.

Methodology

We are conducting this CVD investigation in accordance with section 701 of the Act. For a full description of the methodology underlying our preliminary conclusions, *see* the Preliminary Decision Memorandum.[3] The Preliminary Decision Memorandum is a public document and is on file electronically *via* Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). IA ACCESS is available to registered users at *http://iaaccess.trade.gov,* and is available to all parties in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on the Internet at *http://enforcement.trade.gov/frn/index.html.* The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

We calculated a CVD rate for each individually investigated producer/exporter of the subject merchandise. Consistent with section 703(b)(4)(A) of the Act, we have disregarded *de minimis* rates and preliminarily determine that no countervailable subsides are being provided to the production or exportation of the subject merchandise in Taiwan. Consistent with section 703(d) of the Act, we have not calculated an all-others rate because we have not reached an affirmative preliminarily determination.

Preliminary Determination and Suspension of Liquidation

We preliminarily determine the countervailable subsidy rates to be:

Company	Subsidy rate
PT Enterprise, Inc.	0.03 percent (*de minimis*).
Quick Advance, Inc.	Zero.

Because we preliminarily determine that the CVD rates in this investigation are zero or *de minimis,* we will not direct U.S. Customs and Border Protection to suspend liquidation of entries of subject merchandise.

Disclosure and Public Comment

We intend to disclose to interested parties the calculations performed in connection with this preliminary determination within five days of public announcement of the preliminary determination.[4] Interested parties may submit case and rebuttal briefs,[5] and request a hearing.[6] For a schedule of the deadlines for filing case briefs, rebuttal briefs, and hearing requests, *see* the Preliminary Decision Memorandum.

This determination is issued and published pursuant to sections 703(f) and 777(i) of the Act.

Dated: October 27, 2014.

Paul Piquado,

Assistant Secretary for Enforcement and Compliance.

Appendix 1

Scope of the Investigation

The merchandise covered by this investigation is certain steel nails having a nominal shaft length not exceeding 12

[1] *See Certain Steel Nails From India, the Republic of Korea, Malaysia, the Sultanate of Oman, Taiwan, the Republic of Turkey, and the Socialist Republic of Vietnam,* 79 FR 36014 (June 25, 2014).

[2] *See Certain Steel Nails From India, the Republic of Korea, Malaysia, the Sultanate of Oman, Taiwan, the Republic of Turkey, and the Socialist Republic of Vietnam: Initiation of Less-Than-Fair-Value Investigations,* 79 FR 36019 (June 25, 2014).

[3] *See* Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations to Paul Piquado, Assistant Secretary for Enforcement and Compliance, ''Decision Memorandum for the Preliminary Determination in the Countervailing Duty Investigation of Certain Steel Nails from Taiwan'' dated concurrently with this notice (Preliminary Decision Memorandum).

[4] *See* 19 CFR 351.224(b).

[5] *See* 19 CFR 351.309(c) and (d).

[6] *See* 19 CFR 351.510.

inches.[7] Certain steel nails include, but are not limited to, nails made from round wire and nails that are cut from flat-rolled steel. Certain steel nails may be of one piece construction or constructed of two or more pieces. Certain steel nails may be produced from any type of steel, and may have any type of surface finish, head type, shank, point type and shaft diameter. Finishes include, but are not limited to, coating in vinyl, zinc (galvanized, including but not limited to electroplating or hot dipping one or more times), phosphate, cement, and paint. Certain steel nails may have one or more surface finishes. Head styles include, but are not limited to, flat, projection, cupped, oval, brad, headless, double, countersunk, and sinker. Shank styles include, but are not limited to, smooth, barbed, screw threaded, ring shank and fluted. Screw-threaded nails subject to this proceeding are driven using direct force and not by turning the nail using a tool that engages with the head. Point styles include, but are not limited to, diamond, needle, chisel and blunt or no point. Certain steel nails may be sold in bulk, or they may be collated in any manner using any material. If packaged in combination with one or more non-subject articles, certain steel nails remain subject merchandise if the total number of nails of all types, in aggregate regardless of size, is equal to or greater than 25.

Excluded from the scope of this investigation are certain steel nails packaged in combination with one or more non-subject articles, if the total number of nails of all types, in aggregate regardless of size, is less than 25.

Also excluded from the scope of this investigation are steel nails that meet the specifications of Type I, Style 20 nails as identified in Tables 29 through 33 of ASTM Standard F1667 (2013 revision).

Also excluded from the scope of this investigation are nails suitable for use in powder-actuated hand tools, whether or not threaded, which are currently classified under Harmonized Tariff Schedule of the United States subheadings 7317.00.20.00 and 7317.00.30.00.

Also excluded from the scope of this investigation are nails having a case hardness greater than or equal to 50 on the Rockwell Hardness C scale (HRC), a carbon content greater than or equal to 0.5 percent, a round head, a secondary reduced-diameter raised head section, a centered shank, and a smooth symmetrical point, suitable for use in gas-actuated hand tools.

Also excluded from the scope of this investigation are corrugated nails. A corrugated nail is made up of a small strip of corrugated steel with sharp points on one side.

Also excluded from the scope of this investigation are thumb tacks, which are currently classified under HTSUS 7317.00.10.00.

Certain steel nails subject to this investigation are currently classified under HTSUS subheadings 7317.00.55.02, 7317.00.55.03, 7317.00.55.05, 7317.00.55.07, 7317.00.55.08, 7317.00.55.11, 7317.00.55.18, 7317.00.55.19, 7317.00.55.20, 7317.00.55.30, 7317.00.55.40, 7317.00.55.50, 7317.00.55.60, 7317.00.55.70, 7317.00.55.80, 7317.00.55.90, 7317.00.65.30, 7317.00.65.60 and 7317.00.75.00. Certain steel nails subject to this investigation also may be classified under HTSUS subheading 8206.00.00.00.

While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.

[7] The shaft length of certain steel nails with flat heads or parallel shoulders under the head shall be measured from under the head or shoulder to the tip of the point. The shaft length of all other certain steel nails shall be measured overall.

Appendix 2

List of Topics Discussed in the Preliminary Decision Memorandum

I. Summary
II. Background
III. Alignment of Final Countervailing Duty Determination with Final Antidumping Duty Determination
IV. Scope Comments
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[FR Doc. 2014–26072 Filed 10–31–14; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[A–570–937]

Citric Acid and Certain Citrate Salts From the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2012–2013

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

SUMMARY: On April 28, 2014, the Department of Commerce (''the Department'') published its *Preliminary Results* of the 2012–2013 administrative review of the antidumping duty order on citric acid and certain citrate salts from the People's Republic of China (PRC).[1] The period of review (''POR'') for the administrative review is May 1, 2012, through April 30, 2013. This POR covers two producers/exporters of subject merchandise: (1) Yixing-Union Biochemical Co., Ltd. (''Yixing''); and (2) Laiwu Taihe Biochemistry Co., Ltd. (''Taihe''). We invited interested parties to comment on our *Preliminary Results.* Based on our analysis of the comments received, we made certain changes to our margin calculations for Taihe. The final dumping margins for this review are listed in the ''Final Results'' section below.

DATES: *Effective Date:* November 3, 2014.

FOR FURTHER INFORMATION CONTACT: Krisha Hill or Maisha Cryor, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482–4037 or (202) 482–5831, respectively.

Background

On April 28, 2014, the Department published its *Preliminary Results.* On May 28, 2014, Petitioners requested a hearing.[2] Additionally, on May 28, 2014, Yixing requested an opportunity to participate should a hearing be requested by Petitioners.[3] Based on these hearing requests, on September 3, 2014, the Department held a closed hearing limited to issues raised in case briefs and rebuttal briefs. We received case briefs from Yixing, Taihe, and, Archer Daniels Midland Company, Cargill, Incorporated, and Tate & Lyle Ingredients Americas, Inc. (collectively, ''Petitioners'') on June 4, 2014.[4] Additionally, on June 12, 2014, we received rebuttal case briefs from Yixing, Taihe, and Petitioners.[5] Taihe resubmitted its rebuttal case brief after redacting certain untimely arguments on June 21, 2014.[6]

[1] *See Citric Acid and Certain Citrate Salts From the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review; 2012–2013,* 79 FR 23322 (April 28, 2014) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum.

[2] *See* Letter from Petitioners to the Department regarding, ''Citric Acid and Citrate Salts From the People's Republic of China: Petitioners' Hearing Request and Request for a Closed Session,'' dated May 28, 2014.

[3] *See* Letter from Yixing to the Department regarding, ''Hearing Request of Yixing-Union Biochemical Co., Ltd.: Citric Acid and Certain Citrate Salts From the People's Republic of China,'' dated May 28, 2014.

[4] *See* Letter from Yixing to the Department regarding, ''Citric Acid and Certain Citrate Salts From the People's Republic of China (A–570–937)-Case Brief of Yixing-Union Biochemical Co., Ltd.,'' dated June 4, 2014; *see also* Letter from Taihe to the Department regarding, ''Citric Acid and Citrate Salts From the People's Republic of China: Case Brief,'' dated June 4, 2014; *see also* Letter from Petitioners to the Department regarding, ''Citric Acid and Certain Citrate Salts From The People's Republic Of China/Petitioners' Case Brief,'' dated June 4, 2014.

[5] *See* Letter from Yixing to the Department regarding, ''Citric Acid and Certain Citrate Salts From the People's Republic of China (A–570–937)-Rebuttal Brief of Yixing-Union Biochemical Co., Ltd.,'' dated June 12, 2014; *see also* Letter from Petitioners to the Department regarding, ''Citric Acid and Certain Citrate Salts From The People's Republic Of China/Petitioners' Rebuttal Brief,'' dated June 12, 2014.

[6] *See* Letter from Taihe to the Department regarding, ''Citric Acid and Citrate Salts From the

Scope of the Order

The products covered by the order include the hydrous and anhydrous forms of citric acid, the dihydrate and anhydrous forms of sodium citrate, otherwise known as citric acid sodium salt, and the monohydrate and monopotassium forms of potassium citrate.[7] Sodium citrate also includes both trisodium citrate and monosodium citrate, which are also known as citric acid trisodium salt and citric acid monosodium salt, respectively. Citric acid and sodium citrate are classifiable under 2918.14.0000 and 2918.15.1000 of the Harmonized Tariff Schedule of the United States (''HTSUS''), respectively. Potassium citrate and crude calcium citrate are classifiable under 2918.15.5000 and 3824.90.9290 of the HTSUS, respectively. Blends that include citric acid, sodium citrate, and potassium citrate are classifiable under 3824.90.9290 of the HTSUS. Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise is dispositive.[8]

Analysis of Comments Received

All issues raised in the case and rebuttal briefs filed by parties in this review are addressed in the Issues and Decision Memorandum, which is hereby adopted by this notice. A list of the issues that parties raised and to which we responded in the Issues and Decision Memorandum follows as an appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). IA ACCESS is available to registered users at *http://iaaccess.trade.gov* and in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the Internet at *http://enforcement.trade.gov/frn/.* The paper copy and electronic version of the Issues and Decision Memorandum are identical in content.

Changes Since the Preliminary Results

Based on a review of the record and comments received from interested parties regarding our *Preliminary Results,* we revised the margin calculation for Taihe.[9] We made the following changes to the margin calculation for Taihe.

- We changed the surrogate value used to value Taihe's paperboard packing material.
- We recalculated Taihe's by-product offset for corn feed based on corn consumption.

Final Results

We determine that the following weighted-average dumping margins exist for the POR:

Exporter	Weighted-average dumping margin (percentage)
Yixing-Union Biochemical Co., Ltd	6.80
Laiwu Taihe Biochemistry Co., Ltd	3.08

Assessment Rates

The Department will determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries covered by this review. The Department intends to issue assessment instructions to CBP 15 days after the publication date of these final results of this review. In accordance with 19 CFR 351.212(b)(1), we are calculating importer- (or customer-) specific assessment rates for the merchandise subject to this review. For any individually examined respondent whose weighted-average dumping margin is above *de minimis* (*i.e.,* 0.50 percent), the Department will calculate importer- (or customer)-specific assessment rates for merchandise subject to this review. Where appropriate, we calculated an *ad valorem* rate for each importer (or customer) by dividing the total dumping margins for reviewed sales to that party by the total entered values associated with those transactions. For duty-assessment rates calculated on this basis, we will direct CBP to assess the resulting *ad valorem* rate against the entered customs values for the subject merchandise. Where appropriate, we calculated a per-unit rate for each importer (or customer) by dividing the total dumping margins for reviewed sales to that party by the total sales quantity associated with those transactions. For duty-assessment rates calculated on this basis, we will direct CBP to assess the resulting per-unit rate against the entered quantity of the subject merchandise.[10] We will instruct CBP to assess antidumping duties on all appropriate entries covered by this review when the importer-specific assessment rate is above *de minimis.* Where either the respondent's weighted-average dumping margin is zero or *de minimis,* or an importer-specific assessment rate is zero or *de minimis,* we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

The Department announced a refinement to its assessment practice in non-market economy (''NME'') cases.[11] Pursuant to this refinement in practice, for entries that were not reported in the U.S. sales databases submitted by companies individually examined during this review, the Department will instruct CBP to liquidate such entries at the NME-wide rate (*i.e.,* 156.87 percent).[12] For a full discussion of this practice, *see Assessment in NME Antidumping Proceedings.*

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for shipments of the subject merchandise from the PRC entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Tariff Act of 1930, as amended (the Act): (1) For the exporters listed above, the cash deposit rate will be the rate listed for each exporter in the table in the ''Final Results'' section of this notice; (2) for previously investigated or reviewed PRC and non-

People's Republic of China: Rebuttal Brief,'' dated July 21, 2014.

[7] *See* ''Issues and Decision Memorandum for the Final Results of the 2012–2013 Antidumping Duty Administrative Review: Citric Acid and Certain Citrate Salts From the People's Republic of China'' from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance, issued concurrently with this notice (''Issues and Decision Memorandum''), for a complete description of the Scope of the Order.

[8] *See Citric Acid and Certain Citrate Salts From Canada and the People's Republic of China: Antidumping Duty Orders,* 74 FR 25703 (May 29, 2009).

[9] *See* Memorandum to the File regarding, ''Fourth Administrative Review of the Antidumping Duty Order on Citric Acid and Certain Citrate Salts From the People's Republic of China: Analysis of the Final Results Margin Calculation for Laiwu Taihe Biochemistry Co., Ltd.,'' dated October 27, 2014; *see also* Memorandum to the File regarding, ''Final Results of the Fourth Administrative Review of Citric Acid and Certain Citrate Salts From the People's Republic of China: Surrogate Value Memorandum,'' dated October 27, 2014.

[10] *See Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification,* 77 FR 8101, 8103 (February 14, 2012).

[11] *See Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties,* 76 FR 65694 (October 24, 2011) (''*Assessment in NME Antidumping Proceedings*'').

[12] *See Citric Acid and Certain Citrate Salts From the People's Republic of China; Final Results of Antidumping Duty Administrative Review; 2011–2012,* 79 FR 101 (January 2, 2014).

PRC exporters that received a separate rate in a prior segment of this proceeding, the cash deposit rate will continue to be the existing exporter-specific rate; (3) for all PRC exporters of subject merchandise that have not been found to be entitled a separate rate, the cash deposit rate will be the rate of the PRC-wide entity established in the final determination of the less than fair value investigation (*i.e.,* 156.87 percent); and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporter that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Disclosure

We intend to disclose the calculations performed regarding these final results within five days of the date of publication of this notice in this proceeding in accordance with 19 CFR 351.224(b).

Notification to Importers Regarding the Reimbursement of Duties

This notice also serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this POR. Failure to comply with this requirement could result in the Department's presumption that reimbursement of antidumping duties has occurred and that subsequent assessment of doubled antidumping duties.

Administrative Protective Order ("APO")

This notice also serves as a reminder to parties subject to APO of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305, which continues to govern business proprietary information in this segment of the proceeding. 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 which is subject to sanction.

We are issuing and publishing this administrative review and notice in accordance with sections 751(a)(1) and 777(i) of the Act.

Dated: October 27, 2014.

Paul Piquado,

Assistant Secretary for Enforcement and Compliance.

Appendix—Issues and Decision Memorandum

Summary
Background
Scope of the Order
Discussion of the Issues
Issues
- Comment 1: Differential Pricing
- Comment 1.A: Consideration of an Alternative Comparison Method in an Administrative Review
- Comment 1.B: Withdrawal of the Regulatory Provisions Governing Targeted Dumping in Less-Than-Fair-Value Investigations
- Comment 1.C: Denial of Offsets for Non-Dumped Sales When Using the Alternative Average-to-Transaction Comparison Methodology
- Comment 1.D: Differential Pricing Analysis: Taihe
- Comment 1.E: Differential Pricing Analysis: Yixing
- Comment 2: Surrogate Value for Packing Material
- Comment 3: Surrogate Value for International Freight
- Comment 4: Surrogate Value for Brokerage and Handling
- Comment 5: Whether the Department Should Deny the Corn Feed By-Product Offset Claimed by Taihe
- Comment 6: Whether the Department Should Apply Adverse Facts Available to Yixing
- Comment 7: Whether to Grant Yixing a By-Product Offset Recommendation

[FR Doc. 2014–26074 Filed 10–31–14; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[C–552–819]

Certain Steel Nails From the Socialist Republic of Vietnam: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Countervailing Duty Determination With Final Antidumping Duty Determination

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

SUMMARY: The Department of Commerce (the Department) preliminarily determines that countervailable subsidies are being provided to producers and exporters of certain steel nails (nails) from the Socialist Republic of Vietnam (Vietnam). The period of investigation is January 1, 2013, through December 31, 2013. Interested parties are invited to comment on this preliminary determination.

DATES: *Effective Date:* November 3, 2014.

FOR FURTHER INFORMATION CONTACT: Sergio Balbontin or Thomas Schauer, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482–6478 and (202) 482–0410, respectively.

SUPPLEMENTARY INFORMATION: On June 25, 2014, the Department initiated this countervailing duty (CVD) investigation.[1] On the same day, the Department also initiated an antidumping duty (AD) investigation of nails from Vietnam.[2] On August 7, in response to a request from the Petitioner, Mid Continent Steel & Wire, Inc., the Department postponed the preliminary determinations in the CVD investigations.

Alignment of Final Countervailing Duty Determination With Final Antidumping Duty Determination

In accordance with section 705(a)(1) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.210(b)(4), and based on Petitioner's request, we are aligning the final CVD determination in this investigation with the final determination in the companion AD investigation of nails from Vietnam. Consequently, the final CVD determination will be issued on the same date as the final AD determination, which is currently scheduled to be issued no later than March 2, 2015, unless postponed.

Scope of the Investigation

The products covered by this investigation are certain steel nails. For a complete description of the scope of the investigation, *see* Appendix 1 to this notice.

Methodology

The Department is conducting this CVD investigation in accordance with section 701 of the Act. For a full description of the methodology underlying our preliminary conclusions, *see* the Preliminary Decision Memorandum.[3] The Preliminary

[1] *See Certain Steel Nails From India, the Republic of Korea, Malaysia, the Sultanate of Oman, Taiwan, the Republic of Turkey, and the Socialist Republic of Vietnam,* 79 FR 36014 (June 25, 2014).

[2] *See Certain Steel Nails From India, the Republic of Korea, Malaysia, the Sultanate of Oman, Taiwan, the Republic of Turkey, and the Socialist Republic of Vietnam: Initiation of Less-Than-Fair-Value Investigations,* 79 FR 36019 (June 25, 2014).

[3] *See* Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado,

Decision Memorandum is a public document and is on file electronically *via* Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). IA ACCESS is available to registered users at *http://iaaccess.trade.gov,* and is available to all parties in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on the Internet at *http://enforcement.trade.gov/frn/index.html.* The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

In accordance with section 703(d)(1)(A)(i) of the Act, we calculated a CVD rate for each individually investigated producer/exporter of the subject merchandise.

Preliminary Determination and Suspension of Liquidation

We preliminarily determine the countervailable subsidy rates to be:

Company	Subsidy rate
Region Industries Co., Ltd	8.35 percent.
United Nail Products Co., Ltd.	0.17 percent (*de minimis*).
All Others	8.35 percent.

In accordance with sections 703(d)(1)(B) and (2) of the Act, we are directing U.S. Customs and Border Protection to suspend liquidation of all entries of nails from Vietnam that are entered, or withdrawn from warehouse, for consumption on or after the date of the publication of this notice in the **Federal Register**, and to require a cash deposit for such entries of merchandise in the amounts indicated above. For United Nail Products Co., Ltd., we are not ordering suspension of liquidation or the collection the cash deposits, because its countervailing duty rate is *de minimis.*

In accordance with sections 703(d) and 705(c)(5)(A) of the Act, for companies not investigated, we apply an ''all-others'' rate, which is normally calculated by weighting the subsidy rates of the individual companies selected as respondents by those companies' exports of the subject merchandise to the United States. The ''all-others'' rate does not include zero and *de minimis* rates or any rates based solely on the facts available. In this investigation, because we have only one rate that we can use to calculate the ''all-others'' rate (*i.e.,* the rate for Region Industries Co., Ltd.), we have assigned that rate to ''all-others.''

Disclosure and Public Comment

The Department intends to disclose to interested parties the calculations performed in connection with this preliminary determination within five days of its public announcement.[4] Interested parties may submit case and rebuttal briefs,[5] and request a hearing.[6] For a schedule of the deadlines for filing case briefs, rebuttal briefs, and hearing requests, *see* the Preliminary Decision Memorandum.

This determination is issued and published pursuant to sections 703(f) and 777(i) of the Act.

Dated: October 27, 2014.

Paul Piquado,

Assistant Secretary for Enforcement and Compliance.

Appendix 1

Scope of the Investigation

The merchandise covered by this investigation is certain steel nails having a nominal shaft length not exceeding 12 inches.[7] Certain steel nails include, but are not limited to, nails made from round wire and nails that are cut from flat-rolled steel. Certain steel nails may be of one piece construction or constructed of two or more pieces. Certain steel nails may be produced from any type of steel, and may have any type of surface finish, head type, shank, point type and shaft diameter. Finishes include, but are not limited to, coating in vinyl, zinc (galvanized, including but not limited to electroplating or hot dipping one or more times), phosphate, cement, and paint. Certain steel nails may have one or more surface finishes. Head styles include, but are not limited to, flat, projection, cupped, oval, brad, headless, double, countersunk, and sinker. Shank styles include, but are not limited to, smooth, barbed, screw threaded, ring shank and fluted. Screw-threaded nails subject to this proceeding are driven using direct force and not by turning the nail using a tool that engages with the head. Point styles include, but are not limited to, diamond, needle, chisel and blunt or no point. Certain steel nails may be sold in bulk, or they may be collated in any manner using any material. If packaged in combination with one or more non-subject articles, certain steel nails remain subject merchandise if the total number of nails of all types, in aggregate regardless of size, is equal to or greater than 25.

Excluded from the scope of this investigation are certain steel nails packaged in combination with one or more non-subject articles, if the total number of nails of all types, in aggregate regardless of size, is less than 25.

Also excluded from the scope of this investigation are steel nails that meet the specifications of Type I, Style 20 nails as identified in Tables 29 through 33 of ASTM Standard F1667 (2013 revision).

Also excluded from the scope of this investigation are nails suitable for use in powder-actuated hand tools, whether or not threaded, which are currently classified under Harmonized Tariff Schedule of the United States (HTSUS) subheadings 7317.00.20.00 and 7317.00.30.00.

Also excluded from the scope of this investigation are nails having a case hardness greater than or equal to 50 on the Rockwell Hardness C scale (HRC), a carbon content greater than or equal to 0.5 percent, a round head, a secondary reduced-diameter raised head section, a centered shank, and a smooth symmetrical point, suitable for use in gas-actuated hand tools.

Also excluded from the scope of this investigation are corrugated nails. A corrugated nail is made up of a small strip of corrugated steel with sharp points on one side.

Also excluded from the scope of this investigation are thumb tacks, which are currently classified under HTSUS 7317.00.10.00.

Certain steel nails subject to this investigation are currently classified under HTSUS subheadings 7317.00.55.02, 7317.00.55.03, 7317.00.55.05, 7317.00.55.07, 7317.00.55.08, 7317.00.55.11, 7317.00.55.18, 7317.00.55.19, 7317.00.55.20, 7317.00.55.30, 7317.00.55.40, 7317.00.55.50, 7317.00.55.60, 7317.00.55.70, 7317.00.55.80, 7317.00.55.90, 7317.00.65.30, 7317.00.65.60 and 7317.00.75.00. Certain steel nails subject to this investigation also may be classified under HTSUS subheading 8206.00.00.00.

While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of this investigation is dispositive.

Appendix 2

List of Topics Discussed in the Preliminary Decision Memorandum

I. Summary
II. Background
III. Alignment of Final Countervailing Duty Determination With Final Antidumping Duty Determination
IV. Scope Comments
V. Scope of the Investigation
VI. Injury Test
VII. Application of Countervailing Duty Law to Imports From Vietnam
VIII. Subsidies Valuation
IX. Analysis of Programs
X. United States International Trade Commission (ITC) Notification
XI. Disclosure and Public Comment
XII. Verification

Assistant Secretary for Enforcement and Compliance, regarding ''Decision Memorandum for the Preliminary Determination in the Countervailing Duty Investigation of Certain Steel Nails from the Socialist Republic of Vietnam,'' dated concurrently with this notice (Preliminary Decision Memorandum).

[4] *See* 19 CFR 351.224(b).

[5] *See* 19 CFR 351.309(c) and (d).

[6] *See* 19 CFR 351.510.

[7] The shaft length of certain steel nails with flat heads or parallel shoulders under the head shall be measured from under the head or shoulder to the tip of the point. The shaft length of all other certain steel nails shall be measured overall.

XIII. Conclusion

[FR Doc. 2014–26076 Filed 10–31–14; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

Initiation of Five-Year (''Sunset'') Review

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

SUMMARY: In accordance with section 751(c) of the Tariff Act of 1930, as amended (''the Act''), the Department of Commerce (''the Department'') is automatically initiating the five-year review (''Sunset Review'') of the antidumping and countervailing duty (''AD/CVD'') orders listed below. The International Trade Commission (''the Commission'') is publishing concurrently with this notice its notice of *Institution of Five-Year Review* which covers the same orders.

DATES: *Effective Date:* (November 1, 2014).

FOR FURTHER INFORMATION CONTACT: The Department official identified in the *Initiation of Review* section below at AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230. For information from the Commission contact Mary Messer, Office of Investigations, U.S. International Trade Commission at (202) 205–3193.

SUPPLEMENTARY INFORMATION:

Background

The Department's procedures for the conduct of Sunset Reviews are set forth in its *Procedures for Conducting Five-Year (''Sunset'') Reviews of Antidumping and Countervailing Duty Orders,* 63 FR 13516 (March 20, 1998) and 70 FR 62061 (October 28, 2005). Guidance on methodological or analytical issues relevant to the Department's conduct of Sunset Reviews is set forth in *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Duty Proceedings; Final Modification,* 77 FR 8101 (February 14, 2012).

Initiation of Review

In accordance with 19 CFR 351.218(c), we are initiating Sunset Reviews of the following antidumping and countervailing duty orders:

DOC case No.	ITC case No.	Country	Product	Department contact
A–351–837	731–TA–1024	Brazil	Prestressed Concrete Steel Wire Strand (2nd Review).	David Goldberger (202) 482–4136.
A–570–900	731–TA–1092	PRC [1] [2]	Diamond Sawblades and Parts Thereof (1st Review).	David Goldberger (202) 482–4136.
A–570–887	731–TA–1046	PRC	Tetrahydrofurfuryl Alcohol (2nd Review) ..	David Goldberger (202) 482–4136.
A–533–848	731–TA–1155	India	Commodity Matchbooks (1st Review)	David Goldberger (202) 482–4136.
C–533–849	701–TA–459	India	Commodity Matchbooks (1st Review)	Jacqueline Arrowsmith (202) 482–5255.
A–533–828	731–TA–1025	India	Prestressed Concrete Steel Wire Strand (2nd Review).	David Goldberger (202) 482–4136.
C–533–829	701–TA–432	India	Prestressed Concrete Steel Wire Strand (2nd Review).	David Goldberger (202) 482–4136.
A–588–068	AA1921–188	Japan	Prestressed Concrete Steel Wire Strand (4th Review).	David Goldberger (202) 482–4136.
A–201–831	731–TA–1027	Mexico	Prestressed Concrete Steel Wire Strand (2nd Review).	David Goldberger (202) 482–4136.
A–580–852	731–TA–1026	Republic of Korea	Prestressed Concrete Steel Wire Strand (2nd Review).	David Goldberger (202) 482–4136.
A–549–820	731–TA–1028	Thailand	Prestressed Concrete Steel Wire Strand (2nd Review).	David Goldberger (202) 482–4136.

[1] Pursuant to court order in *Diamond Sawblades Manufacturers Coalition v. United States,* 2014 Ct. Intl. Trade LEXIS 112 (Ct. Int'l Trade Sep. 23, 2014), we are initiating the sunset review for diamond sawblades and parts thereof from the People's Republic of China (PRC) effective November 4, 2014.

[2] For *Diamond Sawblades and Parts Thereof From the People's Republic of China: Notice of Court Decision Not in Harmony With Final Results of Sunset Review, Notice of Rescission of Sunset Review, and Advance Notification of New Sunset Review,* 79 FR 63080 (October 22, 2014), the case number is A–570–900. We inadvertently omitted the case number in this notice.

Filing Information

As a courtesy, we are making information related to sunset proceedings, including copies of the pertinent statute and Department's regulations, the Department's schedule for Sunset Reviews, a listing of past revocations and continuations, and current service lists, available to the public on the Department's Web site at the following address: ''*http://enforcement.trade.gov/sunset/.*'' All submissions in these Sunset Reviews must be filed in accordance with the Department's regulations regarding format, translation, and service of documents. These rules, including electronic filing requirements via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (''IA ACCESS''), can be found at 19 CFR 351.303.[3]

Revised Factual Information Requirements

This notice serves as a reminder that any party submitting factual information in an AD/CVD proceeding must certify to the accuracy and completeness of that information.[4] Parties are hereby reminded that revised certification requirements are in effect for company/government officials as well as their representatives in all AD/CVD investigations or proceedings initiated on or after August 16, 2013.[5] The formats for the revised certifications are provided at the end of the *Final Rule.* The Department intends to reject factual submissions if the submitting party does

[3] *See also Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures,* 76 FR 39263 (July 6, 2011).

[4] *See* section 782(b) of the Act.

[5] *See Certification of Factual Information To Import Administration During Antidumping and Countervailing Duty Proceedings,* 78 FR 42678 (July 17, 2013) (''*Final Rule*'') (amending 19 CFR 351.303(g)).

not comply with the revised certification requirements.

On April 10, 2013, the Department published *Definition of Factual Information and Time Limits for Submission of Factual Information: Final Rule,* 78 FR 21246 (April 10, 2013), which modified two regulations related to antidumping and countervailing duty proceedings: The definition of factual information (19 CFR 351.102(b)(21), and the time limits for the submission of factual information (19 CFR 351.301). The final rule identifies 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). The final rule requires 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 final rule also modified 19 CFR 351.301 so that, rather than providing general time limits, there are specific time limits based on the type of factual information being submitted. These modifications are effective for all segments initiated on or after May 10, 2013. Review the final rule, available at *http://enforcement.trade.gov/frn/2013/1304frn/2013-08227.txt,* prior to submitting factual information in this segment. To the extent that other regulations govern the submission of factual information in a segment (such as 19 CFR 351.218), these time limits will continue to be applied.

Revised Extension of Time Limits Regulation

On September 20, 2013, the Department modified its regulation at 19 CFR 351.302(c) concerning the extension of time limits for submissions in antidumping and countervailing duty proceedings: *Extension of Time Limits,* 78 FR 57790 (September 20, 2013). The modification clarifies that parties may request an extension of time limits before a time limit established under part 351 of the Department's regulations expires, or as otherwise specified by the Secretary. 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. 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. 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.

Letters of Appearance and Administrative Protective Orders

Pursuant to 19 CFR 351.103(d), the Department will maintain and make available a public service list for these proceedings. Parties wishing to participate in any of these five-year reviews must file letters of appearance as discussed at 19 CFR 351.103(d)). To facilitate the timely preparation of the public service list, it is requested that those seeking recognition as interested parties to a proceeding submit an entry of appearance within 10 days of the publication of the Notice of Initiation.

Because deadlines in Sunset Reviews can be very short, we urge interested parties who want access to proprietary information under administrative protective order (''APO'') to file an APO application immediately following publication in the **Federal Register** of this notice of initiation. The Department's regulations on submission of proprietary information and eligibility to receive access to business proprietary information under APO can be found at 19 CFR 351.304–306.

Information Required From Interested Parties

Domestic interested parties, as defined in section 771(9)(C), (D), (E), (F), and (G) of the Act and 19 CFR 351.102(b), wishing to participate in a Sunset Review must respond not later than 15 days after the date of publication in the **Federal Register** of this notice of initiation by filing a notice of intent to participate. The required contents of the notice of intent to participate are set forth at 19 CFR 351.218(d)(1)(ii). In accordance with the Department's regulations, if we do not receive a notice of intent to participate from at least one domestic interested party by the 15-day deadline, the Department will automatically revoke the order without further review.[6]

If we receive an order-specific notice of intent to participate from a domestic interested party, the Department's regulations provide that *all parties* wishing to participate in a Sunset Review must file complete substantive responses not later than 30 days after the date of publication in the **Federal Register** of this notice of initiation. The required contents of a substantive response, on an order-specific basis, are set forth at 19 CFR 351.218(d)(3). Note that certain information requirements differ for respondent and domestic parties. Also, note that the Department's information requirements are distinct from the Commission's information requirements. Consult the Department's regulations for information regarding the Department's conduct of Sunset Reviews. Consult the Department's regulations at 19 CFR part 351 for definitions of terms and for other general information concerning antidumping and countervailing duty proceedings at the Department.

This notice of initiation is being published in accordance with section 751(c) of the Act and 19 CFR 351.218(c).

Dated: October 23, 2014.

Christian Marsh,

Deputy Assistant Secretary, for Antidumping and Countervailing Duty Operations.

[FR Doc. 2014–26087 Filed 10–31–14; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

International Trade Administration

[C–580–875]

Certain Steel Nails From the Republic of Korea: Preliminary Negative Countervailing Duty Determination and Alignment of Final Countervailing Duty Determination With Final Antidumping Duty Determination

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

SUMMARY: The Department of Commerce (the Department) preliminarily

[6] *See* 19 CFR 351.218(d)(1)(iii).

determines that *de minimis* countervailable subsidies are being provided to producers and exporters of certain steel nails (nails) from the Republic of Korea (Korea). The period of investigation is January 1, 2013, through December 31, 2013. Interested parties are invited to comment on this preliminary determination.

DATES: *Effective Date:* November 3, 2014.

FOR FURTHER INFORMATION CONTACT: Dana Mermelstein or Erin Kearney, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482–1391 and (202) 482–0167, respectively.

SUPPLEMENTARY INFORMATION: On June 25, 2014, the Department initiated this countervailing duty (CVD) investigation.[1] On the same day, the Department also initiated an antidumping duty (AD) investigation of nails from Korea and several other countries.[2] On August 7, in response to a request from the Petitioner, Mid-Continent Steel & Wire, Inc., the Department postponed the preliminary determinations in the CVD investigations.

Alignment of Final Countervailing Duty (CVD) Determination With Final Antidumping Duty (AD) Determination

In accordance with section 705(a)(1) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.210(b)(4), and based on Petitioner's request, we are aligning the final CVD determination in this investigation with the final AD determination of nails from Korea. Consequently, the final CVD determination will be issued on the same date as the final AD determination, which is currently scheduled to be issued no later than March 2, 2015, unless postponed.

Scope of the Investigation

The products covered by this investigation are certain steel nails. For a complete description of the scope of the investigation, see Appendix 1 to this notice.

Methodology

The Department is conducting this CVD investigation in accordance with section 701 of the Act. For a full description of the methodology underlying our preliminary conclusions, *see* the Preliminary Decision Memorandum.[3] The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). IA ACCESS is available to registered users at *http://iaaccess.trade.gov,* and is available to all parties in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on the Internet at *http://enforcement.trade.gov/frn/index.html.* The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

In accordance with section 703(d)(1)(A)(i) of the Act, we calculated a CVD rate for the individually investigated producers/exporters of the subject merchandise.

Preliminary Determination

We preliminarily determine the countervailable subsidy rates to be:

Company	Subsidy rate
Daejin Steel Company	0.15 percent (*de minimis*).
Jinheung Steel Corporation.	0.18 percent (*de minimis*).
Duo-Fast Korea Co., Ltd.	
Jinsco International Corporation[4]	

Consistent with section 703(d) of the Act, the Department did not calculate an all-others rate because it did not reach an affirmative preliminarily determination. Because we have preliminarily determined that the CVD rates in this investigation are *de minimis,* we will not direct U.S. Customs and Border Protection to suspend liquidation of entries of subject merchandise from Korea.

Disclosure and Public Comment

The Department intends to disclose to interested parties the calculations performed in connection with this preliminary determination within five days of its public announcement.[5] Interested parties may submit case and rebuttal briefs[6] and request a hearing.[7] For a schedule of the deadlines for filing case briefs, rebuttal briefs, and hearing requests, *see* the Preliminary Decision Memorandum.

This determination is issued and published pursuant to sections 703(f) and 777(i) of the Act.

Dated: October 27, 2014.

Paul Piquado,

Assistant Secretary for Enforcement and Compliance.

Appendix 1—Scope of the Investigation

The merchandise covered by this investigation is certain steel nails having a nominal shaft length not exceeding 12 inches.[8] Certain steel nails include, but are not limited to, nails made from round wire and nails that are cut from flat-rolled steel. Certain steel nails may be of one piece construction or constructed of two or more pieces. Certain steel nails may be produced from any type of steel, and may have any type of surface finish, head type, shank, point type and shaft diameter. Finishes include, but are not limited to, coating in vinyl, zinc (galvanized, including but not limited to electroplating or hot dipping one or more times), phosphate, cement, and paint. Certain steel nails may have one or more surface finishes. Head styles include, but are not limited to, flat, projection, cupped, oval, brad, headless, double, countersunk, and sinker. Shank styles include, but are not limited to, smooth, barbed, screw threaded, ring shank and fluted. Screw-threaded nails subject to this proceeding are driven using direct force and not by turning the nail using a tool that engages with the head. Point styles include, but are not limited to, diamond, needle, chisel and blunt or no point. Certain steel nails may be sold in bulk, or they may be collated in any manner using any material. If packaged in combination with one or more non-subject articles, certain steel nails remain subject merchandise if the total number of nails of all types, in aggregate regardless of size, is equal to or greater than 25.

Excluded from the scope of this investigation are certain steel nails packaged in combination with one or more non-subject articles, if the total number of nails of all

[1] *See Certain Steel Nails From India, the Republic of Korea, Malaysia, the Sultanate of Oman, Taiwan, the Republic of Turkey, and the Socialist Republic of Vietnam,* 79 FR 36014 (June 25, 2014).

[2] *See Certain Steel Nails From India, the Republic of Korea, Malaysia, the Sultanate of Oman, Taiwan, the Republic of Turkey, and the Socialist Republic of Vietnam: Initiation of Less-Than-Fair-Value Investigations,* 79 FR 36019 (June 25, 2014).

[3] *See* Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance regarding ''Decision Memorandum for the Preliminary Determination in the Countervailing Duty Investigation of Certain Steel Nails from the Republic of Korea,'' dated concurrently with this notice (Preliminary Decision Memorandum).

[4] For a discussion of these entities' cross-ownership, *see* the Preliminary Decision Memorandum at 8.

[5] *See* 19 CFR 351.224(b).

[6] *See* 19 CFR 351.309(c) and (d).

[7] *See* 19 CFR 351.510.

[8] The shaft length of certain steel nails with flat heads or parallel shoulders under the head shall be measured from under the head or shoulder to the tip of the point. The shaft length of all other certain steel nails shall be measured overall.

types, in aggregate regardless of size, is less than 25.

Also excluded from the scope of this investigation are steel nails that meet the specifications of Type I, Style 20 nails as identified in Tables 29 through 33 of ASTM Standard F1667 (2013 revision).

Also excluded from the scope of this investigation are nails suitable for use in powder-actuated hand tools, whether or not threaded, which are currently classified under Harmonized Tariff Schedule of the United States (''HTSUS'') subheadings 7317.00.20.00 and 7317.00.30.00.

Also excluded from the scope of this investigation are nails having a case hardness greater than or equal to 50 on the Rockwell Hardness C scale (''HRC''), a carbon content greater than or equal to 0.5 percent, a round head, a secondary reduced-diameter raised head section, a centered shank, and a smooth symmetrical point, suitable for use in gas-actuated hand tools.

Also excluded from the scope of this investigation are corrugated nails. A corrugated nail is made up of a small strip of corrugated steel with sharp points on one side.

Also excluded from the scope of this investigation are thumb tacks, which are currently classified under HTSUS 7317.00.10.00.

Certain steel nails subject to these investigations are currently classified under HTSUS subheadings 7317.00.55.02, 7317.00.55.03, 7317.00.55.05, 7317.00.55.07, 7317.00.55.08, 7317.00.55.11, 7317.00.55.18, 7317.00.55.19, 7317.00.55.20, 7317.00.55.30, 7317.00.55.40, 7317.00.55.50, 7317.00.55.60, 7317.00.55.70, 7317.00.55.80, 7317.00.55.90, 7317.00.65.30, 7317.00.65.60 and 7317.00.75.00. Certain steel nails subject to these investigations also may be classified under HTSUS subheading 8206.00.00.00.

While the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of these investigations is dispositive.

Appendix 2—List of Topics Discussed in the Preliminary Decision Memorandum

I. Summary
II. Background
III. Alignment
IV. Scope Comments
V. Scope of the Investigation
VI. Injury Test
VII. Subsidies Valuation
VIII. Analysis of Programs
IX. Calculation of the All Others Rate
X. ITC Notification
XI. Disclosure and Public Comment
XII. Verification
XIII. Recommendation

[FR Doc. 2014–26070 Filed 10–31–14; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Advance Notification of Sunset Reviews

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

Background

Every five years, pursuant to section 751(c) of the Tariff Act of 1930, as amended (''the Act''), the Department of Commerce (''the Department'') and the International Trade Commission automatically initiate and conduct a review to determine whether revocation of a countervailing or antidumping duty order or termination of an investigation suspended under section 704 or 734 of the Act would be likely to lead to continuation or recurrence of dumping or a countervailable subsidy (as the case may be) and of material injury.

Upcoming Sunset Reviews for December 2014

The following Sunset Reviews are scheduled for initiation in December 2014 and will appear in that month's Notice of Initiation of Five-Year Sunset Review (''Sunset Review''). With respect to the orders on Oil Country Tubular Goods, we have advanced the initiation date of certain Sunset Reviews upon determining that initiation of the Sunset Reviews for all of the Oil Country Tubular Goods orders on the same date would promote administrative efficiency.

	Department contact
Antidumping Duty Proceedings	
Oil Country Tubular Goods from the People's Republic of China (A–570–945) (1st Review)	David Goldberger (202) 482–4136.
Countervailing Duty Proceedings	
Oil Country Tubular Goods from the People's Republic of China (C–570–944) (1st Review)	Jacqueline Arrowsmith (202) 482–5255.
Suspended Investigations	
No Sunset Review of suspended investigations is scheduled for initiation in December 2014.	

The Department's procedures for the conduct of Sunset Reviews are set forth in 19 CFR 351.218. The Notice of Initiation of Five-Year (''Sunset'') Reviews provides further information regarding what is required of all parties to participate in Sunset Reviews.

Pursuant to 19 CFR 351.103(c), the Department will maintain and make available a service list for these proceedings. To facilitate the timely preparation of the service list(s), it is requested that those seeking recognition as interested parties to a proceeding contact the Department in writing within 10 days of the publication of the Notice of Initiation.

Please note that if the Department receives a Notice of Intent to Participate from a member of the domestic industry within 15 days of the date of initiation, the review will continue. Thereafter, any interested party wishing to participate in the Sunset Review must provide substantive comments in response to the notice of initiation no later than 30 days after the date of initiation.

This notice is not required by statute but is published as a service to the international trading community.

Dated: October 17, 2014.

Christian Marsh,

Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations.

[FR Doc. 2014–26078 Filed 10–31–14; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[A–201–845]

Sugar From Mexico: Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination

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

SUMMARY: The Department of Commerce (the Department) preliminarily determines that sugar from Mexico is being, or is likely to be, sold in the United States at less than fair value (LTFV), as provided in section 733(b) of

the Tariff Act of 1930, as amended (the Act). The period of investigation is January 1, 2013, through December 31, 2013. The estimated weighted-average dumping margins of sales at LTFV are shown in the ''Preliminary Determination'' section of this notice. Interested parties are invited to comment on this preliminary determination. We intend to issue the final determination 135 days after publication of this preliminary determination in the **Federal Register**.

DATES: Effective on November 3, 2014.

FOR FURTHER INFORMATION CONTACT: David Lindgren, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482–3870.

SUPPLEMENTARY INFORMATION:

Background

The Department published the notice of initiation of this investigation on April 24, 2014.[1] Pursuant to section 773(c)(1)(A) of the Act, the Department postponed this preliminary LTFV determination by a period of 50 days.[2]

Scope of the Investigation

The product covered by this investigation is sugar from Mexico. For a full description of the scope of the investigation, *see* Appendix I to this notice.[3]

Methodology

The Department conducted this investigation in accordance with section 731 of the Act. Export price (EP) has been calculated in accordance with section 772 of the Act. Normal value (NV) has been calculated in accordance with section 773 of the Act.

For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public document and is made available to the public via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS). IA ACCESS is available to registered users at *https://iaaccess.trade.gov* and to all parties in the Department's Central Records Unit, located at room 7046 of the Department's main building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed at *http://enforcement.trade.gov/frn/index.html.* The signed and the electronic versions of the Preliminary Decision Memorandum are identical in content.

Preliminary Determination

In accordance with section 733(d)(1)(A)(i) of the Act, the Department calculated weighted-average dumping margins for the following individually investigated exporters and producers of subject merchandise: (1) Fondo de Empresas Expropiadas del Sector Azucarero (FEESA)[4] and (2) Ingenio Tala S.A. de C.V. and certain affiliated companies of Grupo Azucarero Mexico S.A. de C.V. (collectively, the GAM Group).[5] The Department preliminarily determines that the following weighted-average dumping margins exist for these individually investigated exporters and producers:

Exporter/producer	Weighted-average dumping margin (percent)
FEESA	39.54
Ingenio Tala S.A. de C.V. and certain affiliated sugar mills of Grupo Azucarero Mexico S.A. de C.V. (collectively, the GAM Group)	47.26
All-Others	40.76

Consistent with sections 733(d)(1)(A)(ii) and 735(c)(5) of the Act, the Department also calculated an estimated all-others rate for all exporters or producers not individually investigated. Section 735(c)(5)(A) of the Act provides that the estimated ''all-others'' rate shall be an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero or *de minimis* margins, and any margins determined entirely under section 776 of the Act. Therefore, because the weighted-average dumping margins for FEESA and the GAM Group are not zero, *de minimis,* or determined entirely under section 776 of the Act, the Department has estimated the ''all-others'' rate in this preliminary determination by weight-averaging the weighted-average dumping margins calculated for FEESA and the GAM Group.

Verification

As provided in section 782(i)(1) of the Act, the Department intends to verify the information submitted by FEESA and the GAM Group prior to making a final determination in this investigation.

Disclosure and Public Comment

In accordance with 19 CFR 351.224(b), the Department intends to disclose the calculations performed in connection with this preliminary determination within five days of its public announcement. Interested parties may submit case and rebuttal briefs, as well as request a hearing.[6] For a schedule of the deadlines for filing case briefs, rebuttal briefs, and hearing requests, *see* the Preliminary Decision Memorandum.

Suspension of Liquidation

In accordance with section 733(d)(2)(A) of the Act, we are directing U.S. Customs and Border Protection (CBP) to suspend liquidation of all entries of subject merchandise that are entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the **Federal Register**.

Pursuant to section 733(d)(1)(B) of the Act and 19 CFR 351.205(d), we will instruct CBP to require a cash deposit[7] equal to the weighted-average amount by which NV exceeds EP, as indicated in the chart above, as follows: (1) The rate for FEESA, when adjusted for export subsidies, is 39.36 percent; (2) the rate for the GAM Group, when adjusted for export subsidies, is 47.09 percent; (3) if the exporter is not a firm identified in this investigation, but the producer is, then the rate will be the rate established for the producer of the subject merchandise; (4) the rate for all

[1] *See Sugar From Mexico: Initiation of Antidumping Duty Investigation,* 79 FR 22795 (April 24, 2014).

[2] *See Sugar From Mexico: Postponement of Preliminary Determination of Antidumping Duty Investigation,* 79 FR 49497 (August 21, 2014).

[3] Interested parties filed comments and a clarification request regarding the scope of the investigation. For a complete discussion, *see* Memorandum to Paul Piquado, Assistant Secretary for Enforcement and Compliance, from Christian Marsh, Deputy Assistant Secretary for Enforcement and Compliance, ''Decision Memorandum for the Preliminary Determination in the Antidumping Duty Investigation of Sugar from Mexico,'' dated concurrently with and hereby adopted by this notice (Preliminary Decision Memorandum).

[4] FEESA consists of the following sugar mills: Fideicomiso Ingenio El Modelo, Fideicomiso Ingenio San Cristobal, Fideicomiso Ingenio Plan De San Luis, Fideicomiso Ingenio San Miguelito, Fideicomiso Ingenio La Providencia, Fideicomiso Ingenio Atencingo, Fideicomiso Ingenio Casasano, Fideicomiso Ingenio El Potrero, and Fideicomiso Ingenio Emiliano Zapata. *See id.*

[5] GAM Group consists of the following sugar mills: Ingenio Tala S.A. de C.V.; Ingenio El Dorado S.A. de C.V.; and Ingenio Lazaro Cardenas S.A. de C.V. *See* Preliminary Decision Memorandum.

[6] *See* 19 CFR 351.309(c)–(d), 19 CFR 351.310(c); *see also* 19 CFR 351.303 (for general filing requirements).

[7] *See Modification of Regulations Regarding the Practice of Accepting Bonds During the Provisional Measures Period in Antidumping and Countervailing Duty Investigations,* 76 FR 61042 (October 3, 2011).

other producers or exporters, when adjusted for export subsidies, will be 40.58 percent. These suspension of liquidation instructions will remain in effect until further notice.

Postponement of Final Determination and Extension of Provisional Measures

Pursuant to a request from FEESA and the GAM Group,[8] we are postponing the final determination. Accordingly, we intend to make our final determination no later than 135 days after the date of publication of this preliminary determination in the **Federal Register**, pursuant to section 735(a)(2)(A) of the Act.[9] Furthermore, FEESA and the GAM Group requested to extend the application of the provisional measures, as prescribed under section 733(d) of the Act and 19 CFR 351.210(e)(2), from a four-month period to a six-month period.[10] The suspension of liquidation described above will be extended accordingly.[11]

U.S. International Trade Commission Notification

In accordance with section 733(f) of the Act, we will notify the U.S. International Trade Commission (ITC) of our determination. For a discussion concerning the information that the Department will make available to the ITC and the statutory deadlines regarding a final determination to be issued by the ITC, *see* the Preliminary Decision Memorandum.

This determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act.

Dated: October 24, 2014.

Paul Piquado,

Assistant Secretary for Enforcement and Compliance.

Appendix I—Scope of the Investigation

The product covered by this investigation is sugar derived from sugar cane or sugar beets. Sucrose gives sugar its essential character. Sucrose is a nonreducing disaccharide composed of glucose and fructose linked via their anomeric carbons. The molecular formula for sucrose is $C_{12}H_{22}0_{11}$, the International Union of Pure and Applied Chemistry (IUPAC) International Chemical Identifier (InChI) for sucrose is 1S/C12H22O11/c13-l-4-6(16)8(18)9(19)11(21-4)23-12(3-15)10(20)7(17)5(2-14)22-12/h4-11,13-20H,1-3H2/t4-,5-,6-,7-,8+,9-,10+,11-,12+/m1/s1, the InChI Key for sucrose is CZMRCDWAGMRECN-UGDNZRGBSA-N, the U.S. National Institutes of Health PubChem Compound Identifier (CID) for sucrose is 5988, and the Chemical Abstracts Service (CAS) Number of sucrose is 57-50-1.

Sugar within the scope of this investigation includes raw sugar (sugar with a sucrose content by weight in a dry state that corresponds to a polarimeter reading of less than 99.5 degrees) and estandar or standard sugar which is sometimes referred to as ''high polarity'' or ''semi-refined'' sugar (sugar with a sucrose content by weight in a dry state that corresponds to a polarimeter reading of 99.2 to 99.6 degrees). Sugar within the scope of this investigation includes refined sugar with a sucrose content by weight in a dry state that corresponds to a polarimeter reading of at least 99.9 degrees. Sugar within the scope of this investigation includes brown sugar, liquid sugar (sugar dissolved in water), organic raw sugar and organic refined sugar.

Inedible molasses is not within the scope of this investigation. Specialty sugars, *e.g.,* rock candy, fondant, sugar decorations, are not within the scope of this investigation. Processed food products that contain sugar, *e.g.,* beverages, candy, cereals, are not within the scope of this investigation.

Merchandise covered by this investigation is typically imported under the following headings of the Harmonized Tariff Schedule of the United States (HTSUS): 1701.12.1000, 1701.12.5000, 1701.13.1000, 1701.13.5000, 1701.14.1000, 1701.14.5000, 1701.91.1000, 1701.91.3000, 1701.99.1025, 1701.99.1050, 1701.99.5025, 1701.99.5050, and 1702.90.4000. The tariff classification is provided for convenience and customs purposes; however, the written description of the scope of this investigation is dispositive.

Appendix II—List of Topics Discussed in the Preliminary Decision Memorandum

I. Summary
II. Background
III. Period of Investigation
IV. Postponement of Final Determination and Extension of Provisional Measures
V. Scope of the Investigation
VI. Scope Comments
VII. Respondent Selection
VIII. Affiliation and Collapsing
  A. Legal Standard
  B. FEESA
  C. The GAM Group
IX. Discussion of Methodology
  A. Fair Value Comparisons
  B. Product Comparisons
  C. Determination of Comparison Method
  D. Export Price
  E. Normal Value
  F. Date of Sale
  G. Currency Conversion
X. U.S. International Trade Commission Notification
XI. Disclosure and Public Comment
XII. Verification
XIII. Conclusion

[FR Doc. 2014–26077 Filed 10–31–14; 8:45 am]

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[8] *See* Letter from FEESA and GAM Group, ''Sugar from Mexico—*Request for Postponement of Final Determination*,'' October 16, 2014.

[9] *See also* 19 CFR 351.210(b)(2)(ii) and (e)(1)–(2).

[10] *See* Letter from FEESA and GAM Group, ''Sugar from Mexico—*Request for Postponement of Final Determination*,'' October 16, 2014.

[11] *See* 19 CFR 351.210(b)(2)(ii) and (e)(2).

DEPARTMENT OF COMMERCE

International Trade Administration

United States Travel and Tourism Advisory Board: Meeting of the United States Travel and Tourism Advisory Board

AGENCY: International Trade Administration, U.S. Department of Commerce.

ACTION: Notice of an open meeting.

SUMMARY: The United States Travel and Tourism Advisory Board (Board) will hold the third meeting of the current term on Tuesday, November 18, 2014. The Board was re-chartered on August 2013, to advise the Secretary of Commerce on matters relating to the travel and tourism industry. At the meeting, members are expected to deliberate and seek to adopt policy recommendations addressing Brand USA, visa policy, domestic travel and tourism, the Department of Transportation 30-year Strategic Plan, and the Survey of International Air Travelers. They are also expected to hear an update on the Board's recommendations addressing entry presented at the July meeting and to discuss issues impacting the travel and tourism industry, including travel promotion, cultural and natural heritage issues, travel facilitation, infrastructure, and public-private partnerships, in addition to other topics. The agenda may change to accommodate Board business. The final agenda will be posted on the Department of Commerce Web site for the Board at *http://trade.gov/ttab,* at least one week in advance of the meeting.

DATES: Tuesday, November 18, 2014, 9:30 a.m.–12:30 p.m. and open for public comments.

ADDRESSES: U.S. Department of Commerce, 1401 Constitution Avenue NW., Washington, DC 20230. Guests are requested to register one week in advance by sending an email to *OACIE@trade.gov.*

FOR FURTHER INFORMATION CONTACT: Jennifer Pilat, the United States Travel and Tourism Advisory Board, Room 4043, 1401 Constitution Avenue NW., Washington, DC 20230, telephone: 202–482–4501, email: *jennifer.pilat@trade.gov.*

SUPPLEMENTARY INFORMATION:

Background: The Board advises the Secretary of Commerce on matters relating to the U.S. travel and tourism industry.

Public Participation: The meeting will be open to the public and will be

physically accessible to people with disabilities. All guests are required to register in advance. The meeting room will be provided upon registration. Seating is limited and will be on a first come, first served basis. Requests for sign language interpretation, other auxiliary aids, or pre-registration, should be submitted no later than 5 p.m. EDT on November 10, 2014, to Jennifer Pilat, the U.S. Travel and Tourism Advisory Board, Room 4043, 1401 Constitution Avenue NW., Washington, DC 20230, telephone 202–482–4501, *OACIE@trade.gov.* Last minute requests will be accepted, but may be impossible to fill. There will be 15 minutes of time allotted for oral comments from members of the public attending the meeting. Any member of the public may submit pertinent written comments concerning the Board's affairs at any time before or after the meeting. Comments may be submitted to Jennifer Pilat at the contact information indicated above. To be considered during the meeting, comments must be received no later than 5:00 p.m. EDT on November 10, 2014, to ensure transmission to the Board prior to the meeting. Comments received after that date will be distributed to the members but may not be considered at the meeting. Copies of Board meeting minutes will be available within 90 days of the meeting.

Dated: October 29, 2014.

Jennifer Pilat,

Executive Secretary, United States Travel and Tourism Advisory Board.

[FR Doc. 2014–26104 Filed 10–31–14; 8:45 am]

BILLING CODE 3510–DR–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

RIN 0648–XD578

North Pacific Fishery Management Council; Public Meetings

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

ACTION: Notice of public meetings.

SUMMARY: The North Pacific Fishery Management Council (Council) Fixed Gear Electronic Monitoring (EM) Workgroup will meet in Seattle, WA.

DATES: The meetings will be held November 19–20, 2014, 2014, from 8 a.m. to 5 p.m., each day.

ADDRESSES: The meetings will be held at the Renaissance Hotel 515 Madison Street, Seattle, WA.

Council address: North Pacific Fishery Management Council, 605 W. 4th Ave., Suite 306, Anchorage, AK 99501–2252.

FOR FURTHER INFORMATION CONTACT: Diana Evans, Council staff; telephone: (907) 271–2809.

SUPPLEMENTARY INFORMATION: The agenda is to discuss progress on the elements of the 2015 EM Cooperative Research Plan, develop a plan to finalize the research plan for SSC review in February, develop recommendations for the Council on alternatives and purpose and need for the Council analysis to integrate EM into the observer program, and discuss funding and timelines for the research plan and the analysis.

The Agenda is subject to change, and the latest version will be posted at *http://www.npfmc.org/*

Special Accommodations

These meetings are physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to Gail Bendixen at (907) 271–2809 at least 7 working days prior to the meeting date.

Dated: October 29, 2014.

Tracey L. Thompson,

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

[FR Doc. 2014–26069 Filed 10–31–14; 8:45 am]

BILLING CODE 3510–22–P

CONSUMER PRODUCT SAFETY COMMISSION

[CPSC Docket No. 15–C0002]

Williams-Sonoma, Inc., Provisional Acceptance of a Settlement Agreement and Order

AGENCY: Consumer Product Safety Commission.

ACTION: Notice.

SUMMARY: It is the policy of the Commission to publish settlements which it provisionally accepts under the Consumer Product Safety Act in the **Federal Register** in accordance with the terms of 16 CFR 1118.20(e). Published below is a provisionally-accepted Settlement Agreement with Williams-Sonoma, Inc., containing a civil penalty of $700,000.00, within twenty (20) days of service of the Commission's final Order accepting the Settlement Agreement.

DATES: Any interested person may ask the Commission not to accept this agreement or otherwise comment on its contents by filing a written request with the Office of the Secretary by November 18, 2014.

ADDRESSES: Persons wishing to comment on this Settlement Agreement should send written comments to the Comment 15–C0002 Office of the Secretary, Consumer Product Safety Commission, 4330 East-West Highway, Room 820, Bethesda, Maryland 20814–4408.

FOR FURTHER INFORMATION CONTACT: Gregory M. Reyes, Trial Attorney, Office of the General Counsel, Division of Compliance, Consumer Product Safety Commission, 4330 East-West Highway, Bethesda, Maryland 20814–4408; telephone (301) 504–7220.

SUPPLEMENTARY INFORMATION: The text of the Agreement and Order appears below.

Dated: October 29, 2014.

Todd A. Stevenson,

Secretary.

Settlement Agreement

1. In accordance with the Consumer Product Safety Act (CPSA), 15 U.S.C. 2051–2089 and 16 CFR 1118.20, Williams-Sonoma, Inc. (Williams-Sonoma), and the U.S. Consumer Product Safety Commission (Commission), through its staff (staff), hereby enter into this Settlement Agreement (Agreement). The Agreement and the incorporated attached Order (Order) resolve staff's charges set forth below.

The Parties

2. The Commission is an independent federal regulatory agency, established pursuant to, and responsible for, the enforcement of the CPSA. By executing the Agreement, staff is acting on behalf of the Commission, pursuant to 16 CFR 1118.20(b). The Commission issues the Order under the provisions of the CPSA.

3. Williams-Sonoma is a corporation, organized and existing under the laws of the state of Delaware, with its principal corporate office located at 3250 Van Ness Avenue, San Francisco, CA 94109.

4. Pottery Barn Kids (PBK), Pottery Barn, PBteen, and West Elm are brands, referred to by Williams-Sonoma as ''merchandising concepts,'' whose trademarks are owned by Williams-Sonoma.

Staff Charges

5. The subject matter of staff's investigation concerned Roman shades sold by PBK (PBK Shades) that were voluntarily recalled by Williams-Sonoma on August 26, 2009 and Roman shades that were sold by PBK, Pottery

Barn, PBteen, and West Elm (collectively, the Roman Shades) that were voluntarily recalled by Williams-Sonoma on December 15, 2009.

6. Between January 2003 and November 2007, Williams-Sonoma imported, distributed in commerce, and sold to consumers approximately 85,000 of the PBK Shades with exposed inner cords through its PBK merchandising concept.

7. The PBK Shades are ''consumer products,'' and at all relevant times, Williams-Sonoma was a ''manufacturer'' and ''retailer'' of these consumer products, which were ''distributed in commerce,'' as those terms are defined or used in sections 3(a)(5), (8), (11), and (13) of the CPSA, 15 U.S.C. 2052(a)(5), (8), (11), and (13).

8. Staff charged that the PBK Shades recalled on August 26, 2009 are defective because the exposed inner cords on the PBK Shades pose a strangulation hazard to young children.

9. Between 2005 and 2007, Williams-Sonoma implemented three design changes to eliminate the hazard posed by the PBK Shades. By August 2007, Williams-Sonoma had approved its third and final design change that included a protective backing to cover the exposed inner cords of the PBK Shades.

10. By August 2007, Williams-Sonoma received five reports of children becoming entangled on the inner cords of the PBK Shades. In each of those five incident reports, the consumer raised a concern about the safety or design of the PBK Shades. By July 2008, Williams-Sonoma received two additional reports of children becoming entangled on the inner cords of the PBK Shades.

11. Between 2006 and 2008, Williams-Sonoma also settled claims with consumers who reported that their children had become entangled on the inner cords of the PBK Shades.

12. Williams-Sonoma filed its Full Report with the Commission for the PBK Shades on September 18, 2008.

13. CPSC staff alleges that Williams-Sonoma:

a. Had sufficient information by August 2007 that reasonably supported the conclusion that the PBK Shades contained a defect that could create a substantial product hazard or created an unreasonable risk of serious injury or death;

b. was required, and failed, to inform the Commission immediately of the defect that could create a substantial product hazard, as required by section 15(b)(3) of the CPSA, 15 U.S.C. 2064(b)(3);

c. was required, and failed, to inform the Commission immediately of the unreasonable risk of serious injury, as required by section 15(b)(4) of the CPSA, 15 U.S.C. 2064(b)(4);

d. knowingly violated section 19(a)(4) of the CPSA, 15 U.S.C. 2068(a)(4), as the term ''knowingly'' is defined in section 20(d) of the CPSA, 15 U.S.C. 2069(d); and sold a small quantity of recalled Roman Shades in violation of section 19(a)(2)(B) of the CPSA, 15 U.S.C. 2068(a)(2)(B).

14. Pursuant to section 20 of the CPSA, 15 U.S.C. 2069, Williams-Sonoma is subject to civil penalties for its knowing failure to report as required by section 15(b) of the CPSA, 15 U.S.C. 2064(b).

Williams-Sonoma's Response

15. Williams-Sonoma neither admits nor denies the charges set forth above, including but not limited to, the charge that the Roman Shades contain a defect that could create a substantial product hazard or created an unreasonable risk of serious injury or death, the contention that Williams-Sonoma failed to notify the Commission in a timely manner, in accordance with section 15(b) of the CPSA, 15 U.S.C. 2064(b), the contention that such failure was ''knowing,'' and the charge that Williams-Sonoma ''knowingly'' sold recalled products in violation of 19(a)(2)(B) of the CPSA.

16. Beginning in 2005, before Williams-Sonoma had received any reported incidents associated with the PBK Shades, Williams-Sonoma attempted to enhance the safety of the shades' inner cords. The PBK and all Roman Shades that Williams-Sonoma sold at that time contained a generic inner cord design that was common in the industry.

17. None of the incidents that Williams-Sonoma has identified as associated with the PBK Shades reportedly resulted in a serious injury.

18. Williams-Sonoma stopped sourcing corded window coverings in 2009.

19. Williams-Sonoma took reasonable steps to prevent the inadvertent post-recall sale of recalled Roman Shades.

Agreement of the Parties

20. Under the CPSA, the Commission has jurisdiction over the matter involving the PBK Shades and over Williams-Sonoma.

21. In settlement of staff's charges and the subject matter of staff's investigation, and to avoid the cost, distraction, delay, uncertainty, and inconvenience of protracted litigation or other proceedings, Williams-Sonoma shall pay a civil penalty in the amount of seven hundred thousand dollars ($700,000.00), which shall be due and payable within twenty (20) calendar days after receiving service of the Commission's final Order accepting the Agreement. All payments to be made under the Agreement shall constitute debts owing to the United States and shall be made by electronic wire transfer to the United States via: *http://www.pay.gov.*

22. The parties agree that this settlement figure is predicated, among other things, upon the accuracy of oral and written representations of, and statements by, Williams-Sonoma and Williams-Sonoma's representatives made in connection with this matter.

23. The parties enter into the Agreement for settlement purposes only. The Agreement does not constitute an admission by Williams-Sonoma or a determination by the Commission that Williams-Sonoma violated the CPSA.

24. Following staff's receipt of the Agreement executed on behalf of Williams-Sonoma, staff shall promptly submit the Agreement to the Commission for provisional acceptance. Promptly following provisional acceptance of the Agreement by the Commission, the Agreement shall be placed on the public record and published in the **Federal Register**, in accordance with the procedures set forth in 16 CFR 1118.20(e). If, within fifteen (15) calendar days, the Commission does not receive any written request not to accept the Agreement, the Agreement shall be deemed finally accepted on the sixteenth (16th) calendar day after the date the Agreement is published in the **Federal Register**, in accordance with 16 CFR 1118.20(f).

25. The Agreement is conditioned upon, and subject to, the Commission's final acceptance, as set forth above, and is subject to the provisions of 16 CFR 1118.20(h). Upon the later of: (i) The Commission's final acceptance of the Agreement and service of the accepted Agreement upon Williams-Sonoma, and (ii) the date of issuance of the final Order, the Agreement shall be in full force and effect and shall be binding upon the parties.

26. Effective upon the later of: (i) The Commission's final acceptance of the Agreement and service of the accepted Agreement upon Williams-Sonoma, and (ii) the date of issuance of the final Order, for good and valuable consideration, Williams-Sonoma hereby expressly and irrevocably waives and agrees not to assert any past, present, or future rights to the following, in connection with the matter described in

the Agreement: (a) An administrative or judicial hearing; (b) judicial review or other challenge or contest of the validity of the Order or of the Commission's actions; (c) a determination by the Commission of whether Williams-Sonoma failed to comply with the CPSA and the underlying regulations; (d) a statement of findings of fact and conclusions of law; and (e) any claims under the Equal Access to Justice Act.

27. Paragraphs 21, 22, and 23 of the Settlement Agreement between Williams-Sonoma, Inc. and the U.S. Consumer Product Safety Commission, CPSC Docket No.: 13–C0005, 78 **Federal Register** 27,190 (May 9, 2013), which Williams-Sonoma has represented have been implemented, hereby are incorporated by reference into this Agreement as if fully set forth herein.

28. The parties acknowledge and agree that the Commission may make public disclosure of the terms of the Agreement and the Order.

29. Williams-Sonoma represents that the Agreement: (i) Is entered into freely and voluntarily, without any degree of duress or compulsion whatsoever; (ii) has been duly authorized; and (iii) constitutes the valid and binding obligation of Williams-Sonoma, and each of its successors and/or assigns, enforceable against Williams-Sonoma in accordance with the Agreement's terms. The individuals signing the Agreement on behalf of Williams-Sonoma represent and warrant that they are duly authorized by Williams-Sonoma to execute the Agreement.

30. The Commission signatories represent that they are signing the Agreement in their official capacities and that they are authorized to execute the Agreement.

31. The Agreement is governed by the laws of the United States.

32. The Agreement and the Order shall apply to, and be binding upon, Williams-Sonoma and each of its subsidiaries, successors, transferees, and assigns; and a violation of the Agreement or Order may subject Williams-Sonoma and each of its subsidiaries, successors, transferees, and assigns to appropriate legal action.

33. The Agreement and the Order constitute the complete agreement between the parties on the subject matter contained herein and therein.

34. The Agreement may be used in interpreting the Order. Understandings, agreements, representations, or interpretations apart from those contained in the Agreement and the Order may not be used to vary or contradict their terms. For purposes of construction, the Agreement shall be deemed to have been drafted by both of the parties, and therefore, the Agreement shall not be construed against any party for that reason in any subsequent dispute.

35. The Agreement shall not be waived, amended, modified, or otherwise altered, except as in accordance with the provisions of 16 CFR 1118.20(h). The Agreement may be executed in counterparts.

36. If any provision of the Agreement or the Order is held to be illegal, invalid, or unenforceable under present or future laws effective during the terms of the Agreement and the Order, such provision shall be fully severable. The balance of the Agreement and the Order shall remain in full force and effect, unless the Commission and Williams-Sonoma agree that severing the provision materially affects the purpose of the Agreement and Order.

Williams-Sonoma, Inc.

Dated: *October 14, 2014*

By:

Julie P. Whalen

Executive Vice President, Chief Financial Officer, Williams-Sonoma, Inc., 3250 Van Ness Avenue, San Francisco, CA 94109

Dated: *October 15, 2014*

By: _____

Eric A. Rubel

Arnold & Porter, LLP, 555 Twelfth Street, NW, Washington, DC 20004–1206, Counsel for Williams-Sonoma, Inc.

U.S. Consumer Product Safety Commission Staff

Stephanie Tsacoumis
General Counsel

Mary T. Boyle
Deputy General Counsel

Mary B. Murphy
Assistant General Counsel

Dated: *October 16, 2014*

By: _____

Gregory M. Reyes

Trial Attorney, Division of Compliance

Order

Upon consideration of the Settlement Agreement entered into between Williams-Sonoma, Inc. (Williams-Sonoma), and the U.S. Consumer Product Safety Commission (Commission), and the Commission having jurisdiction over the subject matter and over Williams-Sonoma, and it appearing that the Settlement Agreement and the Order are in the public interest, it is

Ordered that the Settlement Agreement be, and is, hereby, accepted; and it is

Further ordered, that Williams-Sonoma shall comply with the terms of the Settlement Agreement and shall pay a civil penalty of $700,000.00 within twenty (20) calendar days after receiving service of the Commission's final Order accepting the Settlement Agreement. Upon failure of Williams-Sonoma to make the foregoing payment when due, interest on the unpaid amount shall accrue and be paid by Williams-Sonoma at the federal legal rate of interest set forth at 28 U.S.C. 1961(a) and (b). If Williams-Sonoma fails to make such a payment or to comply in full with any other provision as set forth in the Settlement Agreement, such conduct will be considered a violation of the Settlement Agreement and Order.

Provisionally accepted and provisional Order issued on the 29th day of October, 2014.

By order of the commission:

Todd A. Stevenson, Secretary, U.S. Consumer Product Safety Commission.

[FR Doc. 2014–26065 Filed 10–31–14; 8:45 am]

BILLING CODE 6355–01–P

COUNCIL ON ENVIRONMENTAL QUALITY

Opportunity for Sponsorship of the GreenGov Symposium

AGENCY: Council on Environmental Quality.

ACTION: Notice. GreenGov Symposium Call for Co-Sponsors.

SUMMARY: This notice informs the public of the opportunity for eligible non-governmental entities to submit an application for co-sponsorship of a potential White House Council on Environmental Quality 2015 GreenGov Symposium. Those interested in becoming co-sponsors should submit an application for co-sponsorship by November 28, 2014.

DATES: To be considered, applications for co-sponsorship must be received via email no later than 5:00p.m. Eastern Time on November 28, 2014.

ADDRESSES: Applications and any supporting materials may be submitted electronically to the White House Council on Environmental Quality, Office of the Federal Environmental Executive at *ofee@ceq.eop.gov.*

FOR FUTHER INFORMATION CONTACT: Will Garvey, Office of the Federal Environmental Executive, White House Council on Environmental Quality, *wgarvey@ceq.eop.gov.*

SUPPLEMENTALARY INFORMATION:

Application Information

Only non-government entities that are not-for-profit corporations or entities are eligible for co-sponsorship of the 2015

GreenGov Symposium. Potential co-sponsors could include, but are not limited to, registered 501(c)3 organizations and academic institutions. Eligible entities, including consortia of eligible entities, interested in co-sponsoring the 2015 GreenGov Symposium effort should demonstrate and provide relevant information on:

- Alignment of their organization's mission and goals with the mission and goals of the Council on Environmental Quality and the Office of the Federal Environmental Executive and with the general purpose of the Symposium;
- ability to contribute to selection of Symposium location(s), associated logistics, agenda planning, speaker proposal and selection, and event outreach;
- experience working successfully with private sector, state and local government and academic sector stakeholders that would attend a GreenGov event;
- ability to travel to various locations within the continental United States, if necessary to host GreenGov events;
- technical and programmatic ability to support Internet and Web-based production of GreenGov educational events; and
- ability to support both major multiple day symposium event as well as limited topic specific seminars and workshops.

Background

GreenGov is a Council on Environmental Quality initiative focused on Federal energy and sustainability efforts. Past GreenGov Symposiums brought sustainability leaders and newcomers in the Federal, state, and local government, academic, non-profit and private sectors together to learn from each other, share ideas, and help develop innovative solutions to energy and sustainability challenges in Federal operations. By design, the GreenGov Symposium helps the Federal community save energy, save money, and address sustainability goals and targets under Executive Order 13514, ''Federal Leadership in Environmental, Energy, and Economic Performance.'' Historical information on GreenGov is available at *http://www.whitehouse.gov//greengov.*

Authority: 42 U.S.C. 4342, 4344.

Dated: October 29, 2014.

Kate E. Brandt,

Federal Environmental Executive.

[FR Doc. 2014–26046 Filed 10–31–14; 8:45 am]

BILLING CODE 3225–F5–P

DEPARTMENT OF DEFENSE

Defense Acquisition Regulations System

[Docket Number DARS–2014–0037]

Submission for OMB Review; Comment Request

AGENCY: Defense Acquisition Regulations System, Department of Defense (DoD).

ACTION: Notice.

SUMMARY: The Defense Acquisition Regulations System has submitted to OMB for clearance, the following proposal for collection of information under the provisions of the Paperwork Reduction Act (44 U.S.C. chapter 35).

DATES: Consideration will be given to all comments received by December 3, 2014.

SUPPLEMENTARY INFORMATION:

Title, Associated Form, and OMB Number: Defense Federal Acquisition Regulation Supplement (DFARS) Part 239, Acquisition of Information Technology, and the associated clauses at 252.239–7000 and 252.239–7006; OMB Control Number 0704–0341.

Type of Request: Extension.

Number of Respondents: 387.

Responses per Respondent: 33.

Annual Responses: 12,915.

Average Burden per Response: approximately 0.6 hour.

Annual Burden Hours: 7,106.

Needs and Uses: This requirement provides for the collection of information from contractors regarding security of information technology; tariffs pertaining to telecommunications services; and proposals from common carriers to perform special construction under contracts for telecommunications services. Contracting officers and other DoD personnel use the information to ensure that information systems are protected; to participate in the establishment of tariffs for telecommunications services; and to establish reasonable prices for special construction by common carriers.

Affected Public: Businesses or other for-profit entities and not-for-profit institutions.

Frequency: On occasion.

OMB Desk Officer: Ms. Jasmeet Seehra.

Written comments and recommendations on the proposed information collection should be sent to Ms. Seehra at the Office of Management and Budget, Desk Officer for DoD, Room 10236, New Executive Office Building, Washington, DC 20503.

You may also submit comments, identified by docket number and title, by the following method:

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

Instructions: All submissions received must include the agency name, docket number, and title for the **Federal Register** document. The general policy for comments and other public submissions from members of the public is to make these submissions available for public viewing on the Internet at *http://www.regulations.gov* as they are received without change, including any personal identifiers or contact information provided. To confirm receipt of your comment(s), please check *http://www.regulations.gov* approximately two to three days after submission to verify posting (except allow 30 days for posting of comments submitted by mail).

DoD Clearance Officer: Mr. Frederick C. Licari.

Written requests for copies of the information collection proposal should be sent to Mr. Licari at: Publication Collections Program, WHS/ESD Information Management Division, 4800 Mark Center Drive, 2nd Floor, East Tower, Suite 02G09, Alexandria, VA 22350–3100.

Manuel Quinones,

Editor, Defense Acquisition Regulations System.

[FR Doc. 2014–26029 Filed 10–31–14; 8:45 am]

BILLING CODE 5001–06–P

DEPARTMENT OF DEFENSE

Department of the Navy

[Docket ID: USN–2014–0022]

Proposed Collection; Comment Request

AGENCY: Navy Exchange Service Command (NEXCOM), DON, DoD.

ACTION: Notice.

SUMMARY: In compliance with the *Paperwork Reduction Act of 1995,* the Navy Exchange Service Command (NEXCOM) announces a proposed public information collection and seeks public comment on the provisions thereof. Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed information collection; (c) ways to

enhance the quality, utility, and clarity of the information to be collected; and (d) ways to minimize the burden of the information collection on respondents, including through the use of automated collection techniques or other forms of information technology.

DATES: Consideration will be given to all comments received by January 2, 2015.

ADDRESSES: You may submit comments, identified by docket number and title, by any of the following methods:

- Federal eRulemaking Portal: *http://www.regulations.gov.* Follow the instructions for submitting comments.
- Mail: Federal Docket Management System Office, 4800 Mark Center Drive, East Tower, Suite 02G09, Alexandria, VA 22350–3100.

Instructions: All submissions received must include the agency name, docket number and title for this **Federal Register** document. The general policy for comments and other submissions from members of the public is to make these submissions available for public viewing on the Internet at *http://www.regulations.gov* as they are received without change, including any personal identifiers or contact information.

Any associated form(s) for this collection may be located within this same electronic docket and downloaded for review/testing. Follow the instructions at *http://www.regulations.gov* for submitting comments. Please submit comments on any given form identified by docket number, form number, and title.

FOR FURTHER INFORMATION CONTACT: To request more information on this proposed information collection or to obtain a copy of the proposal and associated collection instruments, please write to the Navy Exchange Service Command (NEXCOM), 3280 Virginia Beach Boulevard, Virginia Beach, VA 23452, ATTN: Richard Moutvic or call Richard Moutvic, Market Insights Department at 757–631–3907.

SUPPLEMENTARY INFORMATION:

Title; Associated Form; and OMB Number: Pentagon/Mark Center Food Satisfaction Survey; OMB Control Number 0703–TBD.

Needs and Uses: The Memorandum of Agreement (MOA) between the Department of Defense Concessions Committee (DoDCC) and the Navy Exchange Service Command (NEXCOM), dated 01 January 2014 contracts the Navy Exchange Service Command to manage and run food operations in the Pentagon and Mark Center. As part of the MOA, NEXCOM is required to conduct periodic customer satisfaction surveys to assess food service operator performance. The survey is also critical to identifying deficiencies in food operator performance, hygiene or safety. The survey provides valuable customer feedback which is used to evaluate the performance of food vendors.

Affected Public: Individuals or Households.

Annual Burden Hours: 333.

Number of Respondents: 2000.

Responses Per Respondent: 1.

Average Burden Per Response: 10 minutes.

Frequency: Annual.

Respondents are the customers of the food outlets at the Pentagon and Mark Center managed by NEXCOM for the DoDCC. The feedback gained from the survey is critical to providing our customers the Pentagon and Mark Center with enjoyable and healthy food options. It is a best business practice for food service companies to conduct frequent or ongoing feedback from their customers. Because NEXCOM uses multiple food vendors, it is critical that the questions asked be consistent, and that the time period for collection of the feedback be the same.

Dated: October 29, 2014.

Aaron Siegel,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 2014–26034 Filed 10–31–14; 8:45 am]

BILLING CODE 5001–06–P

DEPARTMENT OF DEFENSE

Department of the Navy

Notice of Availability of a Draft Supplemental Environmental Impact Statement/Supplemental Overseas Environmental Impact Statement for Surveillance Towed Array Sensor System Low Frequency Active (SURTASS LFA) Sonar

AGENCY: Department of the Navy, DoD.

ACTION: Notice.

SUMMARY: Pursuant to the National Environmental Policy Act as implemented by the Council on Environmental Quality regulations (40 CFR parts 1500–1508) and Executive Order 12114, the Department of the Navy (DoN) has prepared and filed with the U.S. Environmental Protection Agency (USEPA) a Draft Supplemental Environmental Impact Statement/Supplemental Overseas Environmental Impact Statement (Draft SEIS/SOEIS) to analyze the potential impact of SURTASS LFA sonar on the five common bottlenose dolphin stocks comprising the Hawaiian Islands Stock Complex (Kauai/Niiahu, Oahu, 4-Islands, Hawaii Island, and Hawaii Pelagic). USEPA published their notice of availability of the SURTASS LFA sonar draft supplement on October 24, 2014 (79 FR 63622).

DATES: Public comment period will end on December, 8, 2014.

ADDRESSES: Written comments on the SURTASS LFA Sonar Draft SEIS/SOEIS should be addressed to: SURTASS LFA Sonar SEIS/SOEIS Program Manager, 4201 Wilson Blvd. #110–185, Arlington, Virginia 22203; or email: *eisteam@surtass-lfa-eis.com.*

FOR FURTHER INFORMATION CONTACT: Chief of Naval Operations, Code N2/N6F24, c/o SURTASS LFA Sonar SEIS/SOEIS Program Manager, 4201 Wilson Blvd. #110–185, Arlington, Virginia 22203; or email: *eisteam@surtass-lfa-eis.com.*

SUPPLEMENTARY INFORMATION: Although the most recent Final SEIS/SOEIS for SURTASS LFA sonar was completed in June 2012, during subsequent litigation (*Natural Resources Defense Council, Inc. et al.* v. *Pritzger et al.,* No. 12–cv–05380–EDL [E.D. Cal. October 18, 2012]), the court found that the SEIS/SOEIS was deficient in one limited respect in that the DoN failed to use the best available data from the 2010 Pacific Stock Assessment Report to analyze the potential impact of SURTASS LFA sonar on the individual stocks that comprise the Hawaiian Islands Stock Complex of common bottlenose dolphins. The court upheld the current SEIS/SOEIS in all other respects. The Draft SEIS/SOEIS in this notice was prepared for the limited purpose of addressing the single deficiency identified by the court.

The Draft SEIS/SOEIS has been distributed to appropriate Federal and state government agencies and officials and other interested parties. In addition, copies of the Draft SEIS/SOEIS have been distributed to the following regional libraries for public review:

1. Hawaii Documents Center, Hawaii State Library, 478 South King St, Honolulu, HI 96813.
2. Kaneohe Public Library, 45–829 Kamehameha Highway, Kaneohe, HI 96744.
3. Hilo Public Library, 300 Waianuenue Ave, Hilo, HI 96720.
4. Wailuku Public Library, 251 High St, Wailuku, HI 96793.
5. Lihue Public Library, 4344 Hardy St, Lihue, HI 96766.

The Draft SEIS/SOEIS is available for public viewing and downloading at: *http://www.surtass-lfa-eis.com.* CD copies of the Draft SEIS/SOEIS are

available upon request from: SURTASS LFA Sonar SEIS/SOEIS Program Manager, 4201 Wilson Blvd. #110–185, Arlington, Virginia 22203; or email: *eisteam@surtass-lfa-eis.com.*

Written comments on the Draft SEIS/SOEIS can be submitted by mail: SURTASS LFA Sonar SEIS/SOEIS Program Manager, 4201 Wilson Blvd. #110–185, Arlington, Virginia 22203; or email: *eisteam@surtass-lfa-eis.com.* All written comments must be postmarked by December 8, 2014 to ensure that they become part of the official record. All timely comments will be addressed in the Final SEIS/SOEIS. No public hearings or meetings will be held.

Dated: October 27, 2014.

N. A. Hagerty-Ford,

Commander, Judge Advocate General's Corps, U.S. Navy, Federal Register Liaison Officer.

[FR Doc. 2014–26035 Filed 10–31–14; 8:45 am]

BILLING CODE 3810–FF–P

DEPARTMENT OF EDUCATION

Applications for Eligibility Designation; Programs under Parts A and F of Title III of the Higher Education Act of 1965, as amended (HEA), and Programs under Title V of the HEA

AGENCY: Office of Postsecondary Education, Department of Education.

ACTION: Notice.

Overview Information:

This notice applies to the following programs:

1. Programs authorized under Part A, Title III of the HEA: Strengthening Institutions Program (Part A SIP), Alaska Native and Native Hawaiian-Serving Institutions (Part A ANNH), Predominantly Black Institutions (Part A PBI), Native American-Serving Nontribal Institutions (Part A NASNTI), and Asian American and Native American Pacific Islander-Serving Institutions (Part A AANAPISI).

2. Programs authorized under Part F, Title III of the HEA: Hispanic-Serving Institutions STEM and Articulation (Part F, HSI STEM and Articulation), Predominantly Black Institutions (Part F PBI), Alaska Native and Native Hawaiian-Serving Institutions (Part F ANNH), Native American-Serving Nontribal Institutions (Part F NASNTI) and Asian American and Native American Pacific Islander-Serving Institutions (Part F AANAPISI).

3. Programs authorized under Title V of the HEA: Developing Hispanic-Serving Institutions (HSI) and Promoting Postbaccalaureate Opportunities for Hispanic Americans (PPOHA). Notice inviting applications for designation as an eligible institution for Fiscal Year (FY) 2015.

DATES: Application Available: November 3, 2014.

Deadline for Transmittal of Applications: December 18, 2014.

Special Note: Section 312 of the HEA and 34 CFR 607.2–607.5 include most of the basic eligibility requirements for grant programs authorized under Titles III and V of the HEA. Section 312(b)(1)(B) of the HEA provides that, to be eligible for these programs, an institution of higher education's average ''educational and general expenditures'' (E&G) per full-time equivalent (FTE) undergraduate student must be less than the average E&G expenditures per FTE undergraduate student of institutions that offer similar instruction in that year. 34 CFR 607.4(a). Since 2004, the National Center for Education Statistics (NCES) has calculated core expenses (Core Expenses) per FTE of postsecondary institutions, a statistic similar to E&G per FTE. Both E&G per FTE and Core Expenses per FTE are based on regular operational expenditures of postsecondary institutions (excluding auxiliary enterprises, independent operations, and hospital expenses). They differ only in that E&G per FTE is based on fall undergraduate enrollment, while Core Expenses per FTE is based on 12-month undergraduate enrollment for the academic year. To avoid inconsistency in the data submitted to and produced by the Department, for the purpose of section 312(b)(1)(B) of the HEA, E&G per FTE will now be calculated using the same methodology as Core Expenses per FTE. Accordingly, with regard to this and future notices inviting applications, to calculate E&G per FTE for the purpose of determining institutional eligibility for programs under Part A and Part F of Title III and Title V of the HEA, the Department will apply the NCES methodology for calculating Core Expenses per FTE. Institutions applying for eligibility must use the Core Expenses per FTE data reported to NCES's Integrated Postsecondary Education Data System (IPEDS) for the most currently available academic year, in this case 2012–2013.

Full Text of Announcement

I. Funding Opportunity Description

Purpose of Programs:

The Part A SIP, Part A ANNH, Part A PBI, Part A NASNTI, and Part A AANAPISI programs are authorized under Title III, Part A, of the HEA. The HSI and PPOHA programs are authorized under Title V of the HEA. The Part F, HSI STEM and Articulation, Part F PBI, Part F AANAPISI, Part F ANNH, and Part F NASNTI programs are authorized under Title III, Part F of the HEA. Please note that certain programs in this notice have the same or a similar name as another program that falls under a different statutory authority. For this reason, we specify the statutory authority as part of the acronym for certain programs.

Under the programs discussed above, institutions of higher education (''IHEs'' or ''institutions'') are eligible to apply for grants if they meet specific statutory and regulatory eligibility requirements. An IHE that submits an application and is designated as an eligible institution may also receive a waiver of certain non-Federal cost-sharing requirements for one year under the Federal Supplemental Educational Opportunity Grants (FSEOG) program authorized by Part A, Title IV of the HEA and the Federal Work-Study Program (FWS) program authorized by section 443 of the HEA. Qualified institutions may receive the FWS and FSEOG waivers for one year even if they do not receive a grant under the Title III or Title V Programs. An applicant that receives a grant from the Student Support Services (SSS) program that is authorized under section 402D of the HEA, 20 U.S.C. 1070a–14, may receive a waiver of the required non-Federal share for institutions for the duration of the grant. An applicant that receives a grant from the Undergraduate International Studies and Foreign Language (UISFL) program that is authorized under section 604 of the HEA, 20 U.S.C. 1124, may receive a waiver or reduction of the required non-Federal share for institutions for the duration of the grant.

Special Note: To qualify as an eligible institution under the grant programs listed in this notice, your institution must satisfy several criteria. For most of these programs, these criteria include those that relate to the enrollment of needy students and to Core Expenses per FTE for a specified base year. The most recent data available for Core Expenses per FTE are for base year 2012–2013. In order to award FY 2015 grants in a timely manner, we will use this data to evaluate eligibility. Therefore, in completing your eligibility application, please use Core Expenses per FTE reported to IPEDS for academic year 2012–2013.

Accordingly, all institutions interested in applying for a new grant under the Title III or Title V programs addressed in this notice or in requesting a waiver of the non-Federal cost share, must apply for eligibility designation for FY 2015. Under the HEA, any IHE interested in applying for a grant under any of these programs must first be designated as an eligible institution. (34 CFR 606.5 and 607.5).

Eligible Applicants:

The eligibility requirements for the programs authorized under Part A of Title III of the HEA are in Sections 312 and 317–320 of the HEA (20 U.S.C. 1058, 1059d–1059g) and in the Department's implementing regulations at 34 CFR 607.2 through 607.5. The regulations may be accessed at:

www.gpo.gov/fdsys/pkg/CFR-2001-title34-vol3/xml/CFR-2001-title34-vol3-part607.xml.

The eligibility requirements for the programs authorized by Part F of Title III of the HEA are in Section 371 of the HEA (20 U.S.C. 1067q). We are developing regulations for these programs; there are currently no specific program regulations.

The eligibility requirements for the Title V HSI Program are in Part A of Title V of the HEA and in 34 CFR 606.2 through 34 CFR 606.5. The regulations may be accessed at: *www.gpo.gov/fdsys/pkg/CFR-2001-title34-vol3/xml/CFR-2001-title34-vol3-part606.xml.*

The requirements for the PPOHA Program are in Part B of Title V of the HEA and in the notice of final requirements published in the **Federal Register** on July 27, 2010 (75 FR 44055), and in 34 CFR 606.2(a) and (b), and 606.3 through 606.5.

Enrollment of Needy Students: For the Title III, Part A SIP; Part A ANNH; Part A NASNTI; Part A AANAPISI Part A PBI; Title III, Part F HSI STEM and Articulation; Part F AANAPISI; Part F NASNTI; Part F ANNH; Part F PBI; HSI and PPOHA programs, an institution is considered to have an enrollment of needy students if: (1) At least 50 percent of its degree students received financial assistance under: The Federal Pell Grant, FSEOG, FWS, or the Federal Perkins Loan Programs; or (2) the percentage of its undergraduate degree students who were enrolled on at least a half-time basis and received Federal Pell Grants exceeded the median percentage of undergraduate degree students who were enrolled on at least a half-time basis and received Federal Pell Grants at comparable institutions that offer similar instruction.

To qualify under this latter criterion, an institution's Federal Pell Grant percentage for base year 2012–2013 must be more than the median for its category of comparable institutions provided in the 2012–2013 Median Pell Grant and Core Expenses per FTE Student Table in this notice.

For the definition of ''Enrollment of Needy Students'' for purposes of the Part A PBI Program, see section 318(b)(2) of the HEA, and for purposes of the Part F PBI program see section 371(c)(9)of the HEA.

Core Expenses Per FTE Student: For the Title III, Part A SIP; Part A ANNH; Part A PBI; Part A NASNTI; Part A AANAPISI; Title III, Part F HSI STEM and Articulation; Part F PBI; Part F AANAPISI; Part F ANNH; Part F NASNTI; HSI and PPOHA programs, an institution should compare its base year 2012–2013 Core Expenses per FTE student to the average Core Expenses per FTE student for its category of comparable institutions in the base year 2012–2013 Median Pell Grant and Average Core Expenses per FTE Student Table in this notice. The institution meets this eligibility requirement under these programs if its Core Expenses for the 2012–2013 base year are less than the average for its category of comparable institutions.

Core Expenses are defined as the total expenses for the essential education activities of the institution. Core Expenses for public institutions reporting under the Governmental Accounting Standards Board (GASB) standards include expenses for instruction, research, public service, academic support, student services, institutional support, operation and maintenance of plant, depreciation, scholarships and fellowships, interest and other operating and nonoperating expenses. Core Expenses for institutions reporting under the Financial Accounting Standards Board (FASB) standards (primarily private, not-for-profit and for-profit) include expenses for instruction, research, public service, academic support, student services, institutional support, net grant aid to students, and other expenses. For both FASB and GASB institutions, core expenses exclude expenses for auxiliary enterprises (e.g., bookstores, dormitories), hospitals, and independent operations. The following table identifies the relevant median Federal Pell Grant percentages for the base year 2012–2013 and the relevant Core Expenses per FTE student for the base year 2012–2013 for the four categories of comparable institutions:

Type of institution	Base year 2012–2013 median pell grant percentage	Base year 2012–2013 average core expenses per FTE student
Two-year Public Institutions	34.7	$11,287
Two-year Non-profit Private Institutions	38	13,657
Four-year Public Institutions	45	27,608
Four-year Non-profit Private Institutions	44	34,361

Waiver Information: IHEs that are unable to meet the needy student enrollment requirement or the Core Expenses per FTE requirement may apply to the Secretary for waivers of these requirements, as described in sections 392 and 522 of the HEA, and the implementing regulations at 34 CFR 606.3(b), 606.4(c) and (d), 607.3(b), and 607.4(c) and (d).

IHEs requesting a waiver of the needy student enrollment requirement or the Core Expenses per FTE requirement must include in their application detailed information supporting the waiver request, as described in the instructions for completing the application.

The regulations governing the Secretary's authority to waive the needy student requirement, 34 CFR 606.3(b)(2) and (3) and 607.3(b)(2) and (3), refer to ''low-income'' students or families. The regulations at 34 CFR 606.3(c) and 607.3(c) define ''low-income'' as an amount that does not exceed 150 percent of the amount equal to the poverty level, as established by the U.S. Census Bureau.

For the purposes of this waiver provision, the following table sets forth the low-income levels for the various sizes of families:

2012 ANNUAL LOW-INCOME LEVELS

Size of family unit	Family income for the 48 contiguous States, DC, and outlying jurisdictions	Family income for Alaska	Family income for Hawaii
1	$16,755	$20,955	$19,290
2	22,695	28,380	26,115
3	28,635	35,805	32,940
4	34,575	43,230	39,765
5	40,515	50,655	46,590
6	46,455	58,080	53,415
7	52,395	65,505	60,240
8	58,335	72,930	67,065

Note: We use the 2012 annual low-income levels because those are the amounts that apply to the family income reported by students enrolled for the fall 2012 semester. For family units with more than eight members, add the following amount for each additional family member: $5,940 for the contiguous 48 States, the District of Columbia, and outlying jurisdictions; $7,425 for Alaska; and $6,825 for Hawaii.

The figures shown under family income represent amounts equal to 150 percent of the family income levels established by the U.S. Census Bureau for determining poverty status. The poverty guidelines were published by the U.S. Department of Health and Human Services in the **Federal Register** on January 26, 2012 (77 FR 4034).

The information about ''metropolitan statistical areas'' referenced in 34 CFR 606.3(b)(4) and 607.3(b)(4) may be obtained at: *www.census.gov/prod/2010pubs/10smadb/appendixc.pdf* and *www.census.gov/prod/2008pubs/07ccdb/appd.pdf.*

Electronic Submission of Applications:

Applications for designation of eligibility must be submitted electronically at: *http://opeweb.ed.gov/title3and5/.*

To enter the Web site, you must use your institution's unique 8-digit identifier, i.e., your Office of Postsecondary Education Identification Number (OPE ID Number). Your business office or student financial aid office should have the OPE ID Number. If not, contact the Department using the email addresses of the contact persons listed in this notice under *For Applications and Further Information Contact.* You will find detailed instructions for completing the application form electronically under the ''Eligibility'' link at: *http://www2.ed.gov/about/offices/list/ope/idues/eligibility.html.*

If your institution is unable to meet the needy student enrollment requirement or the Core Expenses requirement, you may request a waiver of one or both of these requirements. To request a waiver, you must upload a waiver narrative at: *http://opeweb.ed.gov/title3and5/.*

Exception to the Electronic Submission Requirement: You qualify for an exception to the electronic submission requirement, and may submit your application in paper format if you are unable to submit an application electronically because—

- You do not have access to the Internet; or
- You do not have the capacity to upload documents to the Web site; and
- No later than two weeks before the application deadline date (14 calendar days; or, if the fourteenth calendar day before the application deadline date falls on a Federal holiday, the next business day following the Federal holiday), you mail or fax a written statement to the Department, explaining which of the two grounds for an exception prevents you from using the Internet to submit your application. If you mail your written statement to the Department, it must be postmarked no later than two weeks before the application deadline date. If you fax your written statement to the Department, we must receive the faxed statement no later than two weeks before the application deadline date.

Mail or fax your statement to: Nancy Regan, U.S. Department of Education, 1990 K Street NW., Room 6032, Washington, DC 20006–8513. Fax: (202) 502–7861.

Your paper application must be submitted in accordance with the mail or hand delivery instructions described in this notice.

Submission of Paper Applications by Mail.

If you qualify for an exception to the electronic submission requirement, you may mail (through the U.S. Postal Service or a commercial carrier) your application to the Department. You must mail the original and two copies of your application, on or before the application deadline date, to the Department at the following address: Nancy Regan, U.S. Department of Education, 1990 K Street NW., Room 6032, Washington, DC 20006–8513.

You must show proof of mailing consisting of one of the following:

(1) A legibly dated U.S. Postal Service postmark.

(2) A legible mail receipt with the date of mailing stamped by the U.S. Postal Service.

(3) A dated shipping label, invoice, or receipt from a commercial carrier.

(4) Any other proof of mailing acceptable to the Secretary of the U.S. Department of Education.

If you mail your application through the U.S. Postal Service, we do not accept either of the following as proof of mailing:

(1) A private metered postmark.

(2) A mail receipt that is not dated by the U.S. Postal Service.

If your application is postmarked after the application deadline date, we will not consider your application.

Note: The U.S. Postal Service does not uniformly provide a dated postmark. Before relying on this method, you should check with your local post office.

Submission of Paper Applications by Hand Delivery.

If you qualify for an exception to the electronic submission requirement, you (or a courier service) may deliver your paper application to the Department by hand. You must deliver the application, on or before the application deadline date, to the Department at the following address: Nancy Regan, U.S. Department of Education, 1990 K Street NW., Room 6032, Washington, DC 20006–8513.

Hand delivered applications will be accepted daily between 8:00 a.m. and 4:30 p.m., Washington, DC time, except Saturdays, Sundays, and Federal holidays.

Applicable Regulations: This notice inviting applications (NIA) is being published before the Department adopts the Uniform Administrative Requirements, Cost Principles, and Audit Requirements in 2 CFR part 200. We expect to publish interim final

regulations that would adopt those requirements before December 26, 2014, and make those regulations effective on that date. Because grants in the programs to which this separate application process applies will likely be made after the Department adopts the requirements in 2 CFR part 200, we list as applicable regulations both those that are currently effective and those that will be effective at the time the Department makes grants.

The current regulations follow: (a) The Education Department General Administrative Regulations (EDGAR) in 34 CFR parts 74, 75, 77, 79, 80, 82, 84, 86, 97, 98, and 99. (b) The OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement) in 2 CFR part 180, as adopted as regulations of the Department in 2 CFR part 3485.

At the time we award grants under this NIA, the following regulations will apply: (a) EDGAR in 34 CFR parts 75, 77, 79, 82, 84, 86, 97, 98, and 99. (b) The OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement) in 2 CFR part 180, as adopted as regulations of the Department in 2 CFR part 3485 and the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR part 200, as adopted in 2 CFR part 3474.

Regardless of the timing of the publication of the interim final regulations, the following also will apply to this NIA: (a) The regulations for the Title III Programs in 34 CFR part 607, and for the HSI Program in 34 CFR part 606. (b) The notice of final requirements for the PPOHA Program, published in the **Federal Register** on July 27, 2010 (75 FR 44055).

Note: There are no program-specific regulations for the Part A AANAPISI, Part A NASNTI, and Part A PBI programs or any of the Part F, Title III programs. Also, there have been amendments to the HEA since the Department last issued regulations for the programs established under Titles III and V of the statute. Accordingly, we encourage each potential applicant to read the applicable sections of the HEA in order to fully understand the eligibility requirements for the program for which they are applying. Please note that the Department is in the process of amending the Title III and Title V regulations. These updated regulations will include regulations for Part A AANAPISI, Part A NASNTI, and Part A PBI programs, as well as the Part F, Title III programs.

Note: The regulations in 34 CFR part 79 apply to all applicants except federally recognized Indian tribes.

Note: The regulations in 34 CFR part 86 apply to institutions of higher education only.

For Applications and Further Information Contact: Robyn Wood or Jeffrey Hartman, Institutional Service, U.S. Department of Education, 1990 K Street NW., Room 6134, Request for Eligibility Designation, Washington, DC 20006–8513.

You can contact these individuals at the following email addresses or phone numbers: *Robyn.Wood@ed.gov,* 202–502–7437, *Jeffrey.Hartman@ed.gov,* 202–502–7607.

If you use a telecommunications device for the deaf (TDD) or a text telephone (TTY), call the Federal Relay Service (FRS), toll free, at 1–800–877–8339.

Individuals with disabilities can obtain this document in an accessible format (e.g., braille, large print, audio tape, or compact disc) on request to one of the contact persons listed in this section.

Electronic Access to This Document: The official version of this document is the document published in the **Federal Register**. Free Internet access to the official edition of the **Federal Register** and the Code of Federal Regulations is available via the Federal Digital System at: *www.gpo.gov/fdsys.* At this site you can view this document, as well as all other documents of this Department published in the **Federal Register**, in text or Adobe Portable Document Format (PDF). To use PDF you must have Adobe Acrobat Reader, which is available free at the site.

You may also access documents of the Department published in the **Federal Register** by using the article search feature at: *www.federalregister.gov.* Specifically, through the advanced search feature at this site, you can limit your search to documents published by the Department.

Dated: October 29, 2014.

Lynn B. Mahaffie,

Acting Assistant Secretary for Postsecondary Education.

[FR Doc. 2014–26075 Filed 10–31–14; 8:45 am]

BILLING CODE 4000–01–P

DEPARTMENT OF ENERGY

Environmental Management Site-Specific Advisory Board, Idaho National Laboratory

AGENCY: Department of Energy.

ACTION: Notice of Open Meeting: Correction.

SUMMARY: On October 27, 2014, the Department of Energy (DOE) published a notice of open meeting announcing a meeting on November 18, 2014 of the Environmental Management Site-Specific Advisory Board, Paducah (79 FR 63913). This document makes a correction to that notice.

FOR FURTHER INFORMATION CONTACT: Robert L. Pence, Federal Coordinator, Department of Energy, Idaho Operations Office, 1955 Fremont Avenue, MS–1203, Idaho Falls, Idaho 83415. Phone (208) 526–6518; Fax (208) 526–8789 or email: *pencerl@id.doe.gov* or visit the Board's Internet home page at: *http://inlcab.energy.gov/.*

Correction

In the **Federal Register** of October 27, 2014, in FR Doc. 2014–25457, on page 63913, please make the following correction:

In that notice under **DATES**, third column, second paragraph, the meeting date should be corrected. The correct date is November 19, 2014 instead of November 18, 2014.

Issued at Washington, DC, on October 29, 2014.

LaTanya R. Butler,

Deputy Committee Management Officer.

[FR Doc. 2014–26044 Filed 10–31–14; 8:45 am]

BILLING CODE 6450–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No. 2280–018]

Seneca Generation, LLC; Notice of Availability of Environmental Assessment

In accordance with the National Environmental Policy Act of 1969 and the Federal Energy Regulatory Commission's regulations, 18 CFR Part 380, the Office of Energy Projects has reviewed the application for a new license for the 451.8-megawatt (MW) Kinzua Pumped Storage Project located on the Allegheny River in Warren County, Pennsylvania, adjacent to the U.S. Army Corps of Engineers' (Corps) Kinzua dam and has prepared an environmental assessment (EA).

In the EA, Commission staff analyzes the potential environmental effects of licensing the project and concludes that issuing a new license for the project, with appropriate environmental protective measures, would not constitute a major federal action that would significantly affect the quality of the human environment.

A copy of the EA is available for review at the Commission in the Public

Reference Room or may be viewed on the Commission's Web site at *http://www.ferc.gov* using the ''eLibrary'' link. Enter the docket number excluding the last three digits in the docket number field to access the document. For assistance, contact FERC Online Support at *FERCOnlineSupport@ferc.gov* or toll-free at (866) 208–3676, or for TTY, (202) 502–8659.

You may also register online at *http://www.ferc.gov/docs-filing/esubscription.asp* to be notified via email of new filings and issuances related to this or other pending projects. For assistance, contact FERC Online Support.

Comments on the EA should be filed within 30 days from the date of this notice.

The Commission strongly encourages electronic filing. Please file comments using the Commission's eFiling system at *http://www.ferc.gov/docs-filing/efiling.asp*. Commenters can submit brief comments up to 6,000 characters, without prior registration, using the eComment system at *http://www.ferc.gov/docs-filing/ecomment.asp.* You must include your name and contact information at the end of your comments. For assistance, please contact FERC Online Support.

In lieu of electronic filing, please send a paper copy to: Secretary, Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426. The first page of any filing should include docket number P–2280–018.

For further information, contact Gaylord Hoisington at (202) 502–6032.

Dated: October 24, 2014.

Kimberly D. Bose,

Secretary.

[FR Doc. 2014–26003 Filed 10–31–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No. 13102–003]

Birch Power Company; Notice of Application Accepted for Filing and Soliciting Motions To Intervene and Protests

Take notice that the following hydroelectric application has been filed with the Commission and is available for public inspection.

a. *Type of Application:* Original License (Major Project).

b. *Project No.:* 13102–003.

c. *Date filed:* July 2, 2013.

d. *Applicant:* Birch Power Company.

e. *Name of Project:* Demopolis Lock and Dam Hydroelectric Project.

f. *Location:* At the U.S. Army Corps of Engineers' (Corps) Demopolis Lock and Dam, on theTombigbee River, west of the city of Demopolis in Marengo and Sumter Counties, Alabama. The proposed project would occupy approximately 23 acres of federal land administered by the Corps.

g. *Filed Pursuant to:* Federal Power Act, 16 U.S.C. 791 (a)—825(r).

h. *Applicant Contact:* Nicholas E. Josten, GeoSense, 2742 Saint Charles Ave, Idaho Falls, ID 83404, (208) 528–6152.

i. *FERC Contact:* Adam Peer (202) 502–8449, *adam.peer@ferc.gov.*

j. *Deadline for filing motions to intervene and protests and requests for cooperating agency status:* 60 days from the issuance date of this notice.

The Commission strongly encourages electronic filing. Please file motions to intervene and protests, and requests for cooperating agency status, using the Commission's eFiling system at *http://www.ferc.gov/docs-filing/efiling.asp.* Commenters can submit brief comments up to 6,000 characters, without prior registration, using the eComment system at *http://www.ferc.gov/docs-filing/ecomment.asp.* You must include your name and contact information at the end of your comments. For assistance, please contact FERC Online Support at *FERCOnlineSupport@ferc.gov,* (866) 208–3676 (toll free), or (202) 502–8659 (TTY). In lieu of electronic filing, please send a paper copy to: Secretary, Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426. The first page of any filing should include docket number P–13102–003.

The Commission's Rules of Practice and Procedures require all intervenors filing documents with the Commission to serve a copy of that document on each person on the official service list for the project. Further, if an intervenor files comments or documents with the Commission relating to the merits of an issue that may affect the responsibilities of a particular resource agency, they must also serve a copy of the document on that resource agency.

k. This application has been accepted for filing, but is not ready for environmental analysis at this time.

l. The proposed project would utilize the existing Corps' Demopolis Lock and Dam and Reservoir, and would consist of the following new facilities: (1) a 900-foot-long excavated intake channel (headrace); (2) two 60-foot-long by 32-foot-wide trash racks with 2.5-inch bar spacing; (3) a 201-foot-long by 80-foot-wide powerhouse containing two 24-megawatt (MW) Kaplan turbines, having a total installed capacity of 48 MW; (4) a substation; (5) a forebay oxygen diffuser line system to enhance dissolved oxygen; (6) a 1,880-foot-long excavated tailrace channel; (7) a 1,700-foot-long retaining wall along the north side of tailrace channel; (8) a 4.4-mile-long, 115-kilovolt transmission line; and (9) appurtenant facilities. The average annual generation would be about 213,000 megawatt-hours.

m. A copy of the application is available for review at the Commission in the Public Reference Room or may be viewed on the Commission's Web site at *http://www.ferc.gov* using the ''eLibrary'' link. Enter the docket number, excluding the last three digits in the docket number field to access the document. For assistance, contact FERC Online Support. A copy is also available for inspection and reproduction at the address in item h above.

You may also register online at *http://www.ferc.gov/docs-filing/esubscription.asp* to be notified via email of new filings and issuances related to this or other pending projects. For assistance, contact FERC Online Support.

n. Any qualified applicant desiring to file a competing application must submit to the Commission, on or before the specified intervention deadline date, a competing development application, or a notice of intent to file such an application. Submission of a timely notice of intent allows an interested person to file the competing development application no later than 120 days after the specified intervention deadline date. Applications for preliminary permits will not be accepted in response to this notice.

A notice of intent must specify the exact name, business address, and telephone number of the prospective applicant, and must include an unequivocal statement of intent to submit a development application. A notice of intent must be served on the applicant(s) named in this public notice.

Anyone may submit a protest or a motion to intervene in accordance with the requirements of Rules of Practice and Procedure, 18 CFR 385.210, 385.211, and 385.214. In determining the appropriate action to take, the Commission will consider all protests filed, but only those who file a motion to intervene in accordance with the Commission's Rules may become a party to the proceeding. Any protests or motions to intervene must be received on or before the specified deadline date for the particular application.

When the application is ready for environmental analysis, the Commission will issue a public notice

requesting comments, recommendations, terms and conditions, or prescriptions.

All filings must (1) bear in all capital letters the title ''PROTEST'' or ''MOTION TO INTERVENE,'' ''NOTICE OF INTENT TO FILE COMPETING APPLICATION,'' or ''COMPETING APPLICATION;'' (2) set forth in the heading, the name of the applicant and the project number of the application to which the filing responds; (3) furnish the name, address, and telephone number of the person protesting or intervening; and (4) otherwise comply with the requirements of 18 CFR 385.2001 through 385.2005. Agencies may obtain copies of the application directly from the applicant. A copy of any protest or motion to intervene must be served upon each representative of the applicant specified in the particular application.

Dated: October 28, 2014.

Kimberly D. Bose,

Secretary.

[FR Doc. 2014–26067 Filed 10–31–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No. 13703–002]

FFP Missouri 2, LLC; Notice Soliciting Scoping Comments

Take notice that the following hydroelectric application has been filed with the Commission and is available for public inspection.

a. *Type of Application:* Original Major License—Existing Dam.

b. *Project No.:* 13703–002.

c. *Date filed:* November 13, 2013.

d. *Applicant:* FFP Missouri 2, LLC.

e. *Name of Project:* Enid Lake Hydroelectric Project.

f. *Location:* The proposed project would be located at the U.S. Army Corps of Engineers' (Corps) existing Enid Lake dam, on the Yocona River, in Yalobusha County, Mississippi. The proposed project would occupy approximately 30 acres of federal land administered by the Corps.

g. *Filed Pursuant to:* Federal Power Act, 16 U.S.C. 791(a)–825(r).

h. *Applicant Contact:* Mr. Thomas M. Feldman, Rye Development, LLC, P.O. Box 390691, Cambridge, MA 02139, (617) 433–8140.

i. *FERC Contact:* Jeanne Edwards at (202) 502–6181, *jeanne.edwards@ferc.gov;* or Patti Leppert at (202) 502–6034, *patricia.leppert@ferc.gov.*

j. *Deadline for filing scoping comments:* 30 days from the issuance date of this notice.

The Commission strongly encourages electronic filing. Please file scoping comments using the Commission's eFiling system at *http://www.ferc.gov/docs-filing/efiling.asp.* Commenters can submit brief comments up to 6,000 characters, without prior registration, using the eComment system at *http://www.ferc.gov/docs-filing/ecomment.asp.* You must include your name and contact information at the end of your comments. For assistance, please contact FERC Online Support at *FERCOnlineSupport@ferc.gov,* (866) 208–3676 (toll free), or (202) 502–8659 (TTY). In lieu of electronic filing, please send a paper copy to: Secretary, Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426. The first page of any filing should include docket number P–13703–002.

The Commission's Rules of Practice require all intervenors filing documents with the Commission to serve a copy of that document on each person on the official service list for the project. Further, if an intervenor files comments or documents with the Commission relating to the merits of an issue that may affect the responsibilities of a particular resource agency, they must also serve a copy of the document on that resource agency.

k. This application is not ready for environmental analysis at this time.

l. The proposed Enid Lake Project would utilize the following existing Corps' Enid Lake dam facilities: (1) A 8,400-foot-long, 85-foot-high earth fill embankment dam; (2) a reservoir; and (3) outlet works consisting of a concrete intake tower; two gated inlets leading to two 370-foot-long, 11-foot-diameter round concrete outlet tunnels; and a stilling basin.

The proposed Enid Lake Project would consist of the following new facilities: (1) A 320-foot-long, 10.25-foot-diameter steel liner installed within an existing concrete outlet tunnel; (2) a 50-foot-long, 20-foot-high steel-lined, reinforced concrete gated bifurcation at the end of the existing concrete outlet tunnel to divide the flows between the existing stilling basin and new powerhouse; (3) a 240-foot-long, 10-foot-diameter steel penstock from the bifurcation structure to the forebay; (4) a 100-foot-long, 55-foot-wide, 50-foot-high forebay; (5) an 80-foot-long, 50-foot-wide, 80-foot-high concrete powerhouse containing two vertical Kaplan generating units with a total installed capacity of 4.6 megawatts; (6) a 150-foot-long, 75-foot-wide tailrace channel; (7) a substation; (8) a 2,217-foot-long transmission line consisting of a 181-foot-long, 4.16-kilovolt (kV) buried cable from the powerhouse to the substation, and a 2,036-foot-long, 12.5-kV overhead line from the substation to an existing utility-owned distribution line; and (9) appurtenant facilities. The average annual generation would be 17,700 megawatt-hours.

m. A copy of the application is available for electronic review at the Commission in the Public Reference Room, or may be viewed on the Commission's Web site at *http://www.ferc.gov,* using the ''eLibrary'' link. Enter the docket number, excluding the last three digits in the docket number field, to access the document. For assistance, contact FERC Online Support. A copy is available for inspection and reproduction at the address in item h above.

You may register online at *http://www.ferc.gov/docs-filing/esubscription.asp* to be notified via email of new filings and issuances related to this or other pending projects. For assistance, contact FERC Online Support.

n. Scoping Process

The Commission staff intends to prepare an environmental assessment (EA) for the project, in accordance with the National Environmental Policy Act. The EA will consider both site-specific and cumulative environmental impacts and reasonable alternatives to the proposed action.

The Commission staff does not propose to conduct any on-site scoping meetings at this time. Instead, staff is soliciting comments, recommendations, and information on Scoping Document (SD1) issued on October 27, 2014.

Copies of the SD1 outlining the subject areas to be addressed in the EA were distributed to the parties on the Commission's mailing list. Copies of the SD1 may be viewed on the Web at *http://www.ferc.gov*, using the ''eLibrary'' link. Enter the docket number, excluding the last three digits in the docket number field, to access the document. For assistance, call 1–866–208–3676, or for TTY, (202) 502–8659.

Dated: October 27, 2014.

Kimberly D. Bose,

Secretary.

[FR Doc. 2014–25987 Filed 10–31–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No. 13702–002]

FFP Missouri 2, LLC; Notice Soliciting Scoping Comments

Take notice that the following hydroelectric application has been filed with the Commission and is available for public inspection.

a. *Type of Applications:* Original Major License—Existing Dam.

b. *Project No.:* 13702–002.

c. *Date filed:* November 13, 2013.

d. *Applicant:* FFP Missouri 2, LLC.

e. *Name of Project:* Grenada Lake Hydroelectric Project.

f. *Location:* The proposed project would be located at the U.S. Army Corps of Engineers' (Corps) existing Grenada Lake dam, on the Yalobusha River, near the Town of Grenada, Grenada County, Mississippi. The proposed project would occupy approximately 35.5 acres of federal lands administered by the Corps.

g. *Filed Pursuant to:* Federal Power Act, 16 U.S.C. 791(a)–825(r).

h. *Applicant Contact:* Mr. Thomas M. Feldman, Rye Development, LLC, P.O. Box 390691, Cambridge, MA 02139, (617) 433–8140.

i. *FERC Contact:* Jeanne Edwards at (202) 502–6181, *jeanne.edwards@ferc.gov;* or Patti Leppert at (202) 502–6034, *patricia.leppert@ferc.gov.*

j. *Deadline for filing scoping comments:* 30 days from the issuance date of this notice.

The Commission strongly encourages electronic filing. Please file scoping comments using the Commission's eFiling system at *http://www.ferc.gov/docs-filing/efiling.asp.* Commenters can submit brief comments up to 6,000 characters, without prior registration, using the eComment system at *http://www.ferc.gov/docs-filing/ecomment.asp.* You must include your name and contact information at the end of your comments. For assistance, please contact FERC Online Support at *FERCOnlineSupport@ferc.gov,* (866) 208–3676 (toll free), or (202) 502–8659 (TTY). In lieu of electronic filing, please send a paper copy to: Secretary, Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426. The first page of any filing should include docket number P–13702–002.

The Commission's Rules of Practice require all intervenors filing documents with the Commission to serve a copy of that document on each person on the official service list for the project. Further, if an intervenor files comments or documents with the Commission relating to the merits of an issue that may affect the responsibilities of a particular resource agency, they must also serve a copy of the document on that resource agency.

k. This application is not ready for environmental analysis at this time.

l. The proposed Grenada Lake Project would utilize the following existing Corps' Grenada Lake dam facilities: (1) A 13,900-foot-long, 80-foot-high earth fill embankment dam; (2) a reservoir; and (3) outlet works consisting of a concrete intake tower; three gated inlets that combine to a 377.5-foot-long, 17-foot-diameter round concrete outlet tunnel; and a stilling basin.

The proposed Grenada Lake Project would consist of the following new facilities: (1) A 327.5-foot-long, 16-foot-diameter steel liner installed within the existing concrete outlet tunnel; (2) a 50-foot-long, 20-foot-high square steel-lined, reinforced concrete gated bifurcation at the end of the existing concrete outlet tunnel to divide the flows between the existing stilling basin and new powerhouse; (3) a 260-foot-long, 14-foot-diameter steel penstock from the bifurcation structure to the forebay; (4) an 86-foot-long, 78-foot-wide, 50-foot-high forebay; (5) a 120-foot-long, 60-foot-wide, 80-foot-high concrete powerhouse containing two vertical Kaplan generating units with a total installed capacity of 9.0 megawatts; (6) a 150-foot-long, 70 foot-wide tailrace channel; (7) a substation; (8) a 2,650-foot-long transmission line consisting of a 670-foot-long, 4.160-kilovolt (kV) buried cable from the powerhouse to the substation, and a 1,980-foot-long, 12.5-kV overhead line from the substation to an existing utility-owned distribution line; and (9) appurtenant facilities. The average annual generation would be 31,000 megawatt-hours.

m. A copy of the application is available for electronic review at the Commission in the Public Reference Room, or may be viewed on the Commission's Web site at *http://www.ferc.gov,* using the ''eLibrary'' link. Enter the docket number, excluding the last three digits in the docket number field, to access the document. For assistance, contact FERC Online Support. A copy is available for inspection and reproduction at the address in item h above.

You may register online at *http://www.ferc.gov/docs-filing/esubscription.asp* to be notified via email of new filings and issuances related to this or other pending projects. For assistance, contact FERC Online Support.

n. Scoping process.

The Commission staff intends to prepare an environmental assessment (EA) for the project, in accordance with the National Environmental Policy Act. The EA will consider both site-specific and cumulative environmental impacts and reasonable alternatives to the proposed action.

The Commission staff does not propose to conduct any on-site scoping meetings at this time. Instead, staff is soliciting comments, recommendations, and information on Scoping Document (SD1) issued on October 27, 2014.

Copies of the SD1 outlining the subject areas to be addressed in the EA were distributed to the parties on the Commission's mailing list. Copies of the SD1 may be viewed on the Web at *http://www.ferc.gov,* using the ''eLibrary'' link. Enter the docket number, excluding the last three digits in the docket number field, to access the document. For assistance, call 1–866–208–3676, or for TTY, (202) 502–8659.

Dated: October 27, 2014.

Kimberly D. Bose,

Secretary.

[FR Doc. 2014–25990 Filed 10–31–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No. 13704–002]

FFP Missouri 2, LLC; Notice Soliciting Scoping Comments

Take notice that the following hydroelectric application has been filed with the Commission and is available for public inspection.

a. *Type of Application:* Original Major License—Existing Dam.

b. *Project No.:* 13704–002.

c. *Date filed:* November 13, 2013.

d. *Applicant:* FFP Missouri 2, LLC.

e. *Name of Project:* Arkabutla Lake Hydroelectric Project.

f. *Location:* The proposed project would be located at the U.S. Army Corps of Engineers' (Corps) existing Arkabutla Lake dam, on the Coldwater River in Tate and DeSoto Counties, Mississippi. The proposed project would occupy approximately 48.2 acres of federal lands administered by the Corps.

g. *Filed Pursuant to:* Federal Power Act, 16 U.S.C. 791 (a)–825(r).

h. *Applicant Contact:* Mr. Thomas M. Feldman, Rye Development, LLC, P.O. Box 390691, Cambridge, MA 02139, (617) 433–8140.

i. *FERC Contact:* Jeanne Edwards at (202) 502–6181, *jeanne.edwards@*

ferc.gov; or Patti Leppert at (202) 502–6034, *patricia.leppert@ferc.gov.*

j. *Deadline for filing scoping comments:* 30 days from the issuance date of this notice.

The Commission strongly encourages electronic filing. Please file scoping comments using the Commission's eFiling system at *http://www.ferc.gov/docs-filing/efiling.asp.* Commenters can submit brief comments up to 6,000 characters, without prior registration, using the eComment system at *http://www.ferc.gov/docs-filing/ecomment.asp.* You must include your name and contact information at the end of your comments. For assistance, please contact FERC Online Support at *FERCOnlineSupport@ferc.gov,* (866) 208–3676 (toll free), or (202) 502–8659 (TTY). In lieu of electronic filing, please send a paper copy to: Secretary, Federal Energy Regulatory Commission, 888 First Street, NE., Washington, DC 20426. The first page of any filing should include docket number P–13704–002.

The Commission's Rules of Practice require all intervenors filing documents with the Commission to serve a copy of that document on each person on the official service list for the project. Further, if an intervenor files comments or documents with the Commission relating to the merits of an issue that may affect the responsibilities of a particular resource agency, they must also serve a copy of the document on that resource agency.

k. This application is not ready for environmental analysis at this time.

l. The proposed Arkabutla Lake Project would utilize the following existing Corps' Arkabutla Lake dam facilities: (1) A 10,000-foot-long, 65-foot-high earth fill embankment dam; (2) a reservoir; and (3) outlet works consisting of a concrete intake tower, three gated inlets that combine to a 355-foot-long and 16.0-foot by 18.25-foot ovoid concrete outlet tunnel, and a stilling basin.

The proposed Arkabutla Lake Project would consist of the following new facilities: (1) A 325-foot-long, 15.5-foot-diameter steel liner installed within the existing concrete outlet tunnel; (2) a 50-foot-long, 25-foot-high steel-lined, reinforced concrete gated bifurcation structure at the end of the existing concrete outlet tunnel to divide the flows between the existing stilling basin and new powerhouse; (3) a 272-foot-long, 12-foot-diameter steel penstock from the bifurcation structure to the forebay; (4) a 60-foot-long, 50-foot-wide, 83-foot-high forebay; (5) an 80-foot-long, 46-foot-wide, 80-foot-high concrete powerhouse containing two vertical Kaplan generating units with a total installed capacity of 5.1 megawatts; (6) a 200-foot-long, 85-foot-wide tailrace channel; (7) a substation; (8) a 4,286-foot-long transmission line consisting of a 1,574-foot-long, 4.16-kilovolt (kV) buried cable from the powerhouse to the substation, and a 2,712-foot-long, 12.5-kV overhead line from the substation to an existing utility-owned distribution line; and (9) appurtenant facilities. The average annual generation would be 19,000 megawatt-hours.

m. A copy of the application is available for electronic review at the Commission in the Public Reference Room, or may be viewed on the Commission's Web site at *http://www.ferc.gov,* using the ''eLibrary'' link. Enter the docket number, excluding the last three digits in the docket number field, to access the document. For assistance, contact FERC Online Support. A copy is available for inspection and reproduction at the address in item h above.

You may register online at *http://www.ferc.gov/docs-filing/esubscription.asp* to be notified via email of new filings and issuances related to this or other pending projects. For assistance, contact FERC Online Support.

n. Scoping Process

The Commission staff intends to prepare an environmental assessment (EA) for the project, in accordance with the National Environmental Policy Act. The EA will consider both site-specific and cumulative environmental impacts and reasonable alternatives to the proposed action.

The Commission staff does not propose to conduct any on-site scoping meetings at this time. Instead, staff is soliciting comments, recommendations, and information on Scoping Document (SD1) issued on October 27, 2014.

Copies of the SD1 outlining the subject areas to be addressed in the EA were distributed to the parties on the Commission's mailing list. Copies of the SD1 may be viewed on the Web at *http://www.ferc.gov,* using the ''eLibrary'' link. Enter the docket number, excluding the last three digits in the docket number field, to access the document. For assistance, call 1–866–208–3676, or for TTY, (202) 502–8659.

Dated: October 27, 2014.

Kimberly D. Bose,

Secretary.

[FR Doc. 2014–25988 Filed 10–31–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

[Project No. 13701–002]

FFP Missouri 2, LLC; Notice Soliciting Scoping Comments

Take notice that the following hydroelectric application has been filed with the Commission and is available for public inspection.

a. *Type of Application:* Original Major License—Existing Dam.

b. *Project No.:* 13701–002.

c. *Date filed:* November 13, 2013.

d. *Applicant:* FFP Missouri 2, LLC.

e. *Name of Project:* Sardis Lake Hydroelectric Project.

f. *Location:* The proposed project would be located at the U.S. Army Corps of Engineers' (Corps) existing Sardis Lake dam, on the Little Tallahatchie River, near the Town of Sardis, Panola County, Mississippi. The proposed project would occupy approximately 59 acres of federal lands administered by the Corps.

g. *Filed Pursuant to:* Federal Power Act, 16 U.S.C. 791(a)–825(r).

h. *Applicant Contact:* Mr. Thomas M. Feldman, Rye Development, LLC, P.O. Box 390691, Cambridge, MA 02139, (617) 433–8140.

i. *FERC Contact:* Jeanne Edwards at (202) 502–6181, *jeanne.edwards@ferc.gov;* or Patti Leppert at (202) 502–6034, *patricia.leppert@ferc.gov.*

j. *Deadline for filing scoping comments:* 30 days from the issuance date of this notice.

The Commission strongly encourages electronic filing. Please file scoping comments using the Commission's eFiling system at *http://www.ferc.gov/docs-filing/efiling.asp.* Commenters can submit brief comments up to 6,000 characters, without prior registration, using the eComment system at *http://www.ferc.gov/docs-filing/ecomment.asp.* You must include your name and contact information at the end of your comments. For assistance, please contact FERC Online Support at *FERCOnlineSupport@ferc.gov,* (866) 208–3676 (toll free), or (202) 502–8659 (TTY). In lieu of electronic filing, please send a paper copy to: Secretary, Federal Energy Regulatory Commission, 888 First Street NE., Washington, DC 20426. The first page of any filing should include docket number P–13701–002.

The Commission's Rules of Practice require all intervenors filing documents with the Commission to serve a copy of that document on each person on the official service list for the project. Further, if an intervenor files comments

or documents with the Commission relating to the merits of an issue that may affect the responsibilities of a particular resource agency, they must also serve a copy of the document on that resource agency.

k. This application is not ready for environmental analysis at this time.

l. *The proposed Sardis Lake Project would utilize the following existing Corps' Sardis Lake dam facilities:* (1) A 15,300-foot-long, 97-foot-high earth fill embankment dam; (2) a reservoir; and (3) outlet works consisting of a concrete intake tower, four gated inlets that combine to a 560-foot-long and 16.0-foot by 18.25-foot ovoid concrete outlet tunnel, and a stilling basin.

The proposed Sardis Lake Project would consist of the following new facilities: (1) A 510-foot-long, 15.5-foot-diameter steel liner installed within the existing concrete outlet tunnel; (2) a 50-foot-long, 20-foot-high steel-lined, reinforced concrete gated bifurcation at the end of the existing concrete outlet tunnel to divide the flows between the existing stilling basin and new powerhouse; (3) a 250-foot-long, 15.5-foot-diameter steel penstock from the bifurcation structure to the forebay; (4) a 102.6-foot-long, 78-foot-wide, 50-foot-high forebay; (5) a 120-foot-long, 85-foot-wide, 105-foot-high concrete powerhouse containing two vertical Kaplan generating units with a total installed capacity of 14.6 megawatts; (6) a 200-foot-long, 100-foot-wide tailrace channel; (7) a substation; (8) a 7,097-foot-long transmission line consisting of a 887-foot-long, 4.160-kilovolt (kV) buried cable from the powerhouse to the substation, and a 6,210-foot-long overhead, 161-kV line from the substation to an existing utility-owned distribution line; and (9) appurtenant facilities. The average annual generation would be 52,000 megawatt-hours.

m. A copy of the application is available for electronic review at the Commission in the Public Reference Room, or may be viewed on the Commission's Web site at *http://www.ferc.gov*, using the ''eLibrary'' link. Enter the docket number, excluding the last three digits in the docket number field, to access the document. For assistance, contact FERC Online Support. A copy is available for inspection and reproduction at the address in item h above.

You may register online at *http://www.ferc.gov/docs-filing/esubscription.asp* to be notified via email of new filings and issuances related to this or other pending projects. For assistance, contact FERC Online Support.

n. Scoping process.

The Commission staff intends to prepare an environmental assessment (EA) for the project, in accordance with the National Environmental Policy Act. The EA will consider both site-specific and cumulative environmental impacts and reasonable alternatives to the proposed action.

The Commission staff does not propose to conduct any on-site scoping meetings at this time. Instead, staff is soliciting comments, recommendations, and information on Scoping Document (SD1) issued on October 27, 2014.

Copies of the SD1 outlining the subject areas to be addressed in the EA were distributed to the parties on the Commission's mailing list. Copies of the SD1 may be viewed on the Web at *http://www.ferc.gov*, using the ''eLibrary'' link. Enter the docket number, excluding the last three digits in the docket number field, to access the document. For assistance, call 1–866–208–3676, or for TTY, (202) 502–8659.

Dated: October 27, 2014.

Kimberly D. Bose,

Secretary.

[FR Doc. 2014–25989 Filed 10–31–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Federal Energy Regulatory Commission

Notice of Commissioner and Staff Attendance at North American Electric Reliability Corporation Meetings

The Federal Energy Regulatory Commission (Commission) hereby gives notice that members of the Commission and/or Commission staff may attend the following meetings:

North American Electric Reliability Corporation
Member Representatives Committee and Board of Trustees Meetings
Board of Trustees Corporate Governance and Human Resources Committee, Finance and Audit Committee, Compliance Committee, and Standards Oversight and Technology Committee Meetings
The Westin Buckhead Atlanta, 3391 Peachtree Road NE., Atlanta, GA 30326

November 12 (7:30 a.m.–5:00 p.m.) and November 13 (8:30 a.m.–12:00 p.m.), 2014

Further information regarding these meetings may be found at: *http://www.nerc.com/Pages/Calendar.aspx.*

The discussions at the meetings, which are open to the public, may address matters at issue in the following Commission proceedings:

Docket No. RR14–5, North American Electric Reliability Corporation
Docket No. RR14–6, North American Electric Reliability Corporation

For further information, please contact Jonathan First, 202–502–8529, or *jonathan.first@ferc.gov.*

Dated: October 28, 2014.

Kimberly D. Bose,

Secretary.

[FR Doc. 2014–26066 Filed 10–31–14; 8:45 am]

BILLING CODE 6717–01–P

DEPARTMENT OF ENERGY

Western Area Power Administration

Pick-Sloan Missouri Basin Program—Eastern Division-Rate Order No. WAPA–170

AGENCY: Western Area Power Administration, DOE.

ACTION: Notice of Proposed Transmission and Ancillary Services Formula Rates.

SUMMARY: The Western Area Power Administration (Western), a power marketing administration within the Department of Energy (DOE), is proposing new formula transmission and ancillary services rates for the Pick-Sloan Missouri Basin Program—Eastern Division (P–SMBP—ED). The proposed formula rates would become effective October 1, 2015, and remain in effect until September 30, 2020, or until Western changes the formula rates through another public rate process pursuant to 10 CFR part 903, whichever is sooner. Western's Upper Great Plains Region (Western-UGP) has joined the Southwest Power Pool (SPP) Regional Transmission Organization (RTO) contingent upon Federal Energy Regulatory Commission (FERC) approval of Western-UGP's negotiated provisions in the SPP Membership Agreement, Bylaws, and Tariff (SPP Governing Documents). Transmission and ancillary services will be provided over Western-UGP facilities under the SPP Open Access Transmission Tariff (Tariff) by SPP as the transmission service provider upon Western-UGP transferring functional control to SPP. Western-UGP needs to adopt new formula rates for these transmission and ancillary services so Western-UGP's costs can be recovered under the SPP Tariff. These formula rates will provide Western sufficient revenue to pay all annual costs, including interest expenses, and repay required investments within the allowable

periods. Western-UGP's membership in SPP and the functional control of its facilities will be in accordance with the SPP Governing Documents and other contractual arrangements with SPP. Publication of this **Federal Register** notice begins the formal process for the proposed rates.

DATES: The consultation and comment period begins today and will end February 2, 2015. Western will present a detailed explanation of the proposed rates at public information forums that will be held on November 19, 2014, from 9 a.m. to 12 p.m. CST in Omaha, Nebraska, and November 20, 2014, from 9 a.m. to 12 p.m. CST in Fargo, North Dakota. Western will accept written comments any time during the 90-day consultation and comment period. Western will also accept oral and written comments at public comment forums that will be held on December 17, 2014, from 9 a.m. to 12 p.m. CST in Omaha, Nebraska, and December 18, 2014, from 9 a.m. to 12 p.m. CST in Fargo, North Dakota.

ADDRESSES: The public information forums and public comment forums will be held at the Holiday Inn Downtown Omaha, located at 1420 Cuming Street, Omaha, Nebraska, and at the Ramada Plaza & Suites and Conference Center, located at 1635 42nd Street South, Fargo, North Dakota, on the dates cited above. Written comments should be sent to: Mr. Robert J. Harris, Regional Manager, Upper Great Plains Region, Western Area Power Administration, 2900 4th Avenue North, Billings, MT 59101–1266; or email: *UGPTRates@wapa.gov.* Written comments may also be faxed to: (406) 255–2900, attention: Linda Cady-Hoffman, Rates Manager. Western will post information about the rate process on its Web site at: *http://www.wapa.gov/ugp/rates/default.htm.* Western will also post official comments received via letter, fax, and email to this Web site. Written comments must be received by the end of the consultation and comment period to ensure they are considered in Western's decision process.

FOR FURTHER INFORMATION CONTACT: Mr. Lloyd Linke, Operations Manager, Upper Great Plains Region, Western Area Power Administration, 1330 41st Street, Watertown, SD 57201; telephone: (605) 882–7500; email: *Lloyd@wapa.gov;* or Ms. Linda Cady-Hoffman, Rates Manager, Upper Great Plains Region, Western Area Power Administration, 2900 4th Avenue North, Billings, MT 59101–1266; telephone: (406) 255–2920; email: *cady@wapa.gov.*

SUPPLEMENTARY INFORMATION: On November 1, 2013, Western published a Notice of Recommendation to Pursue Regional Transmission Organization Membership.[1] Western-UGP has signed a Membership Agreement enabling it to join SPP, and the membership application is currently before FERC for approval. The Western-UGP transmission facilities in the P–SMBP—ED are currently integrated with transmission facilities of Basin Electric Power Cooperative and Heartland Consumers Power District such that transmission services are provided over an Integrated System (IS). The IS includes approximately 9,848 miles of transmission lines, with transmission and ancillary services provided under Western's Open Access Transmission Tariff, and Western-UGP serving as the IS administrator. The IS includes transmission facilities located in both the Eastern and Western Interconnections separated by the Miles City DC tie and the Fort Peck Power Plant substation. Western-UGP also currently operates two Balancing Authority Areas within the IS; Western Area Power Administration, Upper Great Plains West (WAUW), and Western Area Power Administration, Upper Great Plains East (WAUE), which are also separated by the Miles City DC tie and the Fort Peck Power Plant substation. Western-UGP's existing rate schedules consist of separate rates for firm and non-firm transmission service and ancillary services rates for the transmission facilities in the P–SMBP—ED.

Existing Rate Schedules UGP–NT1, UGP–FPT1, UGP–NFPT1, UGP–AS1, UGP–AS2, UGP–AS3, UGP–AS4, UGP–AS5, UGP–AS6, UGP–AS7, and UGP–TSP1 were approved under Rate Order Nos. WAPA–144 and WAPA–148[2] for a 5-year period beginning on January 1, 2010, and ending December 31, 2014. These rates are being extended through December 31, 2016, under a separate public process.[3] Upon achieving final FERC approval of membership within SPP and transferring functional control of Western-UGP's P–SMBP—ED facilities to SPP, Western-UGP will merge its WAUE in the Eastern Interconnection into SPP's Balancing Authority Area. P–SMBP—ED transmission services will no longer be available on the IS under Western's Open Access Transmission Tariff, and the existing Rate Schedules UGP–NT1, UGP–FPT1, UGP–NFPT1, UGP–AS1, UGP–AS2, UGP–AS3, UGP–AS4, UGP–AS5, UGP–AS6, UGP–AS7, and UGP–TSP1 will not be applicable. Western-UGP will, however, retain operation of the WAUW in the Western Interconnection as the Balancing Authority (BA), and will not place the portion of its transmission system located in the Western Interconnection into SPP's Integrated Marketplace.

Western-UGP needs to adopt new formula rates for use under the SPP Tariff. The adoption of new formula rates is necessary so that Western may recover its revenue requirement of eligible transmission facilities under SPP's Tariff. Western-UGP is proposing a formula rate to calculate its Annual Transmission Revenue Requirement (ATRR) for its transmission facilities located in both the Eastern and Western Interconnections that are to be transferred to the functional control of SPP and used by SPP to provide transmission service in the joint-owner Upper Missouri Zone (UMZ or Zone 19) under the SPP Tariff.

Western-UGP is also proposing a formula rate schedule WAUGP–AS1 for Scheduling, System Control, and Dispatch Service (SSCD) for the SPP UMZ, which will include the transmission facilities in the WAUW. Additionally, Western-UGP is proposing formula rate schedules to calculate charges for applicable ancillary services associated with its WAUW in the Western Interconnection. These formula rate schedules include WAUW–AS3 for Regulation and Frequency Response Service, WAUW–AS4 for Energy Imbalance Service, WAUW–AS5 for Operating Reserve—Spinning Reserve Service, WAUW–AS6 for Operating Reserve—Supplemental Reserve Service, and WAUW–AS7 for Generator Imbalance Service. The proposed rate schedules contain formula-based rates that will be recalculated annually. Western-UGP intends for the proposed formula-based rates to go into effect October 1, 2015, and remain in effect until September 30, 2020. Annual recalculated charges under the formula-based rates are proposed to go into effect on January 1, 2016, and annually on January 1 thereafter.

Proposed Formula Transmission Rates

Consistent with Western-UGP's current formula rates, Western-UGP proposes to recover its transmission system related expenses and investments on a current (forward-looking) basis by using projections to estimate transmission costs for the upcoming year, with a ''true up'' in a subsequent year. For transmission

[1] 78 FR 65641, November 1, 2013.

[2] Rate Order Nos. WAPA–144 and WAPA–148, approved on an interim basis, 74 FR 68820, December 29, 2009; approved and confirmed by FERC on a final basis, 132 FERC ¶61,257, FERC Docket No. EF10–3–000, September 23, 2010.

[3] Rate Order No. WAPA–168, 79 FR 46798, August 11, 2014.

service provided by SPP under SPP's Tariff, Western-UGP will provide its ATRR to SPP for calculation of charges for transmission service in the joint-owner UMZ. SPP will utilize zonal and regional load and other applicable information, including additional annual transmission revenue requirements from other transmission owners with transmission facilities in the joint-owner UMZ, to calculate the applicable charges for SPP transmission service in the UMZ. The ATRR is derived by annualizing Western-UGP's transmission investment and adding transmission-related annual costs, including operation and maintenance, interest, administrative and general costs, and depreciation. Western-UGP cost data will be submitted to SPP in standard revenue requirement templates. The annual costs are reduced by revenue credits received by Western-UGP under the SPP Tariff. A revenue requirement template will be used to calculate the ATRR utilizing the cost estimates as data inputs.

Western-UGP will ''true-up'' the cost estimates with Western-UGP's actual costs. Revenue collected in excess of Western-UGP's actual net revenue requirement will be returned to customers through a credit against rates in a subsequent year. Actual revenues that are less than the net revenue requirement would likewise be recovered in a subsequent year. The true-up procedure will ensure that Western-UGP will recover no more and no less than the actual transmission costs for the year.

Data used in the annual recalculation of the formula rate effective on January 1 each year will be made available for review and comment on or shortly after September 1 each year. Western proposes providing customers the opportunity to discuss and comment on the recalculated rates on or before October 31, 2015, and October 31 of subsequent years. This procedure will ensure that interested parties are aware of the data used to calculate the rates. This will also provide interested parties the opportunity to comment before the costs are collected through the formula rate.

Proposed Formula Rate for SSCD Service

Western-UGP proposes a formula-based rate methodology to calculate its annual revenue requirement for SSCD on a current (forward-looking) basis by using projections to estimate transmission costs for the upcoming year, with a ''true up'' in a subsequent year, to be provided to SPP for inclusion in Schedule 1 under the SPP Tariff. SSCD is required to schedule the movement of power through, out of, within, or into the SPP and/or WAUW Balancing Authority Area(s). Western-UGP's annual revenue requirement for SSCD, reduced by any portion assessed specifically to the loads in the WAUW, will be utilized by SPP to calculate the regional SPP Schedule 1 rate for SPP through and out transactions, and also to calculate the zonal SPP Schedule 1 rate for the UMZ. Western-UGP's annual revenue requirement for SSCD is derived by annualizing Western-UGP's applicable transmission-related annual costs associated with the provision of SSCD service, including operation and maintenance, interest, administrative and general costs, and depreciation. A portion of this revenue requirement may be assessed to the loads in the WAUW. This rate and rate design only recovers Western-UGP's revenue requirement for SSCD service.

Western-UGP will ''true-up'' the cost estimates with Western-UGP's actual costs. Revenue collected in excess of Western-UGP's actual net revenue requirement will be returned to customers through a credit against rates in a subsequent year. Actual revenues that are less than the net revenue requirement would likewise be recovered in a subsequent year. The true-up procedure will ensure that Western-UGP will recover no more and no less than the actual costs for the year.

Proposed Formula Rate for Regulation and Frequency Response Service

Western-UGP proposes a formula-based rate methodology for Regulation and Frequency Response Service for the WAUW as described below. Given the SPP Integrated Marketplace will not be extended into the Western Interconnection, Western-UGP will need to provide Regulation and Frequency Response Service in the WAUW as the BA. Regulation and Frequency Response Service in the WAUW is provided primarily by United States Army Corps of Engineers (Corps) facilities. The Corps' generation fixed charge rate (in percent) is applied to the net plant investment of the Corps generation producing an annual Corps generation cost. This cost is divided by the capacity at the plants to derive a dollar-per-megawatt amount for Corps installed capacity ($/MW-year). This dollar-per-megawatt amount is then applied to the capacity of Corps generation reserved for Regulation and Frequency Response Service in the WAUW producing the annual Corps generation cost to provide this service. Western-UGP's annual revenue requirement for Regulation and Frequency Response Service is then determined by taking the annual Corps generation cost to provide this service and adding costs associated with the purchase of power resources to provide Regulation and Frequency Response Service to support intermittent renewable resources as described below. Western-UGP's annual revenue requirement would be recovered under the SPP Tariff.

Western supports the installation of renewable sources of energy but recognizes that certain operational constraints exist in managing the significant fluctuations that are a normal part of their operation. Western has marketed the maximum practical amount of power from each of its projects, leaving little or no flexibility for provision of additional power services. Consequently, provided that Western-UGP is able to purchase additional power resources delivered into its WAUW to provide Regulation and Frequency Response Service to intermittent renewable generation resources serving load within Western-UGP's WAUW, costs for these regulation resources will become part of Western-UGP's Regulation and Frequency Response Service charges. However, Western-UGP will not regulate for the difference between the output of an intermittent generator located within Western-UGP's WAUW and a delivery schedule from that generator serving load located outside of Western-UGP's WAUW. Intermittent generators serving load outside Western-UGP's WAUW will be required to pseudo-tie or dynamically schedule their generation to another Balancing Authority Area. An intermittent resource, for the limited purpose of these Rate Schedules, is an electric generator that is not dispatchable and cannot store its fuel source, and therefore cannot respond to changes in system demand or respond to transmission security constraints.

Proposed Rate for Energy Imbalance Service

Energy Imbalance Service is provided when a difference occurs between the scheduled and the actual delivery of energy to a load located within Western-UGP's WAUW over a single hour. Given the SPP Integrated Marketplace will not be extended into the Western Interconnection, Western-UGP will need to provide Energy Imbalance Service in the WAUW as the BA. Western-UGP will offer this service, to the extent that it is feasible to do so from its own resources or from resources available to it, when transmission service is provided by SPP and used to serve load within its WAUW. The transmission customer must either purchase this

service or make alternative comparable arrangements pursuant to the SPP Tariff to satisfy its Energy Imbalance Service obligation. A transmission customer may be charged a penalty for either hourly energy imbalances under this Rate Schedule, WAUW–AS4, or hourly generator imbalances under Rate Schedule WAUW–AS7 for imbalances occurring during the same hour, but not both, unless the imbalances aggravate rather than offset each other.

Western-UGP proposes that charges for service within WAUW be based on deviation bands as follows: (i) Deviations within +/−1.5 percent (with a minimum of 2 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of transmission customer's scheduled transaction(s) will be netted on a monthly basis and settled financially, at the end of the month, at 100 percent of the average incremental cost for the month; (ii) deviations greater than +/−1.5 percent up to 7.5 percent (or greater than 2 MW up to 10 MW) of the scheduled transaction(s) to be applied hourly to any energy imbalance that occurs as a result of transmission customer's scheduled transaction(s) will be settled financially, at the end of each month, at 110 percent of incremental cost when energy taken by the transmission customer in a schedule hour is greater than the energy scheduled or 90 percent of incremental cost when energy taken by a transmission customer in a schedule hour is less than the scheduled amount; and (iii) deviations greater than +/−7.5 percent (or 10 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of the transmission customer's scheduled transaction(s) will be settled financially, at the end of each month, at 125 percent of the highest incremental cost that occurs that day for energy taken by the transmission customer in a scheduled hour that is greater than the energy scheduled, or 75 percent of the lowest incremental cost that occurs that day when energy taken by a transmission customer is less than the scheduled amount.

Western-UGP's incremental cost will be based upon a representative hourly energy index or combination of indexes. The index to be used will be posted on Western-UGP's homepage on SPP's Open Access Same-Time Information System (OASIS) at least 30 days prior to use for determining the Western-UGP incremental cost and will not be changed more often than once per year unless Western-UGP determines that the existing index is no longer a reliable price index.

Proposed Formula Rates for Operating Reserves Service—Spinning and Supplemental

Given the SPP Integrated Marketplace will not be extended into the Western Interconnection, Western-UGP will need to provide Operating Reserve—Spinning Reserve Service and Operating Reserve—Supplemental Reserve Service in the WAUW as the BA. Western-UGP will offer this service under a formula-based rate methodology for Spinning Reserve Service and Supplemental Reserve Service (Reserve Services); except that Western-UGP will substitute the reserve requirement of the reserve sharing group under which Western-UGP is currently a member for its transmission system in the Western Interconnection.

Western-UGP's annual cost of generation for Reserve Services is determined by multiplying the Corps' generation fixed charge rate (in percent) by the net plant investment of the Corps generation producing an annual Corps generation cost. This cost is divided by the capacity at the plants to derive a dollar-per-megawatt amount for Corps installed capacity ($/MW-year). This dollar-per-megawatt amount is then applied to the capacity of Corps generation reserved for Reserve Services in the WAUW producing the annual Corps generation cost to provide this service. Western-UGP's annual revenue requirement for Reserve Services is then determined by taking the annual Corps generation cost to provide this service and adding costs associated with the current reserve sharing group, if applicable. Western-UGP's annual revenue requirement would be recovered under the SPP Tariff. This rate design recovers only Western-UGP's revenue requirement associated with Reserve Services.

Western-UGP has no long-term reserves available beyond its own internal requirements. At a customer's request, and if it is capable of doing so, Western-UGP will acquire needed resources and pass the costs, plus an amount for administration, on to the requesting customer. The customer is responsible to provide the transmission to deliver these reserves. In the event that Reserve Services are called upon for emergency use, Western-UGP will assess a charge for energy used at the prevailing market energy rate in the WAUW.

Proposed Rate for Generator Imbalance Service

Generator Imbalance Service is provided when a difference occurs between the output of a generator located within Western-UGP's WAUW and a delivery schedule from that generator to: (1) Another Balancing Authority Area or (2) a load within Western-UGP's WAUW over a single hour. Given the SPP Integrated Marketplace will not be extended into the Western Interconnection, Western-UGP will need to provide Generator Imbalance Service in the WAUW as the BA. Western-UGP will offer this service, to the extent that it is feasible to do so, from its own resources or from resources available to it, when transmission service is used to deliver energy from a generator located within its WAUW. The transmission customer must either purchase this service, or make alternative comparable arrangements pursuant to the SPP Tariff, to satisfy its Generator Imbalance Service obligation. A transmission customer may be charged a penalty for either hourly generator imbalances under this Schedule, WAUW–AS7, or hourly energy imbalances under Rate Schedule WAUW–AS4 for imbalances occurring during the same hour, but not both, unless the imbalances aggravate rather than offset each other.

Western supports the installation of renewable sources of energy but recognizes that certain operational constraints exist in managing the significant fluctuations that are a normal part of their operation. Western has marketed the maximum practical amount of power from each of its projects, leaving little or no flexibility for provision of additional power services. Consequently, Western-UGP will not regulate for the difference between the output of an intermittent generator located within Western-UGP's WAUW and a delivery schedule from that generator serving load located outside of Western-UGP's WAUW. Intermittent generators serving load outside Western-UGP's WAUW will be required to pseudo-tie or dynamically schedule their generation to another Balancing Authority Area. An intermittent resource, for the limited purpose of these schedules, is an electric generator that is not dispatchable and cannot store its fuel source, and therefore cannot respond to changes in system demand or respond to transmission security constraints.

Western-UGP proposes to base the rate on deviation bands as follows: (i) Deviations within +/−1.5 percent (with a minimum of 2 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of transmission customer's scheduled transaction(s) will be netted on a monthly basis and settled financially, at the end of the month, at

100 percent of the average incremental cost; (ii) deviations greater than +/−1.5 percent up to 7.5 percent (or greater than 2 MW up to 10 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of transmission customer's scheduled transaction(s) will be settled financially, at the end of each month. When energy delivered in a schedule hour from the generation resource is less than the energy scheduled, the charge is 110 percent of incremental cost. When energy delivered from the generation resource is greater than the scheduled amount, the credit is 90 percent of the incremental cost; and (iii) deviations greater than +/−7.5 percent (or 10 MW) of the scheduled transaction to be applied hourly to any generator imbalance that occurs as a result of the transmission customer's scheduled transaction(s) will be settled at 125 percent of Western-UGP's highest incremental cost for the day when energy delivered in a schedule hour is less than the energy scheduled or 75 percent of Western-UGP's lowest daily incremental cost when energy delivered from the generation resource is greater than the scheduled amount. As an exception, an intermittent resource will be exempt from this deviation band and will pay the deviation band charges for all deviations greater than the larger of 1.5 percent or 2 MW.

Deviations from scheduled transactions in order to respond to directives by the transmission service provider, a BA or a reliability coordinator shall not be subject to the deviation bands identified above and, instead, shall be settled financially, at the end of the month, at 100 percent of incremental cost. Such directives may include instructions to correct frequency decay, respond to a reserve sharing event, or change output to relieve congestion.

Western-UGP's incremental cost will be based on a representative hourly energy index or combination of indexes. The index to be used will be posted on Western-UGP's homepage on SPP's OASIS at least 30 days prior to use for determining the Western-UGP incremental cost and will not be changed more often than once per year unless Western-UGP determines that the existing index is no longer a reliable price index.

Legal Authority

Since the proposed rates constitute a major rate adjustment as defined by 10 CFR part 903, Western will hold both public information forums and public comment forums. After review of public comments, Western will take further action on the proposed formula rates consistent with 10 CFR part 903.

Western is establishing transmission and ancillary services formula rates for the P–SMBP–ED under the DOE Organization Act (42 U.S.C 7152); the Reclamation Act of 1902 (ch. 1093, 32 Stat. 388), as amended and supplemented by subsequent laws, particularly section 9(c) of the Reclamation Project Act of 1939 (43 U.S.C. 485h(c)); section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s); and other acts that specifically apply to the project involved.

By Delegation Order No. 00–037.00A, effective October 25, 2013, the Secretary of Energy delegated: (1) The authority to develop power and transmission rates to Western's Administrator; (2) the authority to confirm, approve, and place such rates into effect on an interim basis to the Deputy Secretary of Energy; and (3) the authority to confirm, approve, and place into effect on a final basis, to remand, or to disapprove such rates to FERC. Existing DOE procedures for public participation in power and transmission rate adjustments (10 CFR part 903) were published on September 18, 1985 (50 FR 37837).

Availability of Information

All brochures, studies, comments, letters, memorandums, or other documents that Western initiates or uses to develop the proposed rates are available for inspection and copying at the Upper Great Plains Region, Western Area Power Administration, 2900 4th Avenue North, Billings, Montana. Many of these documents are also available on Western's Web site at: *http://www.wapa.gov/ugp/rates/default.htm.*

Ratemaking Procedure Requirements

Environmental Compliance

In compliance with the National Environmental Policy Act (NEPA) of 1969, 42 U.S.C. 4321–4347; the Council on Environmental Quality Regulations for implementing NEPA (40 CFR parts 1500–1508); and DOE NEPA Implementing Procedures and Guidelines (10 CFR part 1021), Western is in the process of determining whether an environmental assessment or an environmental impact statement should be prepared or if this action can be categorically excluded from those requirements.

Determination Under Executive Order 12866

Western has an exemption from centralized regulatory review under Executive Order 12866; accordingly, no clearance of this notice by the Office of Management and Budget is required.

Dated: October 24, 2014.

Mark A. Gabriel,

Administrator.

[FR Doc. 2014–26042 Filed 10–31–14; 8:45 am]

BILLING CODE 6450–01–P

ENVIRONMENTAL PROTECTION AGENCY

[EPA–HQ–OW–2014–0593; FRL–9918–71–OW]

Proposed Information Collection Request; Comment Request; 2015 Drinking Water Infrastructure Needs Survey and Assessment (Reinstatement)

AGENCY: Environmental Protection Agency.

ACTION: Notice.

SUMMARY: The U.S. Environmental Protection Agency (EPA) is planning to submit an information collection request (ICR), ''2015 Drinking Water Infrastructure Needs Survey and Assessment (Reinstatement)'' (EPA ICR No. 2234.04, OMB Control No. 2014–0274), to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act (PRA) (44 U.S.C. 3501 *et seq.*). Before doing so, the EPA is soliciting comments on specific aspects of the proposed information collection as described in this request. This is a reinstatement of a previously approved information collection activity that was discontinued on February 28, 2014. 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.

DATES: Comments must be submitted on or before January 2, 2015.

ADDRESSES: Submit your comments, referencing Docket ID No. EPA–HQ–OW–2014–0593, online using *www.regulations.gov* (our preferred method), by email to *ow-docket@epa.gov* or by mail to: EPA Docket Center, Environmental Protection Agency, Mail Code 28221T, 1200 Pennsylvania Ave. NW., Washington, DC 20460.

The EPA's policy is that all comments received will be included in the public docket without change including any personal information provided, unless the comment includes profanity, threats, information claimed to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute.

FOR FURTHER INFORMATION CONTACT: Robert Barles, Drinking Water Protection Division (Mail Code 4606M), Office of Ground Water and Drinking Water, Environmental Protection Agency, 1200 Pennsylvania Avenue NW., Washington, DC 20460; telephone number: 202–564–3814; fax number: 202–564–3754; email address: *barles.robert@epa.gov.*

SUPPLEMENTARY INFORMATION: Supporting documents which explain in detail the information that the EPA will be collecting are available in the public docket for this ICR. The docket can be viewed online at *www.regulations.gov* or in person at the EPA Docket Center, WJC West, Room 3334, 1301 Constitution Ave. NW., Washington, DC. The telephone number for the Docket Center is 202–566–1744. For additional information about the EPA's public docket, visit *http://www.epa.gov/dockets.*

Pursuant to section 3506(c)(2)(A) of the PRA, the EPA is soliciting comments and information to enable it to: (i) 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; (ii) 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; (iii) enhance the quality, utility, and clarity of the information to be collected; and (iv) 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. The 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. At that time, the EPA will issue another **Federal Register** notice to announce the submission of the ICR to OMB and the opportunity to submit additional comments to OMB.

Abstract: The purpose of this information collection is to identify the infrastructure needs of public water systems for the 20-year period from January 2015 through December 2034. The EPA's Office of Ground Water and Drinking Water will collect these data to comply with Sections 1452(h) and 1452(i)(4) of the Safe Drinking Water Act (42 U.S.C. 300j–12). The

EPA will use a questionnaire to collect capital investment need information from selected community water systems serving more than 3,300 persons. Participation in the survey is voluntary. The data from the questionnaires will provide the EPA with new information from the field to assist in the 2015 update to the Agency's assessment of the nationwide infrastructure needs of public water systems. Also, as mandated by section 1452(a)(1)(D)(ii) of the Safe Drinking Water Act, the EPA uses the results of the latest survey to allocate Drinking Water State Revolving Fund (DWSRF) monies to the States. Under the allotment formula, each State receives a grant of the annual DWSRF appropriation in proportion to its share of the total national need, with the proviso that each State receives at least one percent of the total funds available.

Form Numbers: 6100–02.

Respondents/affected entities: The respondents for the 2015 Drinking Water Infrastructure Needs Survey and Assessment are community water systems and State agencies.

Respondent's obligation to respond: Voluntary.

Estimated number of respondents: 2,915 (total).

Frequency of response: One time.

Total estimated burden: 12,398 hours (average per year over three years). Burden is defined at 5 CFR 1320.03(b).

Total estimated cost: $578,001 (average per year over three years), includes $0 annualized capital or operation & maintenance costs.

Changes in Estimates: This ICR does not modify an existing ICR. However, it should be noted that an ICR was prepared for the previous survey effort done in 2011, which is outside of the three-year window for modifying an existing ICR for a new effort. For purposes of this reinstatement, the EPA has provided a comparison of burden of the proposed, new effort to the estimates of the previous effort's ICR.

The estimated total public reporting burden over the entire four-year length of the 2011 DWINSA was 48,995 hours; the total burden for the 2015 Survey is estimated to be 37,194 hours. The 2011 DWINS average burden per respondent was estimated to be 15.24 hours; whereas for 2015, the average is estimated to be 12.76 hours per respondent. The reduction in burden for the 2015 DWINSA is attributed to:

1. The use of a modified data collection approach, whereby a majority of systems from the 2011 DWINSA are being resurveyed and a smaller pool of systems will be randomly surveyed.

2. Existing data from the 2011 DWINSA for Tribal systems will be extrapolated to 2015 needs using construction cost inflation calculations and taking into account any shifts in the number and size of these systems.

These changes are further discussed in the Supporting Statement of the Information Collection Request available in EPA's docket for comment.

Dated: October 23, 2014.

Peter Grevatt,

Director, Office of Ground Water and Drinking Water.

[FR Doc. 2014–25944 Filed 10–31–14; 8:45 am]

BILLING CODE 6560–50–P

EXPORT-IMPORT BANK OF THE UNITED STATES

[Public Notice: 2014–0049]

Application for Final Commitment for a Long-Term Loan or Financial Guarantee in Excess of $100 Million: AP087967XA

AGENCY: Export-Import Bank of the United States.

ACTION: Notice.

SUMMARY: This Notice is to inform the public, in accordance with Section 3(c)(10) of the Charter of the Export-Import Bank of the United States (''Ex-Im Bank''), that Ex-Im Bank has received an application for final commitment for a long-term loan or financial guarantee in excess of $100 million (as calculated in accordance with Section 3(c)(10) of the Charter). Comments received within the comment period specified below will be presented to the Ex-Im Bank Board of Directors prior to final action on this Transaction.

DATES: Comments must be received on or before November 28, 2014 to be assured of consideration before final consideration of the transaction by the Board of Directors of Ex-Im Bank.

ADDRESSES: Comments may be submitted through Regulations.gov at *www.regulations.gov*. To submit a comment, enter EIB–2014–0049 under the heading ''Enter Keyword or ID'' and select Search. Follow the instructions provided at the ''Submit a Comment'' screen. Please include your name, company name (if any) and EIB–2014–0049 on any attached document.

Reference: AP087967XA.

Purpose and Use:

Brief description of the purpose of the transaction:

To support the export of U.S.-manufactured commercial aircraft to Mexico.

Brief non-proprietary description of the anticipated use of the items being exported:

To provide medium-haul and long-haul service from and to Mexico.

To the extent that Ex-Im Bank is reasonably aware, the items being exported may be used to produce exports or provide services in competition with the exportation of goods or provision of services by a United States industry.

Parties:

Principal Supplier: The Boeing Company.

Obligor: Aerovias de Mexico, S.A. de C.V.

Guarantor(s): Grupo Aeromexico, S.A.B. de C.V.

Description of Items Being Exported: Boeing 787 aircraft.

Information on Decision: Information on the final decision for this transaction will be available in the ''Summary Minutes of Meetings of Board of Directors'' on *http://exim.gov/newsandevents/boardmeetings/board/*.

Confidential Information: Please note that this notice does not include confidential or proprietary business information; information which, if disclosed, would violate the Trade Secrets Act; or information which would jeopardize jobs in the United States by supplying information that competitors could use to compete with companies in the United States.

Lloyd Ellis,

Program Specialist, Office of the General Counsel.

[FR Doc. 2014–25969 Filed 10–31–14; 8:45 am]

BILLING CODE 6690–01–P

FEDERAL COMMUNICATIONS COMMISSION

[OMB 3060–1151]

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 (44 U.S.C. 3501–3520), 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 PRA that does not display a valid Office of Management and Budget (OMB) control number.

DATES: Written PRA comments should be submitted on or before January 2, 2015.

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.

ADDRESSES: 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:

OMB Control Number: 3060–1151.

Title: Sections 1.1420, 1.1422 and 1.1424, Pole Attachment Access Requirements.

Form Number: N/A.

Type of Review: Extension of a currently approved collection.

Respondents: Business or other for-profit.

Number of Respondents: 823 respondents; 36,207 responses.

Estimated Time per Response: 20–45 hours.

Frequency of Response: On occasion reporting requirement, recordkeeping requirement and third party disclosure requirement.

Obligation to Respond: Mandatory. Statutory authority for this information collection is contained in 47 U.S.C. 224.

Total Annual Burden: 449,441 hours.

Total Annual Cost: No cost.

Privacy Act Impact Assessment: No impact(s).

Nature and Extent of Confidentiality: No questions of a confidential nature are asked.

Needs and Uses: In Report and Order and Order on Reconsideration, FCC 11–50, the Commission adopted rules that related to implementation of section 224 pole attachment access rules. Specifically, the pole attachment access rules create a series of deadlines or ''timelines'' by which communications providers (''attachers'') request and receive permission from electric utilities and incumbent LECs (''pole owners'' or ''utilities'') to attach facilities to utility poles (''access''). A denial (or partial grant) of access by a utility must include all relevant evidence and information, and explain how the evidence and information relate to lack of capacity, safety, reliability, or engineering standards. In practice, this requirement causes the utility to survey the requested poles where access is requested and to perform an engineering analysis. Other paperwork burdens are triggered during the pole-preparation stage of the timeline (''make-ready''). These include sending letters of notification to any known entities with existing attachments and the requesting attacher. Such notification letters are sent when a make-ready schedule is established. If the make-ready period is interrupted; and if the pole owner asserts its right to one 15-day extension of time, notification letters are also required. Pole owners both perform and coordinate make-ready work. Additionally, the Order adopted a rule requiring utilities to post a list of approved contractors, and required new attachers that use contractors to perform pole attachment surveys or make-ready work in lieu of the utility using its own workers to choose from among approved contractors. If an attacher uses a utility-approved contractor, it must notify the utility, and invite the utility to send a representative to oversee the work.

Finally, the Order also broadens the existing enforcement process by permitting incumbent local exchange carriers (LECs) to file complaints alleging that the attachment rates demanded by electric utilities are unreasonable. The Order also encourages incumbent LECs that benefit from lower pole attachment costs to file data at the Commission that demonstrate that the benefits are being passed on to consumers.

Federal Communications Commission.

Marlene H. Dortch,

Secretary. Office of the Secretary, Office of the Managing Director.

[FR Doc. 2014–26033 Filed 10–31–14; 8:45 am]

BILLING CODE 6712–01–P

FEDERAL COMMUNICATIONS COMMISSION

[OMB 3060–1124]

Information Collection Being Submitted for Review and Approval to the Office of Management and Budget

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 (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.

The FCC may not conduct or sponsor a collection of information unless it displays a currently valid OMB control number. No person shall be subject to any penalty for failing to comply with a collection of information subject to the PRA that does not display a valid OMB control number.

DATES: Written comments should be submitted on or before December 3, 2014. 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 contacts below as soon as possible.

ADDRESSES: Direct all PRA comments to Nicholas A. Fraser, OMB, via email *Nicholas_A._Fraser@omb.eop.gov;* and to Cathy Williams, FCC, via email *PRA@fcc.gov* and to *Cathy.Williams@fcc.gov.* Include in the comments the OMB control number as shown in the **SUPPLEMENTARY INFORMATION** section below.

FOR FURTHER INFORMATION CONTACT: For additional information or copies of the information collection, contact Cathy Williams at (202) 418–2918. To view a copy of this information collection request (ICR) submitted to OMB: (1) Go to the Web page *http://www.reginfo.gov/public/do/PRAMain*>, (2) look for the section of the Web page called ''Currently Under Review,'' (3) click on the downward-pointing arrow in the ''Select Agency'' box below the ''Currently Under Review'' heading, (4) select ''Federal Communications Commission'' from the list of agencies presented in the ''Select Agency'' box, (5) click the ''Submit'' button to the right of the ''Select Agency'' box, (6) when the list of FCC ICRs currently under review appears, look for the OMB control number of this ICR and then click on the ICR Reference Number. A copy of the FCC submission to OMB will be displayed.

SUPPLEMENTARY INFORMATION:

OMB Control No.: 3060–1124.

Title: 80.231, Technical Requirements for Class B Automatic Identification System (AIS) Equipment.

Form No.: Not applicable.

Type of Review: Extension of a currently approved collection.

Respondents: Business or other for-profit entities.

Number of Respondents: 20 respondents; 50,020 responses.

Estimated Time per Response: 1 hour per requirement.

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. 154, 303, 307(e), 309 and 332 of the Communications Act of 1934, as amended.

Total Annual Burden: 50,020 hours.

Annual Cost Burden: $25,000.

Privacy Act Impact Assessment: No impact(s).

Nature and Extent of Confidentiality: There is no need for confidentiality with this collection of information.

Needs and Uses: On September 19, 2008, the Commission adopted a Second Report and Order, FCC 08–208, which added a new section 80.231, which requires that manufacturers of Class B Automatic Identification Systems (AIS) transmitters for the Marine Radio Service include with each transmitting device a statement explaining how to enter static information accurately and a warning statement that entering inaccurate information is prohibited. The Commission is seeking to extend this collection in order to obtain the full three-year clearance from OMB. Specifically, the information collection requires that manufacturers of AIS transmitters label each transmitting device with the following statement:

WARNING: It is a violation of the rules of the Federal Communications Commission to input an MMSI that has not been properly assigned to the end user, or to otherwise input any inaccurate data in this device.

Additionally, prior to submitting a certification application (FCC Form 731, OMB Control Number 3060–0057) for a Class B AIS device, the following information must be submitted in duplicate to the Commandant (CG–521), U.S. Coast Guard, 2100 2nd Street SW., Washington, DC 20593–0001: (1) The name of the manufacturer or grantee and the model number of the AIS device; and (2) copies of the test report and test data obtained from the test facility showing that the device complies with the environmental and operational requirements identified in IEC 62287–1. After reviewing the information described in the certification application, the U.S. Coast Guard will issue a letter stating whether the AIS device satisfies all of the requirements specified in IEC 62287–1. A certification application for an AIS device submitted to the Commission must contain a copy of the U.S. Coast Guard letter stating that the device satisfies all of the requirements specified in IEC–62287–1, a copy of the technical test data and the instruction manual(s).

These reporting and third party disclosure requirements aid the Commission monitoring advance marine vessel tracking and navigation information transmitted from Class B AIS devices to ensure that they are accurate and reliable, while promoting marine safety.

Federal Communications Commission.

Marlene H. Dortch,

Secretary, Office of the Secretary, Office of the Managing Director.

[FR Doc. 2014–26037 Filed 10–31–14; 8:45 am]

BILLING CODE 6712–01–P

FEDERAL COMMUNICATIONS COMMISSION

Federal Advisory Committee Act; Communications Security, Reliability, and Interoperability Council

AGENCY: Federal Communications Commission.

ACTION: Notice.

SUMMARY: In accordance with the Federal Advisory Committee Act, this notice advises interested persons that the Federal Communications

Commission's (FCC or Commission) Communications Security, Reliability, and Interoperability Council (CSRIC) IV will hold its sixth meeting. At the meeting, each of the Working Groups will present an update on topics such as emergency alert and warning systems, 911 location accuracy, distributed denial-of-service (DDoS) attacks, update of legacy best practices, and cybersecurity best practices.

DATES: December 3, 2014.

ADDRESSES: Federal Communications Commission, Room TW–C305 (Commission Meeting Room), 445 12th Street SW., Washington, DC 20554.

FOR FURTHER INFORMATION CONTACT: Jeffery Goldthorp, Designated Federal Officer, (202) 418–1096 (voice) or *jeffery.goldthorp@fcc.gov* (email); or Lauren Kravetz, Deputy Designated Federal Officer, (202) 418–7944 (voice) or *lauren.kravetz@fcc.gov* (email).

SUPPLEMENTARY INFORMATION: The meeting will be held on September 24, 2014, from 1:00 p.m. to 5:00 p.m. in the Commission Meeting Room of the Federal Communications Commission, Room TW–C305, 445 12th Street SW., Washington, DC 20554.

The CSRIC is a Federal Advisory Committee that will provide recommendations to the FCC regarding best practices and actions the FCC can take to ensure the security, reliability, and interoperability of communications systems. On March 19, 2013, the FCC, pursuant to the Federal Advisory Committee Act, renewed the charter for the CSRIC for a period of two years through March 18, 2015. Each of the ten Working Groups of this most recently-chartered CSRIC is described in more detail at *http://www.fcc.gov/encyclopedia/communications-security-reliability-and-interoperability-council-iv.*

The meeting on December 3, 2014, will be the sixth meeting of the CSRIC under the current charter. The FCC will attempt to accommodate as many attendees as possible; however, admittance will be limited to seating availability. The Commission will provide audio and/or video coverage of the meeting over the Internet from the FCC's Web page at *http://www.fcc.gov/live.* The public may submit written comments before the meeting to Jeffery Goldthorp, CSRIC Designated Federal Officer, by email to *jeffery.goldthorp@fcc.gov* or U.S. Postal Service Mail to Jeffery Goldthorp, Associate Bureau Chief, Public Safety and Homeland Security Bureau, Federal Communications Commission, 445 12th Street SW., Room 7–A325, Washington, DC 20554.

Open captioning will be provided for this event. Other reasonable accommodations for people with disabilities are available upon request. Requests for such accommodations should be submitted via email to *fcc504@fcc.gov* or by calling the Consumer & Governmental Affairs Bureau at (202) 418–0530 (voice), (202) 418–0432 (tty). Such requests should include a detailed description of the accommodation needed. In addition, please include a way the FCC can contact you if it needs more information. Please allow at least five days' advance notice; last-minute requests will be accepted, but may be impossible to fill.

Federal Communications Commission.

Marlene H. Dortch,

Secretary.

[FR Doc. 2014–26110 Filed 10–31–14; 8:45 am]

BILLING CODE 6712–01–P

FEDERAL ELECTION COMMISSION

Sunshine Act Meeting

AGENCY: Federal Election Commission.

DATE AND TIME: Thursday, November 6, 2014 at the conclusion of the open meeting.

PLACE: 999 E Street NW., Washington, DC.

STATUS: This meeting will be closed to the public.

ITEMS TO BE DISCUSSED: Compliance matters pursuant to 52 U.S.C. 30109 (formerly 2 U.S.C. 437g). Matters concerning participation in civil actions or proceedings or arbitration. Internal personnel rules and internal rules and practices. Information the premature disclosure of which would be likely to have a considerable adverse effect on the implementation of a proposed Commission action.

* * * * *

PERSON TO CONTACT FOR INFORMATION: Judith Ingram, Press Officer, Telephone: (202) 694–1220.

Shawn Woodhead Werth,

Secretary and Clerk of the Commission.

[FR Doc. 2014–26190 Filed 10–30–14; 4:15 pm]

BILLING CODE 6715–01–P

FEDERAL ELECTION COMMISSION

Sunshine Act Meetings

AGENCY: Federal Election Commission

DATE AND TIME: Thursday, November 6, 2014 at 10:00 a.m.

PLACE: 999 E Street NW., Washington, DC (ninth floor).

STATUS: This meeting will be open to the public.

ITEMS TO BE DISCUSSED:

Correction and Approval of Minutes for October 23, 2014

Draft Advisory Opinion 2014–17: Berkadia Commercial Mortgage LLC

Audit Division Recommendation Memorandum on the Joe Walsh for Congress Committee, Inc. (JWFC) (A13–01)

Management and Administrative Matters

Individuals who plan to attend and require special assistance, such as sign language interpretation or other reasonable accommodations, should contact Shawn Woodhead Werth, Secretary and Clerk, at (202) 694–1040, at least 72 hours prior to the meeting date.

FOR FURTHER INFORMATION CONTACT: Judith Ingram, Press Officer, Telephone: (202) 694–1220.

Shawn Woodhead Werth,

Secretary and Clerk of the Commission.

[FR Doc. 2014–26189 Filed 10–30–14; 4:15 pm]

BILLING CODE 6715–01–P

FEDERAL RESERVE SYSTEM

Change in Bank Control Notices; Formations of, Acquisitions by, and Mergers of Bank Holding Companies; Correction

This notice corrects a notice (FR Doc. 2014–25590) published on page 64194 of the issue for October 28, 2014.

Under the Federal Reserve Bank of Dallas heading, the entry for Laura Lee Lehmberg Austin, Mason Texas, is revised to read as follows:

1. *Laura Lee Lehmberg Austin,* Mason, Texas; to acquire voting shares of Commercial Company, Inc., and thereby indirectly acquire voting shares of The Commercial Bank, both in Mason, Texas.

Comments on this application must be received by November 12, 2014.

Board of Governors of the Federal Reserve System, October 29, 2014.

Michael J. Lewandowski,

Associate Secretary of the Board.

[FR Doc. 2014–26027 Filed 10–31–14; 8:45 am]

BILLING CODE 6210–01–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 November 28, 2014.

A. Federal Reserve Bank of Chicago (Colette A. Fried, Assistant Vice President) 230 South LaSalle Street, Chicago, Illinois 60690–1414:

1. *Lake Financial Corporation,* Baldwin, Michigan; to become a bank holding company by acquiring 100 percent of the voting shares of Lake-Osceola State Bank, Baldwin, Michigan.

B. Federal Reserve Bank of Kansas City (Dennis Denney, Assistant Vice President) 1 Memorial Drive, Kansas City, Missouri 64198–0001:

1. *Otten Holdings, LLC and FEO Investments, Inc.,* to acquire 100 percent of the voting shares of First National Agency, Inc., parent of First Nebraska Bank of Wayne, both in Wayne, Nebraska.

Board of Governors of the Federal Reserve System October 29, 2014.

Michael J. Lewandowski,

Associate Secretary of the Board.

[FR Doc. 2014–26081 Filed 10–31–14; 8:45 am]

BILLING CODE 6210–01–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 November 26, 2014.

A. Federal Reserve Bank of St. Louis (Yvonne Sparks, Community Development Officer) P.O. Box 442, St. Louis, Missouri 63166–2034:

1. *First Savings Financial Group, Inc.,* Clarksville, Indiana; to become a bank holding company through the conversion of its wholly owned subsidiary, First Savings Bank, FSB, Clarksville, Indiana, from a federal savings bank to a state-chartered commercial bank.

Board of Governors of the Federal Reserve System, October 28, 2014.

Michael J. Lewandowski,

Associate Secretary of the Board.

[FR Doc. 2014–25964 Filed 10–31–14; 8:45 am]

BILLING CODE 6210–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Office of the Secretary

[Document Identifier HHS–OS–0955–0013–60D]

Agency Information Collection Activities; Proposed Collection; Public Comment Request

AGENCY: Office of the Secretary, HHS.

ACTION: Notice.

SUMMARY: In compliance with section 3506(c)(2)(A) of the Paperwork Reduction Act of 1995, the Office of the Secretary (OS), Department of Health and Human Services, announces plans to submit an Information Collection Request (ICR), described below, to the Office of Management and Budget (OMB). The ICR is for reinstatement with change of a previously-approved information collection assigned OMB control number 0955–0013 which expired on July 31, 2014, and for additional information collection requirements found at 45 CFR 170.523(f)(8) and 170.540(c). Prior to submitting the ICR to OMB, OS seeks comments from the public regarding the burden estimate below or any other aspect of the ICR.

DATES: Comments on the ICR must be received on or before January 2, 2015.

ADDRESSES: Submit your comments to *Information.CollectionClearance@hhs.gov* or by calling (202) 690–6162.

FOR FURTHER INFORMATION CONTACT: Information Collection Clearance staff, *Information.CollectionClearance@hhs.gov* or (202) 690–6162.

SUPPLEMENTARY INFORMATION: When submitting comments or requesting information, please include the document identifier HHS–OS–0955–0013 60–D for reference.

Information Collection Request Title: ONC HIT Certification Program

Abstract: The OS/Office of the National Coordinator for Health Information Technology (ONC) is requesting approval by OMB for reinstatement with change of a previously approved collection of information (OMB control number 0990–0013). We seek to add the collection of information requirement in § 170.523(f)(8) for ONC–ACBs to report to ONC a hyperlink with each EHR technology they certify that provides the public with the ability to access the test results used to certify the EHR technology. We also seek to add the collection of information requirement in § 170.540(c) for ONC–ACBs to submit a renewal request, containing any updates to the information in § 170.520, every three years. Under the ONC HIT Certification Program, accreditation organizations that wish to become the ONC-Approved Accreditor (ONC–AA) must submit certain information, organizations that wish to become and remain an ONC–ACB must submit the information specified by the application and renewal requirements, and ONC–ACBs must comply with collection and

reporting requirements, records retention requirements, and submit annual surveillance plans and annually report surveillance results.

In the Permanent Certification Program final rule (76 FR 1312–14), we solicited public comment on each of the information collections associated with the requirements described in regulation at 45 CFR 170.503(b), 170.520, and 170.523(f), (g), and (i), respectively. In the ''2014 Edition'' final rule (77 FR 54275–76), we sought comment on these collection requirements again and on the information collection requirement at § 170.523(f)(8).

We anticipate that there will continue to be three ONC–ACBs participating in the ONC HIT Certification Program as this is the current number of ONC–ACBs. Therefore, we have aligned the estimated number of respondents for the applicable regulation provisions (i.e., §§ 170.523(f), 170.523(i), and 170.540(c)) with the current number of ONC–ACBs. We have also revised the estimated number of respondents for § 170.520 (new applicants for ONC–ACB status) based on past application and authorization processes for ONC–ACBs. Similarly, we have revised the estimated number of respondents for § 170.503(b) (applicants for ONC–AA status) based on past selection processes for the ONC–AA. We have retained the same number of responses per respondent and average burden hours per response for the regulation provisions previously included in OMB control number 0995–0013.

Likely Respondents: ONC-Approved Accreditors and ONC-Authorized Certification Bodies

TOTAL ESTIMATED ANNUALIZED BURDEN—HOURS

Type of respondent	Number of respondents	Number of responses per respondent	Burden hours per response	Total burden hours
45 CFR 170.503(b)	2	1	1	2
45 CFR 170.520	1	1	1	1
45 CFR 170.523(f)	3	52	1.33	207
45 CFR 170.523(g)	n/a	n/a	n/a	n/a
45 CFR 170.523(i)	3	2	1	6
45 CFR 170.540(c)	3	1	1	3
Total burden hours for OMB control number 0955–0013				219

OS specifically request comments on (1) the necessity and utility of the proposed information collection for the proper performance of the agency's functions, (2) the accuracy of the estimated burden, (3) ways to enhance the quality, utility, and clarity of the information to be collected, and (4) the use of automated collection techniques or other forms of information technology to minimize the information collection burden.

Darius Taylor,

Information Collection Clearance Officer.

[FR Doc. 2014–26055 Filed 10–31–14; 8:45 am]

BILLING CODE 4150–45–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Delegation of Authority

AGENCY: Office of the Assistant Secretary for Preparedness and Response, Department of Health and Human Services.

ACTION: Notice.

Notice is hereby given that I have delegated heads of an Operating Division or Staff Division that implement programs authorized under the Public Health Service (PHS) Act, the authorities vested in the Secretary of Health and Human Services under Sections 319(e) of PHS Act, as amended.

The authorities in section 319(e) of the PHS Act may be re-delegated as needed. These authorities shall be exercised in coordination with the Assistant Secretary for Preparedness and Response. These authorities shall be exercised under the Department's policy on regulations and the existing delegation of authority to approve and issue regulations.

I hereby affirm and ratify any actions taken by heads of an Operating Division or Staff Division that implement programs authorized under the Public Health Service (PHS) Act, that involved the exercise of the authorities delegated herein prior to the effective date of this delegation.

This delegation is effective immediately.

Dated: October 24, 2014.

Sylvia M. Burwell,

Secretary, Department of Health and Human Services.

[FR Doc. 2014–26056 Filed 10–31–14; 8:45 am]

BILLING CODE 4150–37–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Information Technology Standards Committee Advisory Meeting: Notice of Meeting

AGENCY: Office of the National Coordinator for Health Information Technology, HHS.

ACTION: Notice of meeting.

This notice announces forthcoming meetings of a public advisory committee of the Office of the National Coordinator for Health Information Technology (ONC). These meetings will be open to the public.

Name of Committee: Health IT Standards Committee.

General Function of the Committee: To provide recommendations to the National Coordinator on standards, implementation specifications, and certification criteria for the electronic exchange and use of health information for purposes of adoption, consistent with the implementation of the Federal Health IT Strategic Plan, and in accordance with policies developed by the Health IT Policy Committee.

2015 Meeting Dates and Times:

- January 28, 2015, from 9:30 a.m. to 3:00 p.m./Eastern Time
- February 25, 2015, from 9:30 a.m. to 3:00 p.m./Eastern Time
- March 18, 2015, from 9:30 a.m. to 3:00 p.m./Eastern Time
- April 22, 2015, from 9:30 a.m. to 3:00 p.m./Eastern Time
- May 20, 2015, from 9:30 a.m. to 3:00 p.m./Eastern Time
- June 24, 2015, from 9:30 a.m. to 3:00 p.m./Eastern Time
- July 29, 2015, from 9:30 a.m. to 3:00 p.m./Eastern Time
- August 26, 2015, from 9:30 a.m. to 3:00 p.m./Eastern Time

- September 22, 2015, from 9:30 a.m. to 3:00 p.m./Eastern Time
- October 28, 2015, from 9:30 a.m. to 3:00 p.m./Eastern Time
- November 24, 2015, from 9:30 a.m. to 3:00 p.m./Eastern Time
- December 16, 2015, from 9:30 a.m. to 3:00 p.m./Eastern Time

For meeting locations, web conference information, and the most up-to-date information, please visit the calendar on the ONC Web site, *http://www.healthit.gov/FACAS/calendar.*

Contact Person: Michelle Consolazio, Office of the National Coordinator, HHS, 355 E Street SW., Washington, DC 20024, 781–710–0786, Fax: 202–690–6079, email: *michelle.consolazio@hhs.gov.* Please email Michelle Consolazio for up-to-date information on these meetings. A notice in the **Federal Register** about last minute modifications that impact a previously announced advisory committee meeting cannot always be published quickly enough to provide timely notice.

Agenda: The committee will hear reports from its workgroups and updates from ONC and other Federal agencies. ONC intends to make background material available to the public no later than 24 hours prior to the meeting start time. If ONC is unable to post the background material on its Web site prior to the meeting, it will be made publicly available at the location of the advisory committee meeting, and the background material will be posted on ONC's Web site after the meeting, at *http://www.healthit.gov/FACAS/health-it-standards-committee*

Procedure: Interested persons may present data, information, or views, orally or in writing, on issues pending before the Committee. Written submissions may be made to the contact person prior to the meeting date. Oral comments from the public will be scheduled prior to the lunch break and at the conclusion of each meeting. Time allotted for each presentation will be limited to three minutes. If the number of speakers requesting to comment is greater than can be reasonably accommodated during the scheduled open public session, ONC will take written comments after the meeting.

Persons attending ONC's advisory committee meetings are advised that the agency is not responsible for providing wireless access or access to electrical outlets.

ONC welcomes the attendance of the public at its advisory committee meetings. Seating is limited at the location, and ONC will make every effort to accommodate persons with physical disabilities or special needs. If special accommodations are required, please contact Michelle Consolazio at least seven (7) days in advance of the meeting.

Notice of this meeting is given under the Federal Advisory Committee Act (Pub. L. 92–463, 5 U.S.C., App. 2).

Dated: October 22, 2014.

Michelle Consolazio,

FACA Lead, Office of Policy, Office of the National Coordinator for Health Information Technology.

[FR Doc. 2014–26059 Filed 10–31–14; 8:45 am]

BILLING CODE 4150–45–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Information Technology Policy Committee Advisory Meeting; Notice of Meeting

AGENCY: Office of the National Coordinator for Health Information Technology, HHS.

ACTION: Notice of meeting.

This notice announces forthcoming meetings of a public advisory committee of the Office of the National Coordinator for Health Information Technology (ONC). These meetings will be open to the public.

Name of Committee: Health IT Policy Committee.

General Function of the Committee: To provide recommendations to the National Coordinator on a policy framework for the development and adoption of a nationwide health information technology infrastructure that permits the electronic exchange and use of health information as is consistent with the Federal Health IT Strategic Plan and that includes recommendations on the areas in which standards, implementation specifications, and certification criteria are needed.

2015 Meeting Dates and Times:

- January 13, 2015, from 9:30 a.m. to 3:00 p.m./Eastern Time
- February 10, 2015, from 9:30 a.m. to 3:00 p.m./Eastern Time
- March 10, 2015, from 9:30 a.m. to 3:00 p.m./Eastern Time
- April 7, 2015, from 9:30 a.m. to 3:00 p.m./Eastern Time
- May 12, 2015, from 9:30 a.m. to 3:00 p.m./Eastern Time
- June 9, 2015, from 9:30 a.m. to 3:00 p.m./Eastern Time
- July 14, 2015, from 9:30 a.m. to 3:00 p.m./Eastern Time
- August 11, 2015, from 9:30 a.m. to 3:00 p.m./Eastern Time
- September 9, 2015, from 9:30 a.m. to 3:00 p.m./Eastern Time
- October 14, 2015, from 9:30 a.m. to 3:00 p.m./Eastern Time
- November 17, 2015, from 9:30 a.m. to 3:00 p.m./Eastern Time
- December 8, 2015, from 9:30 a.m. to 3:00 p.m./Eastern Time

For meeting locations, web conference information, and the most up-to-date information, please visit the calendar on the ONC Web site, *http://www.healthit.gov/FACAS/calendar.*

Contact Person: Michelle Consolazio, Office of the National Coordinator, HHS, 355 E Street SW., Washington, DC 20024, 781–710–0786, Fax: 202–690–6079, email: *michelle.consolazio@hhs.gov.* Please email Michelle Consolazio for up-to-date information on these meetings. A notice in the **Federal Register** about last minute modifications that impact a previously announced advisory committee meeting cannot always be published quickly enough to provide timely notice.

Agenda: The committee will hear reports from its workgroups and updates from ONC and other Federal agencies. ONC intends to make background material available to the public no later than 24 hours prior to the meeting start time. If ONC is unable to post the background material on its Web site prior to the meeting, it will be made publicly available at the location of the advisory committee meeting, and the background material will be posted on ONC's Web site after the meeting, at *http://www.healthit.gov/FACAS/health-it-policy-committee.*

Procedure: Interested persons may present data, information, or views, orally or in writing, on issues pending before the Committee. Written submissions may be made to the contact person prior to the meeting date. Oral comments from the public will be scheduled prior to the lunch break and at the conclusion of each meeting. Time allotted for each presentation will be limited to three minutes. If the number of speakers requesting to comment is greater than can be reasonably accommodated during the scheduled open public session, ONC will take written comments after the meeting.

Persons attending ONC's advisory committee meetings are advised that the agency is not responsible for providing wireless access or access to electrical outlets.

ONC welcomes the attendance of the public at its advisory committee meetings. Seating is limited at the location, and ONC will make every effort to accommodate persons with physical disabilities or special needs. If you require special accommodations due to a disability, please contact

Michelle Consolazio at least seven (7) days in advance of the meeting.

ONC is committed to the orderly conduct of its advisory committee meetings. Please visit our Web site at *http://healthit.hhs.gov* for procedures on public conduct during advisory committee meetings.

Notice of this meeting is given under the Federal Advisory Committee Act (Pub. L. No. 92–463, 5 U.S.C., App. 2).

Dated: October 22, 2014.

Michelle Consolazio,

FACA Lead, Office of Policy, Office of the National Coordinator for Health Information Technology.

[FR Doc. 2014–26058 Filed 10–31–14; 8:45 am]

BILLING CODE 4150–45–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

[60Day–15–15CT]

Proposed Data Collections Submitted for Public Comment and Recommendations

The Centers for Disease Control and Prevention (CDC), as part of its continuing effort to reduce public 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. To request more information on the below proposed project or to obtain a copy of the information collection plan and instruments, call 404–639–7570 or send comments to Leroy A. Richardson, 1600 Clifton Road, MS–D74, Atlanta, GA 30333 or send an email to *omb@cdc.gov.*

Comments submitted in response to this notice will be summarized and/or included in the request for Office of Management and Budget (OMB) approval. Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology; and (e) estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information. Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, disclose or provide information to or for a Federal agency. This includes the time needed to review instructions; to develop, acquire, install and utilize technology and systems for the purpose of collecting, validating and verifying information, processing and maintaining information, and disclosing and providing information; to train personnel and to be able to respond to a collection of information, to search data sources, to complete and review the collection of information; and to transmit or otherwise disclose the information. Written comments should be received within 60 days of this notice.

Proposed Project

Sudden Death in the Young Registry—New—National Center for Chronic Disease Prevention and Health Promotion (NCCDPHP), Centers for Disease Control and Prevention (CDC).

Background and Brief Description

Every year, infants, children and youth die suddenly and unexpectedly from previously undiagnosed conditions. Little is known about the risk factors leading to SDY, although underlying genetic conditions contribute in some cases. For example, the risk of SDY is known to be higher for infants and children with heart-related conditions or neurological conditions such as epilepsy. However, estimates of the annual incidence of Sudden Death in the Young (SDY) vary broadly due to differences in definitions, inconsistencies in classifying cause of death on death certificates, differing case ascertainment methodologies, and other factors.

To address this gap in knowledge, the Centers for Disease Control and Prevention (CDC), the National Heart, Lung and Blood Institute (NHLBI), and the National Institute for Neurological Disorders and Stroke (NINDS) are collaborating with selected states and partner organizations to create the Sudden Death in the Young Registry (SDYr). The SDYr will establish the first uniform reporting system for SDY based on shared standards for reviewing and classifying deaths involving infants and children <19 years of age, and the systematic participation of individuals with expertise in key medical specialties. Up to 15 state health departments will receive funding from CDC to report standardized information to a central database for compilation and analysis. In addition, each awardee will establish an advanced clinical review team consisting of a forensic pathologist, neurologist, epileptologist, and pediatric cardiologist to supplement its existing Child Death Review (CDR) process. Specialized medical expertise is essential to the accurate determination of cause of death.

The SDYr will build on ongoing collaborations involving state-based child death review teams, CDC, the National Institutes of Health (NIH), the Health Resources and Services Administration (HRSA), and the National Center for the Review and Prevention of Child Deaths (NCRPCD) at the Michigan Public Health Institute (MPHI). The MPHI–NCRPCD is a non-profit organization dedicated to preventing child deaths and serious injuries. The MPHI–NCRPCD provides technical assistance and training on death scene investigation, and prevention strategies, to partner organizations including state and local governments. The MPHI–NCRPCD also supports a Web-based National Child Death Review Case Reporting System that states can use on a voluntary basis to manage their state-specific CDR data. The system is currently used by 43 states free of charge. Due to variability in case definitions and reporting procedures, the system does not produce national estimates, but serves as a vital repository of information to facilitate state-based surveillance and public health activities.

Utilizing MPHI–NCRPCD Case Reporting System (CRS) infrastructure, MPHI and CDC have previously collaborated with nine states to strengthen case definition and surveillance for sudden unexpected infant death (SUID) involving infants < one year of age. The SDYr will build on this collaboration by increasing the number of participating states, systematically engaging key medical experts in the review of deaths of children <19 years of age, and requiring the collection and reporting of standardized data elements. States participating in the SDYr will report information through a special module called the NCRPCD–CRS–SDY Module. This information collection procedure was selected due to its familiarity to the majority of states, MPHI's successful collaborations with multiple partners, and shared interest in developing and promulgating best practices for the identification, classification, and prevention of SDY.

De-identified information collected through the SDYr will be used to generate estimates of the prevalence of SDY due to cardiac and neurologic conditions; to elucidate risk factors; and

to develop evidence-based prevention strategies for SDY. The SDYr will also create the infrastructure for future expanded research. CDC is authorized to collect this information by Section 241 of the Public Health Service Act [42 U.S.C. 241].

CDC estimates that the participating states will collect data on approximately 1,000 SDY cases per year (20–150 per state, with an average of 67 per state). No information will be collected directly from family members of the deceased. CDC estimates that each specialist on the advanced clinical review team will devote 15 minutes to the review and completion of the autopsy check list and other records associated with each death reported through the SDYr. For participating state health departments, the estimated burden for entering each case into the case reporting system is 30 minutes.

OMB approval is requested for three years. Reporting is required for cooperative agreement awardees. There are no costs to respondents other than their time.

ESTIMATED ANNUALIZED BURDEN HOURS

Type of respondent	Form name	Number of respondents	Number responses per respondent	Average burden per response (in hours)	Total burden (in hours)
State Health Department	NCRPCD–CRS–SDY Module	15	67	30/60	503
Pediatric Cardiologist	NCRPCD–CRS–SDY Module	15	67	15/60	251
Epileptologist	NCRPCD–CRS–SDY Module	15	67	15/60	251
Neurologist	NCRPCD–CRS–SDY Module	15	67	15/60	251
Forensic Pathologist	NCRPCD–CRS–SDY Module	15	67	15/60	251
Total					1,507

Leroy A. Richardson,

Chief, Information Collection Review Office, Office of Scientific Integrity, Office of the Associate Director for Science, Office of the Director, Centers for Disease Control and Prevention.

[FR Doc. 2014–26031 Filed 10–31–14; 8:45 am]

BILLING CODE 4163–18–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

[60Day–14–0530]

Proposed Data Collections Submitted for Public Comment and Recommendations

The Centers for Disease Control and Prevention (CDC), as part of its continuing effort to reduce public 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. To request more information on the below proposed project or to obtain a copy of the information collection plan and instruments, call 404–639–7570 or send comments to Leroy A. Richardson, 1600 Clifton Road, MS–D74, Atlanta, GA 30333 or send an email to *omb@cdc.gov.*

Comments submitted in response to this notice will be summarized and/or included in the request for Office of Management and Budget (OMB) approval. Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected;(d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology; and (e) estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information. Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, disclose or provide information to or for a Federal agency. This includes the time needed to review instructions; to develop, acquire, install and utilize technology and systems for the purpose of collecting, validating and verifying information, processing and maintaining information, and disclosing and providing information; to train personnel and to be able to respond to a collection of information, to search data sources, to complete and review the collection of information; and to transmit or otherwise disclose the information. Written comments should be received within 60 days of this notice.

Proposed Project

EEOICPA Dose Reconstruction Interviews and Forms (OMB No. 0920–0530, expires 02/28/2015)—Extension—National Institute for Occupational Safety and Health (NIOSH), Centers for Disease Control and Prevention (CDC), Department of Health and Human Services (DHHS).

Background and Brief Description

On October 30, 2000, the Energy Employees Occupational Illness Compensation Program Act of 2000 (42 U.S.C. 7384–7385) was enacted. This Act established a federal compensation program for employees of the Department of Energy (DOE) and certain of its contractors, subcontractors and vendors, who have suffered cancers and other designated illnesses as a result of exposures sustained in the production and testing of nuclear weapons.

Executive Order 13179, issued on December 7, 2000, delegated authorities assigned to ''the President'' under the Act to the Departments of Labor (DOL), Health and Human Services, Energy and Justice. The Department of Health and Human Services (DHHS) was delegated the responsibility of establishing methods for estimating radiation doses received by eligible claimants with cancer applying for compensation. NIOSH is applying the following methods to estimate the radiation doses of individuals applying for compensation.

In performance of its dose reconstruction responsibilities, under the Act, NIOSH is providing voluntary interview opportunities to claimants (or their survivors) individually and providing them with the opportunity to assist NIOSH in documenting the work history of the employee by characterizing the actual work tasks performed. In addition, NIOSH and the claimant may identify incidents that

may have resulted in undocumented radiation exposures, characterizing radiological protection and monitoring practices, and identify co-workers and other witnesses as may be necessary to confirm undocumented information. In this process, NIOSH uses a computer assisted telephone interview (CATI) system, which allows interviews to be conducted more efficiently and quickly as opposed to a paper-based interview instrument. Both interviews are voluntary and failure to participate in either or both interviews will not have a negative effect on the claim, although voluntary participation may assist the claimant by adding important information that may not be otherwise available. NIOSH is requesting a three year approval for these data collection activities.

NIOSH uses the data collected in this process to complete an individual dose reconstruction that accounts, as fully as possible, for the radiation dose incurred by the employee in the line of duty for DOE nuclear weapons production programs. After dose reconstruction, NIOSH also performs a brief, voluntary final interview with the claimant to explain the results and to allow the claimant to confirm or question the records NIOSH has compiled. This will also be the final opportunity for the claimant to supplement the dose reconstruction record. Approximately 4,200 claimants will be interviewed with an average burden of one hour per response.

At the conclusion of the dose reconstruction process, the claimant submits a conclusion form to confirm that the claimant has no further information to provide to NIOSH about the claim at this time. The form notifies the claimant that signing the form allows NIOSH to forward a dose reconstruction report to DOL and to the claimant, and closes the record on data used for the dose reconstruction. Signing this form does not indicate that the claimant agrees with the outcome of the dose reconstruction. The dose reconstruction results will be supplied to the claimant and to the DOL, the agency that will utilize them as one part of its determination of whether the claimant is eligible for compensation under the Act. It is estimated that 8,400 claimants will complete the conclusion form which takes approximately 5 minutes per response.

The total estimated burden hours are 4,900. There is no cost to respondents other than their time.

ESTIMATED ANNUALIZED BURDEN HOURS

Type of respondent	Form name	Number of respondents	Number of responses per respondent	Average burden per response (in hours)	Total burden hours
Claimant	Initial interview	4,200	1	1	4,200
Claimant	Conclusion form OCAS–1	8,400	1	5/60	700
Total					4,900

Leroy A. Richardson,

Chief, Information Collection Review Office, Office of Scientific Integrity, Office of the Associate Director for Science, Office of the Director, Centers for Disease Control and Prevention.

[FR Doc. 2014–26032 Filed 10–31–14; 8:45 am]

BILLING CODE 4163–18–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

[60-Day 15–15CK]

Proposed Data Collections Submitted for Public Comment and Recommendations

The Centers for Disease Control and Prevention (CDC), as part of its continuing effort to reduce public 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. To request more information on the below proposed project or to obtain a copy of the information collection plan and instruments, call 404–639–7570 or send comments to Leroy A. Richardson, 1600 Clifton Road, MS–D74, Atlanta, GA 30333 or send an email to *omb@cdc.gov.*

Comments submitted in response to this notice will be summarized and/or included in the request for Office of Management and Budget (OMB) approval. Comments are invited on: (a) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology; and (e) estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information. Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, disclose or provide information to or for a Federal agency. This includes the time needed to review instructions; to develop, acquire, install and utilize technology and systems for the purpose of collecting, validating and verifying information, processing and maintaining information, and disclosing and providing information; to train personnel and to be able to respond to a collection of information, to search data sources, to complete and review the collection of information; and to transmit or otherwise disclose the information. Written comments should be received within 60 days of this notice.

Proposed Project

Improving the Impact of Laboratory Practice Guidelines (LPGs): A New Paradigm for Metrics—College of American Pathologists—NEW—Center for Surveillance, Epidemiology and Laboratory Services (CSELS), Centers for Disease Control and Prevention (CDC).

Background and Brief Description

The Centers for Disease Control and Prevention is funding three 5-year projects collectively entitled ''Improving the Impact of Laboratory Practice Guidelines: A New Paradigm for Metrics''. An ''LPG'' is defined as written recommendations for voluntary, standardized approaches for medical laboratory testing that takes into account processes for test selection, sample

procurement and processing, analytical methods, and results reporting for effective diagnosis and management of disease and health conditions. LPGs may be disseminated to, and used by, laboratorians and clinicians to assist with test selection and test result interpretation. The overall purpose of these cooperative agreements is to increase the effectiveness of LPGs by defining measures and collecting information to inform better LPG creation, revision, dissemination, promotion, uptake, and impact on clinical testing and public health. The project will explore how these processes and their impediments and facilitators differ among various intended users of LPGs. Through this demonstration project, CDC seeks to understand how to customize LPG creation and promotion to better serve these intended users of LPGs. An important goal is to help organizations that sponsor the development of LPGs create a sustainable approach for continuous quality improvement to evaluate and improve an LPG's impact through better collection of information.

The CDC selected three organizations that currently create and disseminate LPGs to support activities under a cooperative agreement funding mechanism to improve the impact of their LPGs. The American Society for Microbiology, the Clinical and Laboratory Standards Institute, and the College of American Pathologists (CAP), will each use their LPGs as models to better understand how to improve uptake and impact of these and future LPGs. Only the CAP submission will be described in this notice.

The CAP project will address two LPGs that are important to clinical testing: immunohistochemistry test validation (IHC) and an algorithm for diagnosing acute leukemia (ALA). The ALA LPG is being co-developed with the American Society of Hematologists (ASH). The intended users of the CAP's IHC LPGs will include pathologists, clinical laboratory directors, and laboratory managers overseeing the IHC staining department. For the CAP's ALA LPG the intended users are pathologists and hematologists overseeing testing for acute leukemia. Thus, all these professionals will be surveyed by CAP.

Prior to entering into this cooperative agreement project with the CDC, the CAP had already completed a baseline IHC LPG information collection from laboratories that used IHC testing. Subsequent to this data collection, the CAP created and disseminated an IHC LPG in a peer reviewed journal. Because of this prior baseline assessment, the CAP will only need to collect post-dissemination data. For their ALA LPG *CAP/ASH Algorithm for Initial Work-Up of Acute Leukemia,* the CAP will conduct both a baseline and a post-dissemination survey. Because there are uncertainties concerning the specific focus group probes for the IHC LPG and the ALA LPG, this notice only provides a description of our collection of post-dissemination information for the IHC LPG and the baseline ALA LPG.

The CAP hopes to achieve an 80% response rate, or 2,668 out of 3,335 potential respondents. This represents laboratories known to be currently performing IHC testing based upon their participation in CAP's IHC proficiency testing (PT) program and 450 additional laboratories identified by CDC using previous CMS Part B reimbursement claims for IHC testing. The response rate for the baseline IHC survey was approximately 70% but through more focused promotion the CAP hopes to increase participation. We have identified a total of 3,335 (2,885 CAP-accredited + 450 non-CAP-accredited) laboratories that will be targeted by the IHC post-dissemination survey.

CAP-accredited laboratories that are enrolled in IHC PT will receive surveys with their PT mailings. Non-CAP-accredited laboratories will be surveyed via the US postal system, with a fax-back mechanism.

The CAP will need to collect both baseline and post-guideline dissemination data for the ALA LPG. CAP will allow only one response per computer internet protocol address. The CAP has a database of pathologists who have indicated specialization in hematopathology; these hematopathologists will be invited to participate. The CAP hopes to achieve an 80% response rate with their individual data collections, or 880 (80% × 1100 pathologists listed in the CAP database).

The baseline survey for the ALA guideline includes questions about individual practices for diagnosing various types of acute leukemia and individual and laboratory reporting practices. The link to the baseline survey for the ALA guideline will be disseminated via email to hematopathologists in CAP's database, who will be provided a link to the Qualtrics site that hosts the survey.

The CAP and CDC will strive to ensure a high response rate for their IHC and ALA surveys. CAP plans to advertise both surveys. Similarly, the CAP plans to maximize response rates for non-CAP-accredited laboratories by sending reminders through the US postal system. The CAP will also try to maximize response rates for the ALA survey by advertising it through various channels.

For burden calculation, we assume one response per laboratory. We assume respondents for the IHC survey will include (1) pathologists, (2) laboratory directors, and (3) other laboratory managers of IHC laboratories, which may consist of graduate level scientists (Ph.D.s and Masters level), approximately in a 25%:25%:50% distribution, respectively. We assume respondents for the ALA surveys will include pathologists and hematologists that sign out cases, approximately in a 95%:5% distribution, respectively.

The IHC baseline survey, which was conducted prior to this CAP–CDC cooperative agreement, took 15 minutes to complete. The IHC post-dissemination survey and the ALA baseline survey are also expected to take 15 minutes. Each survey will be pilot tested with nine or fewer respondents before deployment to assure that they require 15 minutes or less to complete. CDC is requesting a one-year OMB approval to collect the information. There are no costs to respondents other than their time.

ESTIMATED ANNUALIZED BURDEN HOURS

Type of respondent	Form name	Number of respondents	Number of responses per respondent	Average burden per response (in hours)	Total burden hours
Pathologist	IHC	834	1	15/60	209
	ALA	1,045	2	15/60	523
Laboratory Directors	IHC	834	1	15/60	209
Laboratory Managers	IHC	1,667	1	15/60	417
Hematologist	ALA	55	2	15/60	28

ESTIMATED ANNUALIZED BURDEN HOURS—Continued

Type of respondent	Form name	Number of respondents	Number of responses per respondent	Average burden per response (in hours)	Total burden hours
Total					1,386

Leroy A. Richardson,

Chief, Information Collection Review Office, Office of Scientific Integrity, Office of the Associate Director for Science, Office of the Director, Centers for Disease Control and Prevention.

[FR Doc. 2014–26030 Filed 10–31–14; 8:45 am]

BILLING CODE 4163–18–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Institute on Drug Abuse; Notice of Closed Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. App.), notice is hereby given of a meeting of the Board of Scientific Counselors, NIDA.

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 Institute on Drug Abuse, 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, NIDA.

Date: November 20, 2014.

Closed: 8:00 a.m. to 6:00 p.m.

Agenda: To review and evaluate personal qualifications and performance, and competence of individual investigators.

Place: Intramural Research Program, National Institute on Drug Abuse, NIH, Johns Hopkins Bayview Campus, Baltimore, MD 21223.

Contact Person: Joshua Kysiak, Program Specialist, Biomedical Research Center, Intramural Research Program, National Institute on Drug Abuse, NIH, DHHS, 251 Bayview Boulevard, Baltimore, MD 21224, 443–740–2465, *kysiakjo@nida.nih.gov.*

(Catalogue of Federal Domestic Assistance Program Nos.: 93.279, Drug Abuse and Addiction Research Programs, National Institutes of Health, HHS)

Dated: October 28, 2014.

Michelle Trout,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2014–26025 Filed 10–31–14; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Cancer Institute; Notice of Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. Appendix 2), notice is hereby given of the Joint meeting of the National Cancer Advisory Board (NCAB) and NCI Board of Scientific Advisors (BSA).

The meeting will be open to the public as indicated below, with attendance limited to space available. Individuals who plan to attend and need special assistance, such as sign language interpretation or other reasonable accommodations, should notify the Contact Person listed below in advance of the meeting.

A portion of the Joint NCAB/BSA meeting will be closed to the public 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 Cancer Institute, including consideration of personnel qualification and performance, and the competence of individual investigators, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: National Cancer Advisory Board; *ad Hoc* Subcommittee on Global Cancer Research.

Open: December 1, 2014, 6:00 p.m. to 7:30 p.m.

Agenda: Discussion on Global Cancer Research.

Place: Hyatt Regency Bethesda, One Bethesda Metro Center, Bethesda, Maryland 20814.

Contact Person: Dr. Edward Trimble, Executive Secretary, NCAB ad Hoc Subcommittee on Global Cancer Research, National Cancer Institute, National Institutes of Health, 9609 Medical Center Drive, Room 3W–562, Bethesda, MD 20892, (240) 276–5796, *trimblet@mail.nih.gov.*

Name of Committee: National Cancer Advisory Board and NCI Board of Scientific Advisors.

Open: December 2, 2014, 8:30 a.m. to 5:15 p.m.

Agenda: Joint meeting of the National Cancer Advisory Board; and NCI Board of Scientific Advisors; NCI Board of Scientific Advisors Concepts Review, NCI Director's report, and presentations.

Place: National Institutes of Health, 9000 Rockville Pike, Building 31, C Wing, 6th Floor, Conference Room 10, Bethesda, MD 20892.

Closed: December 2, 2014, 5:15 p.m. to 6:00 p.m.

Agenda: Review of intramural program site visit outcomes and the discussion of confidential personnel issues.

Place: National Institutes of Health, 9000 Rockville Pike, Building 31, C Wing, 6th Floor, Conference Room 10, Bethesda, MD 20892.

Contact Person: Dr. Paulette S. Gray, Executive Secretary, National Cancer Institute, National Institutes of Health, 9606 Medical Center Drive, Room 7W–444, Bethesda, MD 20892, (240) 276–6340.

Any interested person may file written comments with the committee by forwarding the statement to the Contact Person listed on this notice. The statement should include the name, address, telephone number and when applicable, the business or professional affiliation of the interested person.

In the interest of security, NIH has instituted stringent procedures for entrance onto the NIH campus. All visitor vehicles, including taxicabs, hotel, and airport shuttles will be inspected before being allowed on campus. Visitors will be asked to show one form of identification (for example, a government-issued photo ID, driver's license, or passport) and to state the purpose of their visit. Information is also available on the Institute's/Center's home page: NCAB: *http://deainfo.nci.nih.gov/advisory/ncab/ncab.htm,* BSA: *http://deainfo.nci.nih.gov/advisory/bsa/bsa.htm,* where an agenda and any additional information for the meeting will be posted when available.

(Catalogue of Federal Domestic Assistance Program Nos. 93.392, Cancer Construction; 93.393, Cancer Cause and Prevention Research; 93.394, Cancer Detection and Diagnosis Research; 93.395, Cancer Treatment Research; 93.396, Cancer Biology Research; 93.397, Cancer Centers Support; 93.398, Cancer Research Manpower; 93.399, Cancer Control, National Institutes of Health, HHS)

Dated: October 28, 2014.

Melanie J. Gray,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2014–26021 Filed 10–31–14; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Center for Scientific Review; Notice of Closed Meetings

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. App.), notice is hereby given of the following meetings.

The meetings will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: Center for Scientific Review Special Emphasis Panel; Fellowships: Physiology and Pathobiology of Cardiovascular and Respiratory Systems.

Date: December 1–2, 2014.

Time: 8:00 a.m. to 5:00 p.m.

Agenda: To review and evaluate grant applications.

Place: The Ritz-Carlton Georgetown, 3100 South Street NW., Washington, DC, Washington, DC 20007.

Contact Person: Abdelouahab Aitouche, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 4222, MSC 7812, Bethesda, MD 20892, 301–435–2365, *aitouchea@csr.nih.gov.*

Name of Committee: Center for Scientific Review Special Emphasis Panel; PAR Panel: Fogarty HIV Research Training Program for Low-and Middle-Income Country Institutions.

Date: December 2, 2014.

Time: 8:00 a.m. to 6:00 p.m.

Agenda: To review and evaluate grant applications.

Place: Marriott Wardman Park Washington DC Hotel, 2660 Woodley Road NW., Washington, DC 20008.

Contact Person: Hilary D. Sigmon, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5216, MSC 7852, Bethesda, MD 20892, (301) 594–6377, *sigmonh@csr.nih.gov.*

Name of Committee: Center for Scientific Review Special Emphasis Panel; PAR Panel: Global Infectious Diseases Research Training Program.

Date: December 3, 2014.

Time: 8:00 a.m. to 6:00 p.m.

Agenda: To review and evaluate grant applications.

Place: Marriott Wardman Park Washington DC Hotel, 2660 Woodley Road NW., Washington, DC 20008.

Contact Person: Hilary D. Sigmon, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5216, MSC 7852, Bethesda, MD 20892, (301) 594–6377, *sigmonh@csr.nih.gov.*

Name of Committee: Center for Scientific Review Special Emphasis Panel; Small Business: Early Stage Development of Biomedical Big Data Information Systems.

Date: December 3, 2014.

Time: 10:00 a.m. to 6:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (Virtual Meeting).

Contact Person: Allen Richon, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 6184, MSC 7892, Bethesda, MD 20892, 301–379–9351, *allen.richon@nih.hhs.gov.*

Name of Committee: Center for Scientific Review Special Emphasis Panel; Cancer Biology AREA Review.

Date: December 4, 2014.

Time: 10:00 a.m. to 5:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (Virtual Meeting).

Contact Person: Svetlana Kotliarova, Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 6214, Bethesda, MD 20892, 3014513493, *kotliars@mail.nih.gov.*

(Catalogue of Federal Domestic Assistance Program Nos. 93.306, Comparative Medicine; 93.333, Clinical Research, 93.306, 93.333, 93.337, 93.393–93.396, 93.837–93.844, 93.846-93.878, 93.892, 93.893, National Institutes of Health, HHS)

Dated: October 29, 2014.

Melanie J. Gray,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2014–26019 Filed 10–31–14; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Center for Scientific Review; Notice of Closed Meetings

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. App.), notice is hereby given of the following meetings.

The meetings will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: Center for Scientific Review Special Emphasis Panel; Small Business: Cancer Drug Developments and Therapeutics.

Date: November 17–18, 2014.

Time: 8:00 a.m. to 5:00 p.m.

Agenda: To review and evaluate grant applications.

Place: Hotel Nikko San Francisco, 222 Mason Street, San Francisco, CA 94102.

Contact Person: Lilia Topol, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 6192, MSC 7804, Bethesda, MD 20892, 301–451–0131, *ltopol@mail.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 cycle.

Name of Committee: Center for Scientific Review Special Emphasis Panel; Member Conflict: Development of Ocular System.

Date: November 18–19, 2014.

Time: 8:00 a.m. to 5:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (Virtual Meeting).

Contact Person: Maqsood A. Wani, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 2114, MSC 7814, Bethesda, MD 20892, 301–435–2270, *wanimaqs@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 cycle.

Name of Committee: Center for Scientific Review Special Emphasis Panel; Member Conflict: Cell Biology Topics.

Date: November 20–21, 2014.

Time: 9:00 a.m. to 5:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892, (Virtual Meeting).

Contact Person: David Balasundaram, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5189, MSC 7840, Bethesda, MD 20892, 301–435–1022, *balasundaramd@csr.nih.gov.*

Name of Committee: Center for Scientific Review Special Emphasis Panel; AIDS-Science Track Award for Research Transition.

Date: November 21, 2014.

Time: 10:00 a.m. to 6:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, 6701 Rockledge Drive, Bethesda, MD 20892.

Contact Person: Robert Freund, Ph.D., Scientific Review Officer, Center for Scientific Review, National Institutes of Health, 6701 Rockledge Drive, Room 5216, MSC 7852, Bethesda, MD 20892, 301–435–1050, *freundr@csr.nih.gov.*

(Catalogue of Federal Domestic Assistance Program Nos. 93.306, Comparative Medicine; 93.333, Clinical Research, 93.306, 93.333, 93.337, 93.393–93.396, 93.837–93.844, 93.846–93.878, 93.892, 93.893, National Institutes of Health, HHS)

Dated: October 28, 2014.

Michelle Trout,

Program Analyst Director, Office of Federal Advisory Committee Policy.

[FR Doc. 2014–26020 Filed 10–31–14; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

Eunice Kennedy Shriver National Institute of Child Health & Human Development; Notice of Closed Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. App.), notice is hereby given of the following meeting.

The meeting will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: National Institute of Child Health and Human Development Special Emphasis Panel.

Date: November 25, 2014.

Time: 12:30 p.m. to 2:30 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, 6100 Executive Boulevard, Rockville, MD 20852, (Telephone Conference Call).

Contact Person: Peter Zelazowski, Ph.D., Scientific Review Officer, Scientific Review Branch, Eunice Kennedy Shriver National Institute of Child Health and Human Development, NIH, 6100 Executive Boulevard, Rm. 5B01, Bethesda, MD 20892–7510, 301–435–6902, *peter.zelazowski@nih.gov.*

(Catalogue of Federal Domestic Assistance Program Nos. 93.864, Population Research; 93.865, Research for Mothers and Children; 93.929, Center for Medical Rehabilitation Research; 93.209, Contraception and Infertility Loan Repayment Program, National Institutes of Health, HHS)

Dated: October 28, 2014.

Michelle Trout,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2014–26023 Filed 10–31–14; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Institute on Alcohol Abuse and Alcoholism; Notice of Closed Meetings

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. App.), notice is hereby given of the following meetings.

The meetings will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: National Institute on Alcohol Abuse and Alcoholism Special Emphasis; NIAAA Neuroscience Member Conflict Applications.

Date: November 12, 2014.

Time: 11:00 a.m. to 1:00 p.m.

Agenda: To review and evaluate grant proposals.

Place: NIAAA, 5635 Fishers Lane; Room 2085, Rockville, MD 20852, (Telephone Conference Call).

Contact Person: Ranga Srinivas, Ph.D., Chief, Extramural Project Review Branch, National Institute on Alcohol Abuse and Alcoholism, NIH, 5365 Fishers Lane; Room 2085, Rockville, MD 20852, (301) 451–2067, *srinivar@mail.nih.gov.*

Name of Committee: National Institute on Alcohol Abuse and Alcoholism Special Emphasis; NIAAA Member Conflict Applications—Neuroscience Fellowships and Training.

Date: November 21, 2014.

Time: 11:00 a.m. to 2:00 p.m.

Agenda: To review and evaluate grant proposals.

Place: NIAAA, 5635 Fishers Lane; Room 2085, Rockville, MD 20852, (Telephone Conference Call).

Contact Person: Ranga Srinivas, Ph.D., Chief, Extramural Project Review Branch, National Institute on Alcohol Abuse and Alcoholism, NIH, 5365 Fishers Lane; Room 2085, Rockville, MD 20852, (301) 451–2067, *srinivar@mail.nih.gov.*

(Catalogue of Federal Domestic Assistance Program Nos. 93.271, Alcohol Research Career Development Awards for Scientists and Clinicians; 93.272, Alcohol National Research Service Awards for Research Training; 92.273, Alcohol Research Programs; 93.891, Alcohol Research Center Grants; 93.701, ARRA Related Biomedical Research and Research Supports Awards, National Institutes of Health, HHS)

Dated: October 28, 2014.

Melanie J. Gray,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2014–26022 Filed 10–31–14; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

National Institutes of Health

National Institute on Drug Abuse; Notice of Closed Meetings

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. App), notice is hereby given of the following meetings.

The meetings will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable materials, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Name of Committee: National Institute on Drug Abuse Special Emphasis Panel; Multi-site Clinical Trials SEP.

Date: November 13, 2014.

Time: 1:00 p.m. to 2:15 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, Neuroscience Center, 6001 Executive Boulevard, Rockville, MD 20852, (Telephone Conference Call).

Contact Person: Hiromi Ono, Ph.D., Scientific Review Officer, Office of Extramural Affairs, National Institute on Drug Abuse, National Institutes of Health, DHHS, 6001 Executive Boulevard, Room 4238, MSC 9550, Bethesda, MD 20892, 301–402–6020, *hiromi.ono@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 cycle.

Name of Committee: National Institute on Drug Abuse Special Emphasis Panel; Cutting-Edge Basic Research Awards (CEBRA) (R21).

Date: November 25, 2014.

Time: 9:00 a.m. to 2:00 p.m.

Agenda: To review and evaluate grant applications.

Place: National Institutes of Health, Neuroscience Center, 6001 Executive Boulevard, Rockville, MD 20852, (Virtual Meeting).

Contact Person: Jagadeesh S. Rao, Ph.D., Scientific Review Officer, Office of Extramural Affairs, National Institute on Drug Abuse, National Institutes of Health, DHHS, 6001 Executive Boulevard, Room 4234, MSC 9550, Bethesda, MD 02892, 301–443–9511, *jrao@nida.nih.gov.*

(Catalogue of Federal Domestic Assistance Program Nos.: 93.279, Drug Abuse and Addiction Research Programs, National Institutes of Health, HHS)

Dated: October 28, 2014.

Michelle Trout,

Program Analyst, Office of Federal Advisory Committee Policy.

[FR Doc. 2014–26024 Filed 10–31–14; 8:45 am]

BILLING CODE 4140–01–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Docket ID FEMA–2014–0002]

Final Flood Hazard Determinations

AGENCY: Federal Emergency Management Agency, DHS.

ACTION: Final notice.

SUMMARY: Flood hazard determinations, which may include additions or modifications of Base Flood Elevations (BFEs), base flood depths, Special Flood Hazard Area (SFHA) boundaries or zone designations, or regulatory floodways on the Flood Insurance Rate Maps (FIRMs) and where applicable, in the supporting Flood Insurance Study (FIS) reports have been made final for the communities listed in the table below.

The FIRM and FIS report are the basis of the floodplain management measures that a 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 Federal Emergency Management Agency's (FEMA's) National Flood Insurance Program (NFIP). In addition, the FIRM and FIS report are used by insurance agents and others to calculate appropriate flood insurance premium rates for buildings and the contents of those buildings.

DATES: The effective date of December 16, 2014 which has been established for the FIRM and, where applicable, the supporting FIS report showing the new or modified flood hazard information for each community.

ADDRESSES: The FIRM, and if applicable, the FIS report containing the final flood hazard information for each community is available for inspection at the respective Community Map Repository address listed in the tables below and will be available online through the FEMA Map Service Center at *www.msc.fema.gov* by the effective date indicated above.

FOR FURTHER INFORMATION CONTACT: Luis Rodriguez, Chief, Engineering Management Branch, Federal Insurance and Mitigation Administration, FEMA, 500 C Street SW., Washington, DC 20472, (202) 646–4064, or (email) *Luis.Rodriguez3@fema.dhs.gov*; or visit the FEMA Map Information eXchange (FMIX) online at *www.floodmaps.fema.gov/fhm/fmx_main.html.*

SUPPLEMENTARY INFORMATION: The Federal Emergency Management Agency (FEMA) makes the final determinations listed below for the new or modified flood hazard information for each community listed. Notification of these changes has been published in newspapers of local circulation and 90 days have elapsed since that publication. The Deputy Associate Administrator for Mitigation has resolved any appeals resulting from this notification.

This final notice is issued in accordance with section 110 of the Flood Disaster Protection Act of 1973, 42 U.S.C. 4104, and 44 CFR part 67. FEMA has developed criteria for floodplain management in floodprone areas in accordance with 44 CFR part 60.

Interested lessees and owners of real property are encouraged to review the new or revised FIRM and FIS report available at the address cited below for each community or online through the FEMA Map Service Center at *www.msc.fema.gov*.

The flood hazard determinations are made final in the watersheds and/or communities listed in the table below.

(Catalog of Federal Domestic Assistance No. 97.022, ''Flood Insurance.'')

Dated: October 9, 2014.

Roy E. Wright,

Deputy Associate Administrator for Mitigation, Department of Homeland Security, Federal Emergency Management Agency.

Community	Community map repository address
Newton County, Indiana, and Incorporated Areas Docket No.: FEMA–B–1283	
Town of Brook	Town Hall, 112 West Main Street, Brook, IN 47922.
Town of Kentland	Town Hall, 300 North Third Street, Kentland, IN 47951.
Unincorporated Areas of Newton County	Newton County Government Center, Building Department, 4117 South 240 West, Suite 700, Morocco, IN 47963.
Delaware County, Iowa, and Incorporated Areas Docket No.: FEMA–B–1343	
City of Manchester	City Hall, 208 East Main Street, Manchester, IA 52057.
Unincorporated Areas of Delaware County	Delaware County Engineering Office, 2139 Highway 38, Manchester, IA 52057.
Florence County, South Carolina, and Incorporated Areas Docket No.: FEMA–B–1266	
City of Florence	City Center, 324 West Evans Street, Florence, SC 29501.
City of Johnsonville	City Hall, 111 West Broadway Street, Johnsonville, SC 29555.
City of Lake City	City Hall, 202 Kelley Street, Lake City, SC 29560.
Town of Coward	Town Office, 3720 U.S. Route 52, Coward, SC 29530.
Town of Olanta	Town Hall, 365 North Magnolia Avenue, Olanta, SC 29114.
Town of Pamplico	Town Hall, 180 East Main Street, Pamplico, SC 29583.
Town of Quinby	Town Hall, 80 Dogwood Lane, Quinby, SC 29506.
Town of Scranton	Town Hall, 1818 U.S. Route 52, Scranton, SC 29591.

Community	Community map repository address
Town of Timmonsville	Town Hall, 115 West Main Street, Timmonsville, SC 29161.
Unincorporated Areas of Florence County	Florence County Planning Department, 518 South Irby Street, Florence, SC 29501.
City of Chesapeake, Virginia (Independent City) Docket No.: FEMA–B–1344	
City of Chesapeake	Planning Department, 306 Cedar Road, 2nd Floor, Chesapeake, VA 23322.
City of Norfolk, Virginia (Independent City) Docket No.: FEMA–B–1293	
City of Norfolk	Zoning Enforcement Office, 508 City Hall Building, 810 Union Street, Norfolk, VA 23510.
City of Poquoson, Virginia (Independent City) Docket No.: FEMA–B–1332	
City of Poquoson	Building Official's Office, 500 City Hall Avenue, Poquoson, VA 23662.

[FR Doc. 2014–25984 Filed 10–31–14; 8:45 am]

BILLING CODE 9110–12–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Internal Agency Docket No. FEMA–4188–DR; Docket ID FEMA–2014–0003]

Washington; Amendment No. 2 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 State of Washington (FEMA–4188–DR), dated August 11, 2014, and related determinations.

DATES: *Effective Date:* October 17, 2014.

FOR FURTHER INFORMATION CONTACT: Dean Webster, Office of Response and Recovery, Federal Emergency Management Agency, 500 C Street SW., Washington, DC 20472, (202) 646–2833.

SUPPLEMENTARY INFORMATION: The Federal Emergency Management Agency (FEMA) hereby gives notice that pursuant to the authority vested in the Administrator, under Executive Order 12148, as amended, Thomas J. Dargan, of FEMA is appointed to act as the Federal Coordinating Officer for this disaster.

This action terminates the appointment of Michael J. Hall as Federal Coordinating Officer for this disaster.

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.

W. Craig Fugate,

Administrator, Federal Emergency Management Agency.

[FR Doc. 2014–25985 Filed 10–31–14; 8:45 am]

BILLING CODE 9111–23–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Docket ID FEMA–2014–0002; Internal Agency Docket No. FEMA–B–1443]

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 February 2, 2015.

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–1443, to Luis Rodriguez, Chief, Engineering Management Branch, Federal Insurance and Mitigation Administration, FEMA, 500 C Street SW., Washington, DC 20472, (202) 646–4064, or (email) *Luis.Rodriguez3@fema.dhs.gov.*

FOR FURTHER INFORMATION CONTACT: Luis Rodriguez, Chief, Engineering Management Branch, Federal Insurance

and Mitigation Administration, FEMA, 500 C Street SW., Washington, DC 20472, (202) 646–4064, or (email) *Luis.Rodriguez3@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.

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 only may 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. 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.'')

Dated: October 9, 2014.

Roy E. Wright,

Deputy Associate Administrator for Mitigation, Department of Homeland Security, Federal Emergency Management Agency.

Community	Community map repository address
Dona Ana County, New Mexico, and Incorporated Areas	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata*	
City of Anthony	City Hall, 824 Anthony Drive, Anthony, NM 88021.
City of Las Cruces	City Hall, 700 North Main Street, Las Cruces, NM 88004.
City of Sunland Park	City Hall, 1000 McNutt Road, Suite A, Sunland Park, NM 88063.
Town of Mesilla	Town Hall, 2231 Avenida de Mesilla, Mesilla, NM 88046.
Unincorporated Areas of Dona Ana County	Dona Ana County Office of the Flood Commission, 845 North Motel Boulevard, Las Cruces, NM 88007.
Village of Hatch	Village Hall, 133 North Franklin Street, Hatch, NM 87937.
Armstrong County, Pennsylvania (All Jurisdictions)	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata*	
Borough of Apollo	Borough Municipal Office, 616 First Street, Apollo, PA 15613.
Borough of Applewold	Applewold Borough Office, 8 Hickory Street, Kittanning, PA 16201.
Borough of Atwood	Atwood Borough Hall, 225 Atwood Sugar Run Road, Creekside, PA 15732.
Borough of Dayton	Borough Office, 207 Mechanic Street, Dayton, PA 16222.
Borough of Ford City	Borough Municipal Building, 1000 4th Avenue, Ford City, PA 16226.
Borough of Freeport	Borough Building, 414 Market Street, Freeport, PA 16229.
Borough of Kittanning	Borough Building, 300 South McKean Street, Kittanning, PA 16201.
Borough of Leechburg	Borough Office, 260 Market Street, Leechburg, PA 15656.
Borough of Manorville	Borough Building, 600 Center Lane, Manorville, PA 16238.
Borough of North Apollo	Borough Building, 1421 Leonard Avenue, North Apollo, PA 15673.
Borough of Rural Valley	Borough Building, 300 Parkwood Drive, Rural Valley, PA 16249.
Borough of South Bethlehem	South Bethlehem Borough Building, 217 West Broad Street, New Bethlehem, PA 16242.
Borough of Worthington	Borough Municipal Building, 206 Church Street, Worthington, PA 16262.
City of Parker	City Hall, 210 North Cooper Avenue, Parker, PA 16049.
Township of Bethel	Bethel Township Hall, 3218 Ridge Road, Ford City, PA 16226.
Township of Boggs	Boggs Township Building, 292 Mountain Trails Road, Templeton, PA 16259.
Township of Brady's Bend	Brady's Bend Township Municipal Building, 1004 State Route 68, East Brady, PA 16028.
Township of Burrell	Burrell Township Municipal Building, 110 Cochran's Mill Road, Ford City, PA 16226.
Township of Cadogan	Township Office, 333 1st Avenue, Cadogan, PA 16212.

Community	Community map repository address
Township of Cowanshannock	Cowanshannock Township Municipal Building, 4033 Second Street, NuMine, PA 16244.
Township of East Franklin	East Franklin Township Municipal Building 106 Cherry Orchard Avenue, Kittanning, PA 16201.
Township of Gilpin	Gilpin Township Municipal Building, 589 State Route 66, Leechburg, PA 15656.
Township of Hovey	Hovey Township Building, 600 North Riverview Drive, Parker, PA 16049.
Township of Kiskiminetas	Kiskiminetas Township Building, 1222A Old State Road, Apollo, PA 15613.
Township of Kittanning	Township Municipal Building, 395 Township Shed Road, Kittanning, PA 16201.
Township of Madison	Madison Township Building, 107 Lawsonham Road, Templeton, PA 16259.
Township of Mahoning	Mahoning Township Office, 2237 Madison Road, Distant, PA 16223.
Township of Manor	Manor Township Municipal Building, 306 Byron Street, McGrann, PA 16236.
Township of North Buffalo	North Buffalo Township Municipal Building, 149 McHaddon Road, Kittanning, PA 16201.
Township of Parks	Parks Township Community Building, 26 Jackson Street, North Vandergrift, PA 15690.
Township of Perry	Perry Township Building, 758 Queenstown Road, Karns City, PA 16041.
Township of Pine	Pine Township Building, 115 Fifth Street, Templeton, PA 16259.
Township of Plumcreek	Plumcreek Township Building, 849 State Route 210, Shellocta, PA 15774.
Township of Rayburn	Rayburn Township Building, 105 McGregor Road, Kittanning, PA 16201.
Township of Redbank	Redbank Township Office Building, 135 Sugar Valley Road, Mayport, PA 16240.
Township of South Bend	South Bend Township Municipal Building, 219 Girty Road, Spring Church, PA 15686.
Township of South Buffalo	South Buffalo Township Municipal Building, 384 Iron Bridge Road, Freeport, PA 16229.
Township of Sugarcreek	Sugarcreek Township Municipal Building, 1807 State Route 268, East Brady, PA 16028.
Township of Valley	Valley Township Municipal Building, 321 Harris Road, Kittanning, PA 16201.
Township of Washington	Washington Township Office Building, 357 Adrian Sherrett Road, Adrian, PA 16210.
Township of Wayne	Wayne Township Building, 1381 State Route 1018, Dayton, PA 16222.
Township of West Franklin	West Franklin Township Municipal Building, 1473 Butler Road, Worthington, PA 16262.
Aransas County, Texas, and Incorporated Areas	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata*	
City of Aransas Pass	City Hall, 600 West Cleveland Boulevard, Aransas Pass, TX 78336.
City of Port Aransas	City Hall, 710 West Avenue A, Port Aransas, TX 78373.
City of Rockport	Public Works Service Center, 2751 State Highway 35 Bypass, Rockport, TX 78382.
Town of Fulton	Town Hall, 209 North 7th Street, Fulton, TX 78358.
Unincorporated Areas of Aransas County	Aransas County Environmental Health Department, 870 Airport Road, Rockport, TX 78382.

[FR Doc. 2014–25977 Filed 10–31–14; 8:45 am]

BILLING CODE 9110–12–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Docket ID FEMA–2014–0002; Internal Agency Docket No. FEMA–B–1445]

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 February 2, 2015.

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–1445, to Luis Rodriguez, Chief, Engineering Management Branch, Federal Insurance and Mitigation Administration, FEMA, 500 C Street SW., Washington, DC 20472, (202) 646–4064, or (email) *Luis.Rodriguez3@fema.dhs.gov*.

FOR FURTHER INFORMATION CONTACT: Luis Rodriguez, Chief, Engineering Management Branch, Federal Insurance and Mitigation Administration, FEMA, 500 C Street SW., Washington, DC 20472, (202) 646–4064, or (email) *Luis.Rodriguez3@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.

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 only may 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. 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.'')

Dated: October 9, 2014.

Roy E. Wright,

Deputy Associate Administrator for Mitigation, Department of Homeland Security, Federal Emergency Management Agency.

Community	Community map repository address
Navajo County, Arizona, and Incorporated Areas	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata*	
City of Winslow	Community Development Department, 21 North Williamson Avenue, Winslow, AZ 86047.
Unincorporated Areas of Navajo County	Navajo County Flood Control, 100 East Code Talkers Drive, Holbrook, AZ 86025.
Amador County, California, and Incorporated Areas	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata*	
City of Ione	Department of Public Works, 1 East Main Street, Ione, CA 95640.
Unincorporated Areas of Amador County	Amador County Department of Public Works, 810 Court Street, Jackson, CA 95642.
Fresno County, California, and Incorporated Areas	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata*	
Unincorporated Areas of Fresno County	Fresno County Recorder's Office, 2281 Tulare Street, Room 302, Fresno, CA 93721.

Community	Community map repository address
Cumberland County, North Carolina, and Incorporated Areas	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata*	
Unincorporated Areas of Cumberland County	Cumberland County Mapping Department, 117 Dick Street, Fayetteville, NC 28301.
Durham County, North Carolina, and Incorporated Areas	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata*	
Unincorporated Areas of Durham County	Durham County Stormwater Services Division, 101 City Hall Plaza, Durham, NC 27701.
Guilford County, North Carolina, and Incorporated Areas	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata*	
Unincorporated Areas of Guilford County	Guilford County Planning Department, 400 West Market Street, Greensboro, NC 27402.
Johnston County, North Carolina, and Incorporated Areas	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata*	
Town of Clayton	Town Hall, 111 East 2nd Street, Clayton, NC 27520.
Town of Four Oaks	Town Hall, 304 North Main Street, Four Oaks, NC 27524.
Town of Pine Level	Town Hall, 214 North Peedin Avenue, Pine Level, NC 27568.
Town of Princeton	Princeton Public Utilities Office, 309 East Market Street, Smithfield, NC 27577.
Town of Selma	Planning Department, 100 North Raiford Street, Selma, NC 27576.
Town of Smithfield	Town Hall, 350 East Market Street, Smithfield, NC 27577.
Town of Wilson's Mills	Town Hall, 105 Railroad Street, Wilson's Mills, NC 27593.
Unincorporated Areas of Johnston County	Johnston County Planning Department, 300 East Market Street, Smithfield, NC 27577.
Lee County, North Carolina, and Incorporated Areas	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata*	
Unincorporated Areas of Lee County	Lee County Planning Department, 900 Woodland Avenue, Sanford, NC 27331.
Wayne County, North Carolina, and Incorporated Areas	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata*	
City of Goldsboro	City Hall, 222 North Center Street, Goldsboro, NC 27530.
Town of Fremont	Town Hall, 120 East Main Street, Fremont, NC 27830.
Town of Mount Olive	Town Hall, 114 East James Street, Mount Olive, NC 28365.
Town of Pikeville	Town Hall, 112 Southwest Railroad Street, Pikeville, NC 27863.
Unincorporated Areas of Wayne County	Wayne County Manager's Office, 224 East Walnut Street, Goldsboro, NC 27533.
Village of Walnut Creek	Walnut Creek Village Hall, 100 Village Drive, Goldsboro, NC 27532.
Dorchester County, South Carolina, and Incorporated Areas	
Maps Available for Inspection Online at: *www.fema.gov/preliminaryfloodhazarddata*	
Town of Harleyville	Town Hall, 119 South Railroad Avenue, Harleyville, SC 29448.
Town of Reevesville	Town Hall, 6800 Johnston Avenue, Reevesville, SC 29471.
Town of Ridgeville	Town Hall, 105 School Street, Ridgeville, SC 29472.
Town of St. George	Town Hall, 305 Ridge Street, St. George, SC 29477.
Town of Summerville	Engineering Department, 200 South Main Street, Summerville, SC 29483.
Unincorporated Areas of Dorchester County	County Building, 2120 East Main Street, Dorchester, SC 29437.
Hamilton County, Tennessee, and Incorporated Areas	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata*	
City of Chattanooga	City of Chattanooga Planning Department, 1250 Market Street, Suite 1000, Chattanooga, TN 37402.
City of Collegedale	Collegedale City Hall, 4910 Swinyar Drive, Collegedale, TN 37315.

Community	Community map repository address
City of East Ridge	East Ridge City Hall, Inspections Department, 1517 Tombras Avenue, East Ridge, TN 37412.
Unincorporated Areas of Hamilton County	Hamilton County Regional Planning Department, 1250 Market Street, Suite 3050, Chattanooga, TN 37402.

[FR Doc. 2014–25980 Filed 10–31–14; 8:45 am]
BILLING CODE 9110–12–P

DEPARTMENT OF HOMELAND SECURITY

Federal Emergency Management Agency

[Docket ID FEMA–2014–0002; Internal Agency Docket No. FEMA–B–1436]

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 February 2, 2015.

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–1436, to Luis Rodriguez, Chief, Engineering Management Branch, Federal Insurance and Mitigation Administration, FEMA, 500 C Street SW., Washington, DC 20472, (202) 646–4064, or (email) *Luis.Rodriguez3@fema.dhs.gov.*

FOR FURTHER INFORMATION CONTACT: Luis Rodriguez, Chief, Engineering Management Branch, Federal Insurance and Mitigation Administration, FEMA, 500 C Street SW., Washington, DC 20472, (202) 646–4064, or (email) *Luis.Rodriguez3@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.

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 only may 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. 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.'')

Dated: October 9, 2014.

Roy E. Wright,

Deputy Associate Administrator for Mitigation, Department of Homeland Security, Federal Emergency Management Agency.

I. Watershed-based studies:

EAST NISHNOBTA WATERSHED

Community	Community map repository address
Audubon County, Iowa, and Incorporated Areas	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata*	
City of Audubon	City Hall, 410 North Park Place, Audubon, IA 50025.
City of Brayton	City Hall, 202 County Trunk Road, Brayton, IA 50042.
City of Exira	City Hall, 108 East Washington Street, Exira, IA 50076.
City of Gray	Audubon County Courthouse, 318 Leroy Street, Suite 4, Audubon, IA 50025.
City of Kimballton	City Hall, 116 North Main Street, Kimballton, IA 51543.
Unincorporated Areas of Audubon County	Audubon County Courthouse, 318 Leroy Street, Suite 4, Audubon, IA 50025.
Montgomery County, Iowa, and Incorporated Areas	
City of Coburg	Montgomery County Courthouse, 105 East Coolbaugh Street, Red Oak, IA 51566.
City of Elliott	Clerk's Office, 409 Main Street, Elliott, IA 51532.
City of Grant	Montgomery County Courthouse, 105 East Coolbaugh Street, Red Oak, IA 51566.
City of Red Oak	City Hall, 601 North 6th Street, Red Oak, IA 51566.
City of Stanton	City Hall, 310 Broad Avenue, Stanton, IA 51573.
City of Villisca	City Hall, 318 South 3rd Avenue, Villisca, IA 50864.
Unincorporated Areas of Montgomery County	Montgomery County Courthouse, 105 East Coolbaugh Street, Red Oak, IA 51566.

II. Non-watershed-based studies:

Community	Community map repository address
City of Cordova, Alaska, Valdez-Cordova Census Area	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata*	
City of Cordova	City Hall, 602 Railroad Avenue, Cordova, AK 99574.
Kenai Peninsula Borough, Alaska, and Incorporated Areas	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata*	
City of Homer	City of Homer Planning and Zoning Office, 491 East Pioneer Avenue, Homer, AK 99603.
City of Kenai	Public Works Department, 210 Fidalgo Avenue, Kenai, AK 99611.
City of Seward	Petro Plaza Building, 234 Fourth Avenue, Seward, AK 99663.
Kenai Peninsula Borough	Borough Administration Building, 144 North Binkley Street, Soldotna, AK 99669.
Lee County, Illinois, and Incorporated Areas	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata*	
City of Dixon	City Hall, Building and Zoning Office, 121 West Second Street, Dixon, IL 61021.
City of Rochelle	City Hall, 420 North Sixth Street, Rochelle, IL 61068.
Unincorporated Areas of Lee County	County Zoning Office, 112 East Second Street, Dixon, IL 61021.
Village of Nelson	Village Hall, 202 South Butler Street, Nelson, IL 61021.
Ogle County, Illinois, and Incorporated Areas	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata*	
City of Byron	City Hall, 232 West Second Street, Byron, IL 61010.
City of Oregon	City Hall, 115 North Third Street, Oregon, IL 61061.
City of Rochelle	City Hall, 420 North Sixth Street, Rochelle, IL 61068.
Unincorporated Areas of Ogle County	Ogle County Planning & Zoning Department, 911 West Pines Road, Oregon, IL 61061.
Village of Hillcrest	Village Hall, 204 Hillcrest Avenue, Rochelle, IL 61068.

Community	Community map repository address
St. Joseph County, Indiana, and Incorporated Areas	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata*	
City of Mishawaka	City Hall, 600 East Third Street, Mishawaka, IN 46544.
Town of Osceola	Town Hall, 850 Lincoln Way West, Osceola, IN 46561.
Unincorporated Areas of St. Joseph County	St. Joseph County City Building, 227 West Jefferson Boulevard South Bend, IN 46601.
Calhoun County, Iowa, and Incorporated Areas	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata*	
City of Farnhamville	City Hall, 240 Hardin Street, Farnhamville, IA 50538.
City of Knierim	Fire Station, 203 Center Street, Knierim, IA 50552.
City of Lake City	City Hall, 105 North Center Street, Lake City, IA 51449.
City of Lohrville	City Hall, 605 2nd Street, Lohrville, IA 51453.
City of Manson	City Hall, 1015 13th Street, Manson, IA 50563.
City of Pomeroy	City Hall, 114 South Ontario Street, Pomeroy, IA 50575.
City of Rinard	Calhoun County Engineer's Office, 416 4th Street, Suite 7, Rockwell City, IA 50579.
City of Rockwell City	City Hall, 335 Main Street, Rockwell City, IA 50579.
City of Somers	Calhoun County Engineer's Office, 416 4th Street, Suite 7, Rockwell City, IA 50579.
Unincorporated Areas of Calhoun County	Calhoun County Engineer's Office, 416 4th Street, Suite 7, Rockwell City, IA 50579.
Greene County, Iowa, and Incorporated Areas	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata*	
City of Churdan	City Hall, 507 Sand Street, Churdan, IA 50050.
City of Jefferson	City Hall, 220 North Chestnut Street, Jefferson, IA 50129.
City of Paton	Greene County Courthouse, 114 North Chestnut Street, Jefferson, IA 50129.
City of Ralston	Greene County Courthouse, 114 North Chestnut Street, Jefferson, IA 50129.
City of Rippey	Greene County Courthouse, 114 North Chestnut Street, Jefferson, IA 50129.
Unincorporated Areas of Greene County	Greene County Courthouse, 114 North Chestnut Street, Jefferson, IA 50129.
Dakota County, Minnesota, and Incorporated Areas	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata*	
City of Hastings	City Hall, 101 Fourth Street East, Hastings, MN 55033.
Scott County, Minnesota, and Incorporated Areas	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata*	
City of Belle Plaine	City Hall, 218 North Meridian Street, Belle Plaine, MN 56011.
City of Elko New Market	City Hall, 601 Main Street, Elko New Market, MN 55054.
City of Jordan	City Hall, 210 East First Street, Jordan, MN 55352.
City of Prior Lake	City Hall, 4646 Dakota Street Southeast, Prior Lake, MN 55372.
City of Savage	City Hall, 6000 McColl Drive, Savage, MN 55378.
City of Shakopee	City Hall, 129 South Holmes Street, Shakopee, MN 55379.
Unincorporated Areas of Scott County	Scott County Government Center, 200 Fourth Avenue West Shakopee, MN 55379.
Logan County, Ohio, and Incorporated Areas	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata*	
City of Bellefontaine	135 North Detroit Street, Bellefontaine, OH 43311.
Unincorporated Areas of Logan County	1365 County Road 32 North, Suite 2, Bellefontaine, OH 43311.
Village of Belle Center	104 West Buckeye Street, Belle Center, OH 43310.
Village of DeGraff	107 South Main Street, DeGraff, OH 43318.
Village of Lakeview	126 North Main Street, Lakeview, OH 43331.
Village of Quincy	115 North Miami Street, Quincy, OH 43343.
Village of Russells Point	433 State Route 708, Russells Point, OH 43348.
Village of Valley Hi	2002 Snow Ridge Circle, Valley Hi, OH 43360.
Village of West Liberty	201 North Detroit Street, West Liberty, OH 43357.

Community	Community map repository address
Village of Zanesfield	4718 Columbus Street, Zanesfield, OH 43360.
Lucas County, Ohio, and Incorporated Areas	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata*	
City of Toledo	Department of Inspection, One Government Center, Suite 1600, Toledo, OH 43604.
Unincorporated Areas of Lucas County	Lucas County Engineer's Office, 1049 South McCord Road, Holland, OH 43528.
Village of Ottawa Hills	Jean W. Youngen Municipal Building, 2125 Richards Road, Ottawa Hills, OH 43606.
Putnam County, Ohio, and Incorporated Areas	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata*	
Unincorporated Areas of Putnam County	Putnam County Courthouse, 245 East Main Street, Ottawa, OH 45875.
Village of Columbus Grove	Village Office, 113 East Sycamore Street, Columbus Grove, OH 45830.
Village of Dupont	Village Office, 101 South Liberty Street, Dupont, OH 45837.
Village of Fort Jennings	Village Office, 440 4th Street, Fort Jennings, OH 45844.
Village of Gilboa	Municipal Building, 206 Main Street, Gilboa, OH 45875.
Village of Glandorf	Village Hall, 201 North Main Street, Glandorf, OH 45848.
Village of Kalida	Municipal Building, 110 South Broad Street, Kalida, OH 45853.
Village of Leipsic	Village Hall, 142 East Main Street, Leipsic, OH 45856.
Village of Ottawa	Village Hall, 136 North Oak Street, Ottawa, OH 45875.
Village of Ottoville	Municipal Center, 150 Park Drive, Ottoville, OH 45876.
Village of Pandora	Municipal Building, 102 South Jefferson Street, Pandora, OH 45877.
Outagamie County, Wisconsin, and Incorporated Areas	
Maps Available for Inspection Online at: *http://www.fema.gov/preliminaryfloodhazarddata*	
City of Appleton	City Hall, 100 North Appleton Street, Appleton, WI 54911.
Unincorporated Areas of Outagamie County	County Building, 410 South Walnut Street, Appleton, WI 54911.

[FR Doc. 2014–25982 Filed 10–31–14; 8:45 am]

BILLING CODE 9110–12–P

DEPARTMENT OF HOMELAND SECURITY

U.S. Customs and Border Protection

[1651–0006]

Agency Information Collection Activities: Application and Approval To Manipulate, Examine, Sample or Transfer Goods

AGENCY: U.S. Customs and Border Protection, Department of Homeland Security.

ACTION: 60-day notice and request for comments; extension of an existing collection of information.

SUMMARY: U.S. Customs and Border Protection (CBP) of the Department of Homeland Security will be submitting the following information collection request to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act: Application and Approval to Manipulate, Examine, Sample or Transfer Goods (Form 3499). CBP is proposing that this information collection be extended with no change to the burden hours or to the information collected. This document is published to obtain comments from the public and affected agencies.

DATES: Written comments should be received on or before January 2, 2015 to be assured of consideration.

ADDRESSES: Direct all written comments to U.S. Customs and Border Protection, Attn: Tracey Denning, Regulations and Rulings, Office of International Trade, 90 K Street NE., 10th Floor, Washington, DC 20229–1177.

FOR FURTHER INFORMATION CONTACT: Requests for additional information should be directed to Tracey Denning, U.S. Customs and Border Protection, Regulations and Rulings, Office of International Trade, 90 K Street NE., 10th Floor, Washington, DC 20229–1177, at 202–325–0265.

SUPPLEMENTARY INFORMATION: CBP invites the general public and other Federal agencies to comment on proposed and/or continuing information collections pursuant to the Paperwork Reduction Act of 1995 (Pub. L. 104–13; 44 U.S.C. 3507). The comments should address: (a) Whether the 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 estimates of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; (d) ways to minimize the burden including the use of automated collection techniques or the use of other forms of information technology; and (e) the annual cost burden to respondents or record keepers from the collection of information (total capital/startup costs and operations and maintenance costs). The comments that are submitted will be summarized and included in the CBP request for OMB approval. All comments will become a matter of public record. In this document, CBP is soliciting comments concerning the following information collection:

Title: Application and Approval to Manipulate, Examine, Sample or Transfer Goods.

OMB Number: 1651–0006.

Form Number: Form 3499.

Abstract: CBP Form 3499, *''Application and Approval to Manipulate, Examine, Sample or Transfer Goods'',* is used as an application to perform various operations on merchandise located at a

CBP approved bonded facility. This form is filed by importers, consignees, transferees, or owners of merchandise, and is subject to approval by the port director. The data requested on this form identifies the merchandise for which action is being sought and specifies what operation is to be performed. This form may also be approved as a blanket application to manipulate goods for a period of up to one year for a continuous or repetitive manipulation. CBP Form 3499 is provided for by 19 CFR 19.8 and is accessible at: *http://forms.cbp.gov/pdf/CBP_Form_3499.pdf.*

Current Actions: CBP proposes to extend the expiration date of this information collection with no change to the burden hours or to the information collected.

Type of Review: Extension (without change).

Affected Public: Businesses.

Estimated Number of Responses: 151,140.

Estimated Time per Response: 6 minutes.

Estimated Total Annual Burden Hours: 15,114.

Dated: October 29, 2014.

Tracey Denning,

Agency Clearance Officer, U.S. Customs and Border Protection.

[FR Doc. 2014–26028 Filed 10–31–14; 8:45 am]

BILLING CODE 9111–14–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5763–N–11]

Implementation of the Privacy Act of 1974, as Amended; Amendment to Existing System of Records—Pay and Leave Records of Employees

AGENCY: Office of the Chief Information Officer.

ACTION: Amendment to System of Records.

SUMMARY: The Department's Office of the Chief Human Capital Officer (OCHCO) is proposing to amend its ''Pay and Leave Records of Employees'' system of records. The system of records consists of payroll and time and attendance systems for fulfillment of payroll, timekeeping and leave functions. The OCHCO modifies: The authority for and manner in which the Pay and Leave Records of Employees system of records operates; the categories of records in the system, the location and address of the system, the method by which records are retrieved in the system; the retention and disposal methods made of the records in the system; and adds the purpose(s) for which the records are used in the system. Additionally, as part of this update, OCHCO makes one substantive change to the system of records to authorize the forthcoming transition of HUD's time and attendance system from the Department of Agriculture's National Finance Center (NFC) to the Treasury Department's Bureau of the Fiscal Service (BFS). The routine uses are being updated to include new disclosures of personally identifiable information (PII) to Treasury's BFS and to new contract service providers to bring the system in compliance with the Privacy Act. The Treasury's BFS is a shared service provider that will gain access to payroll data and begin testing time and attendance data for migration of records, and ultimately, hosting of the time and attendance system, while the payroll function remains at NFC. The payroll and leave functions include processing all pay matters/issues (e.g., overtime, holiday pay, compensatory time, compensatory time for travel), distribution of wages, distribution of allotments and deductions to financial and other institutions, some through electronic funds transfer, timekeeper support, to maintain leave balances and provide leave processing services such as restored leave, payroll/personnel action (e.g. promotions and Reduction in Grade personnel actions), receipt amount, and administrative overpayment processing). This amended notice demonstrates the Department's present status of the information contained in the systems and new data sharing practices. Other non-substantive changes to the routine use section and throughout the document are being added to ensure compliance with the Privacy Act, 5 U.S.C. 552a. A more detailed description of the present system is contained in notice ''Purpose'' caption. This notice supersedes the previous notice published in the **Federal Register** for ''HUD–34: Pay and Leave Records of Employees''.

DATES: *Effective Date:* The proposed modification will be effective immediately, with the exception of the migration of records to the new Treasury system and the sharing of information to new contractors, which will become effective 30 days after publication of this notice, on December 3, 2014, unless comments are received that would result in a contrary determination.

Comments Due Date: December 3, 2014.

ADDRESSES: Interested persons are invited to submit comments regarding this notice to the Rules Docket Clerk, Office of the General Counsel, Department of Housing and Urban Development, 451 Seventh Street, SW., Room 10276, Washington, DC 20410–0500. Communication should refer to the above docket number and title. A copy of each communication submitted will be available for public inspection and copying between 8:00 a.m. and 5:00 p.m. weekdays at the above address.

FOR FURTHER INFORMATION CONTACT: Donna Robinson-Staton, Chief Privacy Officer, 451 Seventh Street, SW., Washington, DC 20410 (Attention: Capitol View Building, 4th Floor), telephone number: (202) 402–8073. [This is not a toll free number.] A telecommunications device for hearing- and speech-impaired persons (TTY) is available by calling the Federal Relay Service's toll-free telephone number at (800) 877–8339.

SUPPLEMENTARY INFORMATION: This system of records is maintained by HUD's Office of the Chief Human Capital Officer. The system of records includes personally identifiable information on HUD employees' that is retrieved from the system by a name or unique identifier. Hence, this system of records encompasses programs and services of the Department's data collection and management practices. Publication of this notice allows HUD to satisfy its reporting requirement and keep an up-to-date accounting of its system of records publications. The amended system of records will incorporate Federal privacy requirements and HUD policy requirements. The Privacy Act provides certain safeguards for an individual against an invasion of personal privacy by requiring Federal agencies to protect records contained in an agency system of records from unauthorized disclosure, by ensuring that information is current and collected only for its intended use, and by providing adequate safeguards to prevent misuse of such information. Additionally, this notice demonstrates the Department's focus on industry best practices in protecting the personal privacy of the individuals covered by this system notification.

This notice states the name and location of the record system, the authority for and manner of its operations, the categories of individuals that it covers, the type of records that it contains, the sources of the information for the records, the routine uses made of the records and the type of exemptions in place for the records. In addition, this notice includes the business addresses of the HUD officials who will inform

interested persons of the procedures whereby they may gain access to and/or request amendments to records pertaining to them.

This publication does meet the threshold requirements for a new and amended system and a report was submitted to the Office of Management and Budget (OMB), the Senate Committee on Homeland Security and Governmental Affairs, and the House Committee on Government Reform as instructed by Paragraph 4c of Appendix l to OMB Circular No. A–130, ''Federal Agencies Responsibilities for Maintaining Records About Individuals,'' July 25, 1994 (59 FR 37914).

Authority: 5 U.S.C. 552a; 88 Stat. 1896; 42 U.S.C. 3535(d).

Dated: October 28, 2014.

Mike Milazzo,

Deputy Chief Information Officer.

SYSTEM OF RECORDS NO.: OCHCO/AHFA.01

SYSTEM NAME:

Pay and Leave Records of Employees.

SYSTEM LOCATION:

Department of Housing and Urban Development, 451 Seventh Street, SW., Washington DC 20410. Department of Agriculture National Finance Center PO Box 60000, New Orleans, LA 70160, and at the service providers under contract with HUD and at the Federal agencies using the contracts. The time and attendance system is accessible by all HUD employees via HUD Intranet nationwide at HUD Field and Regional offices [1]. Backup, recovery and media records are stored in secure facilities at the Washington National Record Center, 4205 Suitland Road, Suitland, MD 20746.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Current and former HUD employees.

CATEGORIES OF RECORDS IN THE SYSTEM:

All categories of records in the system may include the name, work and home address, and social security number of the HUD employee. The purpose and use made of each category of records in the system are:

To administer payroll processing—records include: HUD employee number, grade, step, and salary; organization, retirement or FICA data as applicable; Federal, state, and local tax deductions; regular and optional Government life insurance deduction(s), health insurance deduction and plan or code; Thrift Savings Plan participation and contribution; cash award data; jury duty data; military leave data; pay differentials; union dues deduction; allotments by type and amount; financial institution code and employee account number; personnel/payroll data requests, retirement; jury duty data; military leave data; leave status and data of all types (including annual, compensatory, jury duty, maternity, military, retirement disability, sick, transferred, and without pay);

To administer time and attendance processing—records include: Employee number, organization, time and attendance records; leave applications and reports; individual daily time reports; adjustments to time and attendance; overtime reports, supporting data, such as medical certificates; number of regular, overtime, holiday, Sunday, and other hours worked; pay period number and ending dates; both internal/external pay/leave inquiries and request pertaining to time and attendance; information and/or supporting documentation about the inquiries and problems received.

To administer garnishment and levy orders—records include: Orders served upon HUD for implementation, court orders, correspondence, and memoranda issued by a court of competent jurisdiction or by another government entity authorized to issue such an order for a HUD employee subject to official processing by HUD. Copies of judicial hardcopy correspondence are kept in locked cabinets.

Note: This system of record does not cover the Office of Personnel Management (OPM) OPM/GOVT–1 related records: The Official Personnel Folders and other general personnel records files, reports of personnel actions, and the documents and papers required in connection with actions affected during an employee's Federal service are covered by OPM–1.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

The collection of payroll and leave data is required by general recordkeeping statutes, regulations, and executive orders:

5 U.S.C. 6101–6133; 5 U.S.C. 6301–6387; 44 U.S.C. 3101; 5 U.S.C. 5501–5597; 5 CFR part 630; Executive Order 9373, which permits the collection of SSNs, as amended by Executive Order 13478. The collection of garnishment and levy orders is required by: 5 U.S.C. 5520a; 10 U.S.C. 1408; and 42 U.S.C. 659.

PURPOSE(S):

The system includes payroll processing services and any other payroll/personal records and various records reflecting HUD employees' time and attendance and leave status, as well as the allocation of employee time to designated budget account codes. The system of records is also used to prepare related reports to other Federal agencies including the Department of Treasury and the Office of Personnel Management.

HUD's OCHCO operates the Pay and Leave Records of Employees system of records to:

1. Authorize payroll deductions, including but not limited to allotments, charitable contributions, and union dues;

2. Authorize the U.S. Department of the Agriculture's (USDA) National Finance Center (NFC) to calculate pay, maintain leave balances, and issue salary checks;

3. Report gross wages and compensation information, including but not limited to unemployment compensation;

4. Collect indebtedness, including but not limited to overpayment of salary and unpaid Internal Revenue Service (IRS) taxes and/or state taxes;

5. Pay income tax obligations, including but not limited to the Internal Revenue Service (IRS) and states' revenue departments;

6. Pay any uncollected compensation, including but not limited to lump-sum payments of leave upon an employee's separation, such as retirement and resignation, or due to the beneficiaries of a deceased employee;

7. Determine leave balances, including but not limited to accrued and used leave, sick leave, eligibility for and/or authorize donations for the leave transfer program, and other types of leave categories;

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

The data is entered by HUD employees from their location using a time and attendance system located at a Federal agency. The following routine uses are transmittal of data contained in the system of records for time and attendance and payroll processing services such as:

1. To payroll providers, and authorized financial and payroll processing institutions to calculate pay and distribution of wages and distribution of allotments and deductions, some through electronic funds transfer; to maintain leave balances, payroll/personnel action (e.g. promotions and Reduction in Grade personnel actions), receipt amount, and administrative overpayment processing;

[1] *http://portal.hud.gov/hudportal/HUD?src=/localoffices.*

2. To the Department of Treasury to authorize issuance of salary payments through electronic funds transfer; processing time and attendance actions under an approved contract or servicing agreement for the purpose relating to the conversion of HUD employee time and attendance recordkeeping services;

3. To the Internal Revenue Service, Social Security Administration, the individual, and taxing authorities of the States, the District of Columbia, territories, possessions, and local governments;

4. To a congressional office in response to a written inquiry from the congressional office made at the request of an individual covered by the system;

5. To charitable institutions to report charitable contributions;

6. To insurance carriers to report employee work elections and information withholdings for health insurance;

7. To the Office of Personnel Management and it contractors concerning pay, benefits, retirement deductions, and other information necessary to carry on its government wide personnel functions, and to other Federal agencies to facilitate employee transfers;

8. To the Department of Labor to process workers' compensation injury claims;

9. To Federal, state, and other authorized agencies for the purpose of collecting debts owed to the Federal government by administrative or salary offset programs;

10. To the Federal Retirement Thrift Investment Board to administer the Thrift Savings Plan;

11. To the Department of Veterans Affairs regarding the final accounting for employee pay and benefits;

12. To Federal, State, and local agencies to assist in the enforcement of child and spousal support obligations;

13. To State governments, the District of Columbia, the Commonwealth of Puerto Rico, and the Virgin Islands to assist in processing unemployment claims under the Unemployment Compensation for Federal Employees Program;

14. To other Federal agencies to provide wage and separation information to another agency as required by law for payroll purposes;

15. To consumer reporting agencies: Disclosures pursuant to 5 U.S.C. 552a (b)(12). Pursuant to 5 U.S.C. 552a(b)(12), disclosures may be made to a consumer reporting agency as defined in the Fair Credit Reporting Act (15. U.S.C. 1681a(f) or the Federal Claims Collection Act of 1966, 31 U.S.C. 3701(a)(3)).

Other Routine Uses include:

1. To appropriate agencies, entities, and persons to the extent such disclosures are compatible with the purpose for which the records in this system were collected, as set forth by Appendix I [2]—HUD's Library of Routine Uses published in the **Federal Register** on (77 FR 41996, July 17, 2012);

2. To appropriate agencies, entities, and persons when: a) HUD suspects or has confirmed that the security or confidentiality of information in a system of records has been compromised; b) HUD has determined that as a result of the suspected or confirmed compromise there is a risk of harm to economic or property interests, identity theft or fraud, or harm to the security or integrity of systems or programs (whether maintained by HUD or another agency or entity) that rely upon the compromised information; and c) the disclosure made to such agencies, entities, and persons is reasonably necessary to assist in connection with HUD's efforts to respond to the suspected or confirmed compromise and prevent, minimize, or remedy such harm for purposes of facilitating responses and remediation efforts in the event of a data breach.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

Access to the systems is by user ID and password. Roles in the systems limit the user's access once in the system. Hardcopy records are kept in a locked cabinet.

RETRIEVABILITY:

Computerized and hard copy records are retrieved by the individual's name or Social Security Number. Hardcopy records are kept in a locked cabinet.

SAFEGUARDS:

Access to the system is safeguarded by a user ID and password and is restricted to employees who have a need to access the system in the performance of their duties. Within the system the user's roles determine their access to records. Hardcopy records are kept in a locked cabinet.

RETENTION AND DISPOSAL:

All pay and leave records are maintained until employees are separated from HUD and are then retired or transferred to a new employing agency or destroyed in conformance with appropriate General Services Administration retirement and/or destruction Schedules such as the General Records Schedules 2 (GRS 2) in the following manner:

- For Payroll and Leave Records—OCHCO maintains and disposes of these records in accordance with General Records Schedule 2 (GRS 2) issued by the National Archives and Records Administration (NARA). Under the GRS 2, records are retained for various periods. Generally, the records are kept from 1 to 6 years, depending on the type of record involved.
- For Garnishment and Levy of Wages Records—OCHCO retains these records until the expiration of the garnishment or levy order or until the employee leaves, whichever comes first. In some instances that are related to a garnishment or levy order, the information is destroyed 3 years after the termination of the garnishment or levy order.

The disposal of the paper documents, records, and files is by shredding. Backup and Recovery digital media will be destroyed or otherwise rendered irrecoverable per NIST SP 800–88 ''Guidelines for Media Sanitization'' (September 2006). This complies with all Federal regulations. There are no hardcopy records produced that require additional archival.

SYSTEM MANAGER(S) AND ADDRESS:

Felicia Purifoy, Director, Office of Human Capital Services, Office of the Chief Human Capital Officer; The Payroll System and Process Managers: Brenda Bradley, Pay, Benefits, and Retirement Division (PBRD), Director, Office of the Chief Human Capital Officer; Gaye W. Walker, Supervisory Human Resources Specialist, Office of the Chief Human Capital Officer, located at the Department of Housing and Urban Development, 451 Seventh Street SW., Washington, DC 20410.

NOTIFICATION AND RECORD ACCESS PROCEDURES:

For information, assistance, or inquiries about the existence of records, contact the Chief Privacy Officer, Department of Housing and Urban Development, 451 Seventh Street SW., Room 4156, Washington, DC 20410 (Attention: Capitol View Building, 4th Floor), telephone number: (202) 402–8073. Verification of your identity must include original signature and be notarized. Written request must include the full name, Social Security Number, date of birth, current address, and telephone number of the individual making the request.

CONTESTING RECORD PROCEDURES:

The Department's rules for contesting contents of records and appealing initial

[2] *http://portal.hud.gov/hudportal/documents/huddoc?id=append1.pdf.*

denials appear in 24 CFR part 16. Additional assistance may be obtained by contacting: U.S. Department of Housing and Urban Development, Chief Privacy Officer, 451 Seventh Street SW., Washington, DC 20410 (Attention: Capitol View Building, 4th Floor), telephone number: (202) 402–8073 or the HUD Departmental Privacy Appeals Officers, Office of General Counsel, Department of Housing and Urban Development, 451 Seventh Street SW., Washington DC 20410.

RECORD SOURCE CATEGORIES:

Subject individuals; supervisors; timekeepers; official personnel records; previous employers; or other Federal Government agencies; Headquarters or Regional Office personnel responsible for solving pay/leave/time problems; National Finance Center personnel responsible for solving pay/leave/time problems; Field Office personnel who have information about pay/leave problems, banks, other financial institutions, and courts.

SYSTEMS EXEMPTED FROM CERTAIN PROVISIONS OF THE ACT:

None.

[FR Doc. 2014–26095 Filed 10–31–14; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[LLCO921000–L13200000–EL0000, COC76563]

Notice of Invitation To Participate; Coal Exploration License Application COC76563, Colorado

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of invitation.

SUMMARY: Pursuant to the Mineral Leasing Act of 1920, as amended by the Federal Coal Leasing Amendments Act of 1976, and to Bureau of Land Management (BLM) regulations, all interested parties are hereby invited to participate with GCC Energy, LLC, on a pro rata cost-sharing basis, in a program for the exploration of coal deposits owned by the United States of America in La Plata County, Colorado.

DATES: A Notice of Invitation was published in the *Durango Herald,* once each week for two consecutive weeks beginning the week of July 2, 2014. Any party electing to participate in this exploration program must send written notice to both GCC Energy, LLC, and the BLM as provided in the **ADDRESSES** section below, no later than December 3, 2014.

ADDRESSES: The exploration plan (serialized under number COC76563), as submitted by GCC Energy, LLC, is available for review in the BLM Colorado State Office, 2850 Youngfield Street, Lakewood, CO 80215, and the BLM Tres Rios—Durango Office, 15 Burnett Court, Durango, CO 81301, during normal business hours 9 a.m. to 4 p.m., Monday through Friday. Any party electing to participate in this exploration program shall notify the BLM Colorado State Director, in writing, at the BLM Colorado State Office (see address above) and GCC Energy, LLC, Attn: Seth McCourt, Mining Engineer, 6473 County Road 120, Hesperus, CO 81326.

FOR FURTHER INFORMATION CONTACT: Sharon A. Sales by telephone at 303–239–3987, or by email at *ssales@blm.gov;* or Helen Mary Johnson by telephone at 970–385–1359, or by email at *h50johns@blm.gov.* Persons who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1–800–877–8339 to contact the above individuals during normal business hours. The FIRS is available 24 hours a day, 7 days a week, to leave a message or question with the above individuals. You will receive a reply during normal business hours.

SUPPLEMENTARY INFORMATION: The BLM regulations at part 43 CFR 3410 require publication in the **Federal Register** of an invitation to participate in the coal exploration (43 CFR 3410.2–1). The purpose of the exploration program is to gain additional geologic knowledge of the coal underlying the exploration area for the purpose of assessing the reserves for potential leasing. The Federal coal resources included in the exploration license application are located in the following described lands in La Plata County, Colorado:

New Mexico Principal Meridian

T. 35 N., R. 11 W.,
- Sec. 17: lot 2, and lots 5 to 10, inclusive;
- Sec. 17: N½SW¼;
- Sec.18: lots 1 to 10, inclusive;
- Sec. 18: NE¼, E½NW¼, NE¼SW¼, N½SE¼;
- Sec. 19: lots 1, 2, 6, and 7;
- Sec. 19: NE¼, E½NW¼;
- Sec. 20: NW¼;
- Sec. 30: lots 1 to 4, inclusive;
- Sec. 30: NW¼NE¼, E½NW¼.

T. 35 N., R. 12 W.,
- Sec. 13: N½NE¼, E½NW¼, SW¼NW¼, S½S½, NE¼SE¼;
- Sec. 14: S½NE¼, SW¼, W½SE¼, SE¼SE¼;
- Sec. 15: S½;
- Sec. 21: E½, E½W½;
- Sec. 22: N½, SW¼, W½SE¼;
- Sec. 23: N½N½, SE¼NE¼, SE¼SW¼, SE¼;
- Sec. 24: N½, SW¼, NW¼SE¼;
- Sec. 25: lots 3, 4, 5, and 6.

The lands aggregate 4,846.2 acres.

The proposed exploration program will be conducted pursuant to an exploration plan to be approved by the BLM. The plan may be modified to accommodate the legitimate exploration needs of persons seeking to participate.

Authority: 43 CFR 3410.2–1(c)(1).

Ruth Welch,

BLM Colorado State Director.

[FR Doc. 2014–26049 Filed 10–31–14; 8:45 am]

BILLING CODE 4310–JB–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[LLCO921000–L13200000–EL0000, COC076435]

Notice of Invitation To Participate; Coal Exploration License Application COC–76435, Colorado

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of invitation.

SUMMARY: All interested parties are hereby invited to participate with Trapper Mining Inc., on a pro rata cost-sharing basis, in a program for the exploration of coal deposits owned by the United States of America in lands located in Moffat County, Colorado, encompassing 3,625.26 acres.

DATES: A Notice of Invitation was also published in the *Craig Daily Press* and the *Steamboat Pilot & Today,* once each week for two consecutive weeks beginning the weeks of June 6, 2014 and June 8, 2014, respectively. Any party electing to participate in this exploration program must send written notice to both Trapper Mining Inc., and the Bureau of Land Management (BLM) as provided in the **ADDRESSES** section below no later than December 3, 2014 or 10 calendar days after the last publication of the notice in the *Craig Daily Press* and *Steamboat Pilot & Today* newspapers, whichever is later. Such written notice must refer to serial number COC–76435.

ADDRESSES: The proposed exploration license and plan are available for review from 9 a.m. to 4 p.m., Monday through Friday, at the BLM Colorado State Office, 2850 Youngfield Street, Lakewood, CO 80215, and the BLM Little Snake Field Office, 455 Emerson Street, Craig, CO 81625–1129. Any party electing to participate in this exploration program shall notify the BLM Colorado State Director, in writing,

at the BLM Colorado State Office (see address above), and Trapper Mining Inc., Attn: Stephen R. Hinkemeyer, PE, P.O. Box 187, Craig, CO 81626.

FOR FURTHER INFORMATION CONTACT: Sharon A. Sales by telephone at 303–239–3987, or by email at *ssales@blm.gov* or Jennifer Maiolo by telephone at 970–826–5077, or by email at *jmaiolo@blm.gov.* Persons who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1–800–877–8339 to contact the above individual during normal business hours. The FIRS is available 24 hours a day, seven days a week, to leave a message or question with the above individual. You will receive a reply during normal business hours.

SUPPLEMENTARY INFORMATION: The authority for the notice is Section 2(b) of the Mineral Leasing Act of 1920, as amended by Section 4 of the Federal Coal Leasing Amendments Act of 1976 and the regulations adopted as 43 CFR 3410. The purpose of the exploration program is to gain additional geologic knowledge of the coal underlying the exploration area for the purpose of assessing the reserves contained in a potential lease.

The lands to be explored for coal deposits in exploration license COC–76435 are located in Moffat County, Colorado, and are described as follows:

Sixth Principal Meridian, Colorado

T. 5N., R. 90 W.,
Sec. 3, Lots 5 to 18, inclusive;
Sec. 4, Lots 5 to 16, inclusive, and lots 18 to 20, inclusive;
Sec. 10, Lot 4.
T. 6N., R. 90W.,
Sec. 26, Lots 4 to 6, inclusive, and lots 11 to 14, inclusive;
Sec. 27, Lots 1 and 2, and lots 5 to 16, inclusive;
Sec. 28, Lot 2, and lots 7 to 11, inclusive, and lots 14 to 16, inclusive;
Sec. 33, Lots 1 to 8, inclusive;
Sec. 34, Lots 1 to 16, inclusive;
Sec. 35, Lots 4 and 5.

These lands contain 3,625.260 acres, more or less.

The proposed exploration program will be conducted pursuant to an exploration plan to be approved by the BLM. The plan may be modified to accommodate the legitimate exploration needs of persons seeking to participate.

Authority: 43 CFR 3410.2–1(c)(1).

Ruth Welch,

BLM Colorado State Director.

[FR Doc. 2014–26048 Filed 10–31–14; 8:45 am]

BILLING CODE 4310–JB–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[COF000–LLCOF00000–L19900000.PO0000]

Notice of Meeting, Front Range Resource Advisory Council

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of public meeting.

SUMMARY: In accordance with the Federal Land Policy and Management Act and the Federal Advisory Committee Act of 1972, the U.S. Department of the Interior, Bureau of Land Management (BLM) Front Range Resource Advisory Council (RAC), will meet as indicated below.

DATES: The meeting will be held on December 11, 2014, from 9:15 a.m. to 4:15 p.m.

ADDRESSES: The meeting will be held at the Royal Gorge Field Office, 3028 E. Main Street, Cañon City, CO 81212.

FOR FURTHER INFORMATION CONTACT: Kyle Sullivan, Front Range RAC Coordinator, BLM Front Range District Office, 3028 E. Main St., Cañon City, CO 81212. Phone: (719) 269–8553. Email: *ksullivan@blm.gov.* Persons who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1–800–877–8339 to contact the above individual during normal business hours. The FIRS is available 24 hours a day, seven days a week, to leave a message or question with the above individual. You will receive a reply during normal business hours.

SUPPLEMENTARY INFORMATION: The 15-member Council advises the Secretary of the Interior, through the BLM, on a variety of planning and management issues associated with public land management in the BLM Front Range District, which includes the Royal Gorge Field Office and the San Luis Valley Field Office, Colorado. Planned topics of discussion items include: an update from field managers and the Royal Gorge Field Office Resource Management Plan revision. The public is encouraged to make oral comments to the Council at 10:30 a.m., or written statements may be submitted for the Council's consideration. Summary minutes for the RAC meetings will be maintained in the Royal Gorge Field Office and will be available for public inspection and reproduction during regular business hours within thirty (30) days following the meeting. Previous meeting minutes and agendas are available at: *www.blm.gov/co/st/en/BLM_Resources/racs/frrac/co_rac_minutes_front.html.*

Ruth Welch,

Colorado State Director.

[FR Doc. 2014–26036 Filed 10–31–14; 8:45 am]

BILLING CODE 4310–JB–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[LLES93000—L13200000–ELOOOO–241AOO, ALES–55199]

Public Meeting and Call for Public Comment on Coal Lease Application, Jefferson County, AL

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice.

SUMMARY: The Bureau of Land Management (BLM) Eastern States Office announces a public meeting and requests public comments on an application filed by Best Coal/Narley Mine No. 3 for a Federal coal lease tract located in Jefferson County, Alabama.

DATES: The public meeting will be held on November 20, 2014, at 7:00 p.m., at the Gardendale Civic Center, 857 Main Street, Gardendale, AL 35071. The BLM must receive written comments on the Environmental Assessment, Fair Market Value Determination, and Maximum Economic Recovery Consideration by November 20, 2014, at the address below.

ADDRESSES: Comments should be addressed to Michael W. Glasson, BLM Eastern States, Division of Lands and Minerals, Mail Stop 4238, 20 M Street SE., Washington, DC 20003. Comments may be emailed to *mglasson@blm.gov.*

FOR FURTHER INFORMATION CONTACT: Michael W. Glasson, Solid Minerals Program Lead, at 202–912–7723; email *mglasson@blm.gov.* Persons who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1–800–877–8339 to contact Mr. Glasson during normal business hours. The FIRS is available 24 hours a day, 7 days a week, to leave a message or question for Mr. Glasson. You will receive a reply during normal business hours.

SUPPLEMENTARY INFORMATION: Best Coal, Inc., filed an application with the BLM on December 7, 2007, to lease Federal coal in Jefferson County, Alabama. The BLM completed an Environmental Assessment and Finding of No Significant Impact on June 5, 2014. The BLM anticipates issuing a Decision Record after the public meeting

announced by this Notice and after having considered any comments received on the Environmental Assessment, Fair Market Value Determination, and Maximum Economic Recovery Consideration.

The lands included in the Best Coal/Narley Mine No. 3 Federal Coal Lease tract are located in Jefferson County, Alabama, approximately 5 miles north of Mount Olive, Alabama. The lands are described as follows:

T. 15 S., R. 04 W.
Sec. 24; SW4NW4, N2SW4, SE4SW4
Containing approximately 160 acres.

The company plans to mine the coal as an extension from its existing Narley Mine No. 3 if the lease is obtained. The proposed mine will recover coal from the New Castle, Mary Lee, and Blue Creek seams of the Mary Lee Coal Group by surface mining.

The public is invited to the meeting to give public oral and/or written comments on the environmental assessment, the Fair Market Value, and Maximum Economic Recovery of the tract. In accordance with Federal coal management regulations at 43 CFR 3425.4, the public meeting is being held on the proposed sale to allow the public to comment on and discuss the potential effects of mining and proposed lease. The meeting is being advertised in the *Birmingham News,* located in Birmingham, Alabama. The Secretary is required to solicit public comments on the Fair Market Value and the Maximum Economic Recovery and on factors that may affect these two determinations no less than 30 days prior to the publication of the notice of the sale (43 CFR 3425.4).

A copy of the comments submitted by the public will be available for review at the BLM Eastern States Office, 7450 Boston Blvd., Springfield, VA 22153–3121. Comments could address, but need not be limited to, the following:

1. The quality of the coal resource;
2. The mining method or methods which would achieve maximum economic recovery of the coal, including specifications of seams to be mined and the most desirable timing and rate of production;
3. Restrictions to mining that may affect coal recovery;
4. The price that the mined coal would bring when sold;
5. Costs, including mining and reclamation, of producing the coal and the time of production;
6. The percentage rate at which anticipated income streams should be discounted, either with inflation or in the absence of inflation, along with the anticipated rate of inflation;
7. Depreciation, depletion, amortization and other tax accounting factors;
8. The value of any surface estate where held privately;
9. Documented information on the terms and conditions of recent and similar coal land transactions in the lease sale area; and
10. Any comparable sales data of similar coal lands and coal quantities.

Before including your address, phone number, email address, or other personal identifying information in your comment, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. While you can ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

Authority: 40 CFR 1506.6; 43 CFR 3425.4.

Bruce Dawson,

Manager, Southeastern States Field Office.

[FR Doc. 2014–26047 Filed 10–31–14; 8:45 am]

BILLING CODE 4310–GJ–P

DEPARTMENT OF THE INTERIOR

National Park Service

[NPS–WASO–NRNHL–16918; PPWOCRADI0, PCU00RP14.R50000]

National Register of Historic Places; Notification of Pending Nominations and Related Actions

Nominations for the following properties being considered for listing or related actions in the National Register were received by the National Park Service before October 4, 2014. Pursuant to section 60.13 of 36 CFR part 60, written comments are being accepted concerning the significance of the nominated properties under the National Register criteria for evaluation. Comments may be forwarded by United States Postal Service, to the National Register of Historic Places, National Park Service, 1849 C St. NW., MS 2280, Washington, DC 20240; by all other carriers, National Register of Historic Places, National Park Service, 1201 Eye St. NW., 8th floor, Washington, DC 20005; or by fax, 202–371–6447. Written or faxed comments should be submitted by November 18, 2014. Before including your address, phone number, email address, or other personal identifying information in your comment, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. While you can ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

Dated: October 14, 2014.

J. Paul Loether,

Chief, National Register of Historic Places/National Historic Landmarks Program.

AMERICAN SAMOA

Western District

Turtle and Shark, 2506 Turtle and Shark Rd., Vaitogi, 14000925

CALIFORNIA

Los Angeles County

West Los Angeles Veterans Affairs Historic District, (United States Second Generation Veterans Hospitals MPS) 11301 Wilshire Blvd., Los Angeles, 14000926

COLORADO

Larimer County

Great Western Sugar Company Effluent Flume and Bridge, Cache la Poudre R., 1/2 mi. W. of Timberline Rd., Fort Collins, 14000927

GEORGIA

Bibb County

Miller, A.L., High School and A.L. Miller Junior High School, 2241 Montpelier Ave., Macon, 14000928

KANSAS

Johnson County

Sunflower Village Historic District, 36000 103rd St., DeSoto, 14000929

MISSOURI

Franklin County

Busch, John B., Brewery Historic District (Boundary Increase), (Washington, Missouri MPS) 813 Jefferson St., Washington, 14000930

Jackson County

Kansas City Parks and Boulevards Historic District, (Kansas City System of Parks and Boulevards) Roughly bounded by Missouri R., Hardesty Ave., Armour Blvd. & State Line, Kansas City, 14000931

NEW JERSEY

Morris County

Mendham Historic District (Boundary Increase), E. & W. Main Sts., Peacock Ln., Hampton St., Hilltop & Talmage Rds., Mendham Borough, 14000932

Ocean County

Beach Haven Historic District (Boundary Increase), Roughly bounded by Atlantic, Bay, 5th & Chatsworth, Beach Haven Borough, 14000933

NEW YORK

Bronx County

Chevra Linas Hazedek Synagogue of Harlem and the Bronx, 1115 Ward Ave., Bronx, 14000934

Chautauqua County

Jamestown Downtown Historic District, 23–28, 20–408 N. Main, 200–322 Washington, 201–326 Cherry, 207–317 Pine, 215–417 Spring, 8–21, 100–200 E. 4th Sts., Jamestown, 14000935

Dutchess County

Home of Franklin D. Roosevelt National Historic Site (Boundary Increase), Albany Post Rd., Hyde Park, 14000936

Niagara County

High and Locust Streets Historic District, 23–54 Park Pl., 143–399 High, 119–224 Locust & 23–43 Spalding Sts., Lockport, 14000937

Queens County

Benevolent and Protective Order of Elks, Lodge Number 878, 82–10, 82–20 Queens Blvd., New York, 14000938

Yates County

Beddoe-Rose Family Cemetery, E. of W. Bluff Dr., Keuka Lake State Park, Jerusalem, 14000939

TENNESSEE

Davidson County

Archeological Site 40DV307, (Archaic Shell-Bearing Sites of the Middle Cumberland River Valley of Tennessee MPS) Address Restricted, Nashville, 14000940

Grainger County

Richland, 1760 Rutledge Pike, Blaine, 14000941

Henderson County

Mount Pisgah Missionary Baptist Church and Cemetery, 3435 Scarce Creek Rd., Wildersville, 14000942

VIRGINIA

Arlington County

Unitarian Universalist Church of Arlington, 4444 Arlington Blvd., Arlington, 14000943

Charlottesville Independent City

Fry's Spring Historic District, Roughly Highland, Jefferson Park, Monte Vista, Stribling, Raymond, Robertson, Sunset & Todd Aves., Hill St., Charlottesville (Independent City), 14000944

Loudoun County

Murray Hill, 42910 Edwards Ferry Rd., Leesburg, 14000945

Lynchburg Independent City

Doyle Florist Inc.—H.R. Schenkel Inc. Greenhouse Range, 1339 Englewood St., Lynchburg (Independent City), 14000946

Montgomery County

Barracks No. 1, 280 Alumni Mall, Blacksburg, 14000947

Norfolk Independent City

Security Storage and Safe Deposit Company Warehouse, 517–523 Front St., Norfolk (Independent City), 14000948

A request for removal has been received for the following resources:

TENNESSEE

Henry County

Bruce, H. L., House, (Paris MRA) 202 S. Poplar St., Paris, 88001431

Rutherford County

Williamson, Thomas, House, 2263 Little Rock Rd., Eagleville, 96000687

[FR Doc. 2014–26002 Filed 10–31–14; 8:45 am]

BILLING CODE 4312–51–P

DEPARTMENT OF THE INTERIOR

National Park Service

[NPS–WASO–NRNHL–16960; PPWOCRADI0, PCU00RP14.R50000]

National Register of Historic Places; Notification of Pending Nominations and Related Actions

Nominations for the following properties being considered for listing or related actions in the National Register were received by the National Park Service before October 10, 2014. Pursuant to § 60.13 of 36 CFR part 60, written comments are being accepted concerning the significance of the nominated properties under the National Register criteria for evaluation. Comments may be forwarded by United States Postal Service, to the National Register of Historic Places, National Park Service, 1849 C St. NW., MS 2280, Washington, DC 20240; by all other carriers, National Register of Historic Places, National Park Service, 1201 Eye St. NW., 8th Floor, Washington, DC 20005; or by fax, 202–371–6447. Written or faxed comments should be submitted by November 18, 2014. Before including your address, phone number, email address, or other personal identifying information in your comment, you should be aware that your entire comment—including your personal identifying information—may be made publicly available at any time. While you can ask us in your comment to withhold your personal identifying information from public review, we cannot guarantee that we will be able to do so.

Dated: October 16, 2014.

J. Paul Loether,

Chief, National Register of Historic Places/National Historic Landmarks Program.

ARIZONA

Pima County

Pie Allen Historic District (Boundary Decrease), 829, 835/837, 841, 841, 843, 903, 905, 907 E. 6th St., Tucson, 14000949

COLORADO

Las Animas County

Monument Lake Park Building and Hatchery Complex, 4789 CO 12, Weston, 14000950

FLORIDA

Broward County

Mai—Kai Restaurant, 3599 N. Federal Hwy., Oakland Park, 14000951

Pinellas County

Sunset Hotel, 7401 Central Ave., St. Petersburg, 14000952

St. Johns County

City of St. Augustine Miniature Golf Course, 111 Avenida Menendez, St. Augustine, 14000953

GUAM

Guam County

Pugua Point Archeological District, Address Restricted, Dededo, 14000954

MARYLAND

Baltimore County

Fort Carroll, Soller's Flats, Patapsco R., Curtis Bay, 14000955

MINNESOTA

Hennepin County

First Presbyterian Church of Oak Grove Cemetery, 10340 Lyndale Ave., S., Bloomington, 14000956

MONTANA

Jefferson County

Montana State Training School Historic District, Roughly bounded by MT 69, Riverside Rd. & Boulder R., Boulder, 14000957

Missoula County

Double Arrow Lodge, 301 Lodge Way, Seeley Lake, 14000958

OREGON

Baker County

Cornucopia Jailhouse, 2nd St., Cornucopia, 14000959

Josephine County

Siskiyou Smokejumper Base (Boundary Increase), Smokejumper Way, Cave Junction, 14000960

Wallowa County

Lostine Pharmacy, 125 OR 82, Lostine, 14000961

TEXAS

Dallas County

Johnson Rooming House, 1026 N. Beckley Ave., Dallas, 14000962

Paine House, 2515 W. 5th St., Irving, 14000963

Lavaca County

Kahn and Stanzel Building, 115 N. Main St., Hallettsville, 14000964

Potter County

Vineyard Manor, 1201 S. Polk St., Amarillo, 14000965

Tarrant County

Hotel Texas (Boundary Increase), 815 Main & 815 Commerce Sts., Fort Worth, 14000966

A request for removal has been made for the following resource:

ARIZONA

Pima County

Canoa Ranch Headquarters Historic District, 5555 S. AZ 19, Green Valley, 04001158

[FR Doc. 2014–26000 Filed 10–31–14; 8:45 am]

BILLING CODE 4312–51–P

INTERNATIONAL TRADE COMMISSION

[Investigation No. 731–TA–1046 (Second Review)]

Tetrahydrofurfuryl Alcohol From China; Institution of a Five-Year Review

AGENCY: United States International Trade Commission.

ACTION: Notice.

SUMMARY: The Commission hereby gives notice that it has instituted a review pursuant to section 751(c) of the Tariff Act of 1930 (19 U.S.C. 1675(c)) (the Act) to determine whether revocation of the antidumping duty order on tetrahydrofurfuryl alcohol from China would be likely to lead to continuation or recurrence of material injury. Pursuant to section 751(c)(2) of the Act, interested parties are requested to respond to this notice by submitting the information specified below to the Commission; [1] to be assured of consideration, the deadline for responses is December 3, 2014. Comments on the adequacy of responses may be filed with the Commission by January 16, 2015. For further information concerning the conduct of this proceeding and rules of general application, consult the Commission's Rules of Practice and Procedure, part 201, subparts A through E (19 CFR part 201), and part 207, subparts A, D, E, and F (19 CFR part 207).

DATES: *Effective Date:* November 3, 2014.

FOR FURTHER INFORMATION CONTACT: Mary Messer (202–205–3193), Office of Investigations, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission's TDD terminal on 202–205–1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202–205–2000. General information concerning the Commission may also be obtained by accessing its internet server (*http://www.usitc.gov*). The public record for this proceeding may be viewed on the Commission's electronic docket (EDIS) at *http://edis.usitc.gov.*

SUPPLEMENTARY INFORMATION:

Background.—On August 6, 2004, the Department of Commerce issued an antidumping duty order on imports of tetrahydrofurfuryl alcohol from China (69 FR 47911). Following the five-year reviews by Commerce and the Commission, effective November 5, 2009, Commerce issued a continuation of the antidumping duty order on imports of tetrahydrofurfuryl alcohol from China (74 FR 57290). The Commission is now conducting a second review to determine whether revocation of the order would be likely to lead to continuation or recurrence of material injury to the domestic industry within a reasonably foreseeable time. It will assess the adequacy of interested party responses to this notice of institution to determine whether to conduct a full review or an expedited review. The Commission's determination in any expedited review will be based on the facts available, which may include information provided in response to this notice.

Definitions.—The following definitions apply to this review:

(1) *Subject Merchandise* is the class or kind of merchandise that is within the scope of the five-year review, as defined by the Department of Commerce.

(2) The *Subject Country* in this review is China.

(3) The *Domestic Like Product* is the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the *Subject Merchandise.* In its original determination and its expedited first five-year review determination, the Commission found a single *Domestic Like Product,* coextensive with the scope, consisting of all domestically produced tetrahydrofurfuryl alcohol.

(4) The *Domestic Industry* is the U.S. producers as a whole of the *Domestic Like Product,* or those producers whose collective output of the *Domestic Like Product* constitutes a major proportion of the total domestic production of the product. In its original determination and its expedited first five-year review determination, the Commission defined the *Domestic Industry* to include all domestic producers of tetrahydrofurfuryl alcohol.

(5) An *Importer* is any person or firm engaged, either directly or through a parent company or subsidiary, in importing the *Subject Merchandise* into the United States from a foreign manufacturer or through its selling agent.

Participation in the proceeding and public service list.—Persons, including industrial users of the *Subject Merchandise* and, if the merchandise is sold at the retail level, representative consumer organizations, wishing to participate in the proceeding as parties must file an entry of appearance with the Secretary to the Commission, as provided in section 201.11(b)(4) of the Commission's rules, no later than 21 days after publication of this notice in the **Federal Register**. The Secretary will maintain a public service list containing the names and addresses of all persons, or their representatives, who are parties to the proceeding.

Former Commission employees who are seeking to appear in Commission five-year reviews are advised that they may appear in a review even if they participated personally and substantially in the corresponding underlying original investigation or an earlier review of the same underlying investigation. The Commission's designated agency ethics official has advised that a five-year review is not the same particular matter as the underlying original investigation, and a five-year review is not the same particular matter as an earlier review of the same underlying investigation for purposes of 18 U.S.C. 207, the post employment statute for Federal employees, and Commission rule 201.15(b) (19 CFR 201.15(b)), 79 FR 3246 (Jan. 17, 2014), 73 FR 24609 (May 5, 2008). Consequently, former employees are not required to seek Commission approval to appear in a review under Commission rule 19 CFR 201.15, even if the corresponding underlying original investigation or an earlier review of the same underlying investigation was pending when they were Commission employees. For further ethics advice on this matter, contact Carol McCue Verratti, Deputy Agency Ethics Official, at 202–205–3088.

Limited disclosure of business proprietary information (BPI) under an

[1] No response to this request for information is required if a currently valid Office of Management and Budget (OMB) number is not displayed; the OMB number is 3117–0016/USITC No. 14–5–320, expiration date June 30, 2017. Public reporting burden for the request is estimated to average 15 hours per response. Please send comments regarding the accuracy of this burden estimate to the Office of Investigations, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436.

administrative protective order (APO) and APO service list.—Pursuant to section 207.7(a) of the Commission's rules, the Secretary will make BPI submitted in this proceeding available to authorized applicants under the APO issued in the proceeding, provided that the application is made no later than 21 days after publication of this notice in the **Federal Register**. Authorized applicants must represent interested parties, as defined in 19 U.S.C. 1677(9), who are parties to the proceeding. A separate service list will be maintained by the Secretary for those parties authorized to receive BPI under the APO.

Certification.—Pursuant to section 207.3 of the Commission's rules, any person submitting information to the Commission in connection with this proceeding must certify that the information is accurate and complete to the best of the submitter's knowledge. In making the certification, the submitter will be deemed to consent, unless otherwise specified, for the Commission, its employees, and contract personnel to use the information provided in any other reviews or investigations of the same or comparable products which the Commission conducts under Title VII of the Act, or in internal audits and investigations relating to the programs and operations of the Commission pursuant to 5 U.S.C. Appendix 3.

Written submissions.—Pursuant to section 207.61 of the Commission's rules, each interested party response to this notice must provide the information specified below. The deadline for filing such responses is December 3, 2014. Pursuant to section 207.62(b) of the Commission's rules, eligible parties (as specified in Commission rule 207.62(b)(1)) may also file comments concerning the adequacy of responses to the notice of institution and whether the Commission should conduct an expedited or full review. The deadline for filing such comments is January 16, 2015. All written submissions must conform with the provisions of sections 201.8 and 207.3 of the Commission's rules and any submissions that contain BPI must also conform with the requirements of sections 201.6 and 207.7 of the Commission's rules. Please be aware that the Commission's rules with respect to filing have changed. The most recent amendments took effect on July 25, 2014. *See* 79 FR 35920 (June 25, 2014), and the revised Commission Handbook on E-filing, available from the Commission's Web site at *http://edis.usitc.gov.* Also, in accordance with sections 201.16(c) and 207.3 of the Commission's rules, each document filed by a party to the proceeding must be served on all other parties to the proceeding (as identified by either the public or APO service list as appropriate), and a certificate of service must accompany the document (if you are not a party to the proceeding you do not need to serve your response).

Inability to provide requested information.—Pursuant to section 207.61(c) of the Commission's rules, any interested party that cannot furnish the information requested by this notice in the requested form and manner shall notify the Commission at the earliest possible time, provide a full explanation of why it cannot provide the requested information, and indicate alternative forms in which it can provide equivalent information. If an interested party does not provide this notification (or the Commission finds the explanation provided in the notification inadequate) and fails to provide a complete response to this notice, the Commission may take an adverse inference against the party pursuant to section 776(b) of the Act (19 U.S.C. 1677e(b)) in making its determination in the review.

Information to be Provided in Response to this Notice of Institution: As used below, the term ''firm'' includes any related firms.

(1) The name and address of your firm or entity (including World Wide Web address) and name, telephone number, fax number, and Email address of the certifying official.

(2) A statement indicating whether your firm/entity is a U.S. producer of the *Domestic Like Product,* a U.S. union or worker group, a U.S. importer of the *Subject Merchandise,* a foreign producer or exporter of the *Subject Merchandise,* a U.S. or foreign trade or business association, or another interested party (including an explanation). If you are a union/worker group or trade/business association, identify the firms in which your workers are employed or which are members of your association.

(3) A statement indicating whether your firm/entity is willing to participate in this proceeding by providing information requested by the Commission.

(4) A statement of the likely effects of the revocation of the antidumping duty order on the *Domestic Industry* in general and/or your firm/entity specifically. In your response, please discuss the various factors specified in section 752(a) of the Act (19 U.S.C. 1675a(a)) including the likely volume of subject imports, likely price effects of subject imports, and likely impact of imports of *Subject Merchandise* on the *Domestic Industry.*

(5) A list of all known and currently operating U.S. producers of the *Domestic Like Product.* Identify any known related parties and the nature of the relationship as defined in section 771(4)(B) of the Act (19 U.S.C. 1677(4)(B)).

(6) A list of all known and currently operating U.S. importers of the *Subject Merchandise* and producers of the *Subject Merchandise* in the *Subject Country* that currently export or have exported *Subject Merchandise* to the United States or other countries after 2008.

(7) A list of 3–5 leading purchasers in the U.S. market for the *Domestic Like Product* and the *Subject Merchandise* (including street address, World Wide Web address, and the name, telephone number, fax number, and Email address of a responsible official at each firm).

(8) A list of known sources of information on national or regional prices for the *Domestic Like Product* or the *Subject Merchandise* in the U.S. or other markets.

(9) If you are a U.S. producer of the *Domestic Like Product,* provide the following information on your firm's operations on that product during calendar year 2013, except as noted (report quantity data in pounds and value data in U.S. dollars, f.o.b. plant). If you are a union/worker group or trade/business association, provide the information, on an aggregate basis, for the firms in which your workers are employed/which are members of your association.

(a) Production (quantity) and, if known, an estimate of the percentage of total U.S. production of the *Domestic Like Product* accounted for by your firm's(s') production;

(b) Capacity (quantity) of your firm to produce the *Domestic Like Product* (i.e., the level of production that your establishment(s) could reasonably have expected to attain during the year, assuming normal operating conditions (using equipment and machinery in place and ready to operate), normal operating levels (hours per week/weeks per year), time for downtime, maintenance, repair, and cleanup, and a typical or representative product mix);

(c) the quantity and value of U.S. commercial shipments of the *Domestic Like Product* produced in your U.S. plant(s);

(d) the quantity and value of U.S. internal consumption/company transfers of the *Domestic Like Product* produced in your U.S. plant(s); and

(e) the value of (i) net sales, (ii) cost of goods sold (COGS), (iii) gross profit, (iv) selling, general and administrative (SG&A) expenses, and (v) operating

income of the *Domestic Like Product* produced in your U.S. plant(s) (include both U.S. and export commercial sales, internal consumption, and company transfers) for your most recently completed fiscal year (identify the date on which your fiscal year ends).

(10) If you are a U.S. importer or a trade/business association of U.S. importers of the *Subject Merchandise* from the *Subject Country,* provide the following information on your firm's(s') operations on that product during calendar year 2013 (report quantity data in pounds and value data in U.S. dollars). If you are a trade/business association, provide the information, on an aggregate basis, for the firms which are members of your association.

(a) The quantity and value (landed, duty-paid but not including antidumping duties) of U.S. imports and, if known, an estimate of the percentage of total U.S. imports of *Subject Merchandise* from the *Subject Country* accounted for by your firm's(s') imports;

(b) the quantity and value (f.o.b. U.S. port, including antidumping duties) of U.S. commercial shipments of *Subject Merchandise* imported from the *Subject Country;* and

(c) the quantity and value (f.o.b. U.S. port, including antidumping duties) of U.S. internal consumption/company transfers of *Subject Merchandise* imported from the *Subject Country.*

(11) If you are a producer, an exporter, or a trade/business association of producers or exporters of the *Subject Merchandise* in the *Subject Country,* provide the following information on your firm's(s') operations on that product during calendar year 2013 (report quantity data in pounds and value data in U.S. dollars, landed and duty-paid at the U.S. port but not including antidumping duties). If you are a trade/business association, provide the information, on an aggregate basis, for the firms which are members of your association.

(a) Production (quantity) and, if known, an estimate of the percentage of total production of *Subject Merchandise* in the *Subject Country* accounted for by your firm's(s') production;

(b) Capacity (quantity) of your firm(s) to produce the *Subject Merchandise* in the *Subject Country* (i.e., the level of production that your establishment(s) could reasonably have expected to attain during the year, assuming normal operating conditions (using equipment and machinery in place and ready to operate), normal operating levels (hours per week/weeks per year), time for downtime, maintenance, repair, and cleanup, and a typical or representative product mix); and

(c) the quantity and value of your firm's(s') exports to the United States of *Subject Merchandise* and, if known, an estimate of the percentage of total exports to the United States of *Subject Merchandise* from the *Subject Country* accounted for by your firm's(s') exports.

(12) Identify significant changes, if any, in the supply and demand conditions or business cycle for the *Domestic Like Product* that have occurred in the United States or in the market for the *Subject Merchandise* in the *Subject Country* after 2008, and significant changes, if any, that are likely to occur within a reasonably foreseeable time. Supply conditions to consider include technology; production methods; development efforts; ability to increase production (including the shift of production facilities used for other products and the use, cost, or availability of major inputs into production); and factors related to the ability to shift supply among different national markets (including barriers to importation in foreign markets or changes in market demand abroad). Demand conditions to consider include end uses and applications; the existence and availability of substitute products; and the level of competition among the *Domestic Like Product* produced in the United States, *Subject Merchandise* produced in the *Subject Country,* and such merchandise from other countries.

(13) (Optional) A statement of whether you agree with the above definitions of the *Domestic Like Product* and *Domestic Industry;* if you disagree with either or both of these definitions, please explain why and provide alternative definitions.

Authority: This proceeding is being conducted under authority of Title VII of the Tariff Act of 1930; this notice is published pursuant to section 207.61 of the Commission's rules.

By order of the Commission.

Dated: October 28, 2014.

Lisa R. Barton,

Secretary to the Commission.

[FR Doc. 2014–25995 Filed 10–31–14; 8:45 am]

BILLING CODE 7020–02–P

INTERNATIONAL TRADE COMMISSION

[Investigation Nos. 701–TA–459 and 731–TA–1155 (Review)]

Commodity Matchbooks From India; Institution of Five-Year Reviews

AGENCY: United States International Trade Commission.

ACTION: Notice.

SUMMARY: The Commission hereby gives notice that it has instituted reviews pursuant to section 751(c) of the Tariff Act of 1930 (19 U.S.C. 1675(c)) (the Act) to determine whether revocation of the antidumping and countervailing duty orders on commodity matchbooks from India would be likely to lead to continuation or recurrence of material injury. Pursuant to section 751(c)(2) of the Act, interested parties are requested to respond to this notice by submitting the information specified below to the Commission; [1] to be assured of consideration, the deadline for responses is December 3, 2014. Comments on the adequacy of responses may be filed with the Commission by January 16, 2015. For further information concerning the conduct of this proceeding and rules of general application, consult the Commission's Rules of Practice and Procedure, part 201, subparts A through E (19 CFR part 201), and part 207, subparts A, D, E, and F (19 CFR part 207).

DATES: *Effective Date:* November 3, 2014.

FOR FURTHER INFORMATION CONTACT: Mary Messer (202–205–3193), Office of Investigations, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission's TDD terminal on 202–205–1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202–205–2000. General information concerning the Commission may also be obtained by accessing its internet server (*http://www.usitc.gov*). The public record for this proceeding may be viewed on the

[1] No response to this request for information is required if a currently valid Office of Management and Budget (OMB) number is not displayed; the OMB number is 3117–0016/USITC No. 14–5–321, expiration date June 30, 2017. Public reporting burden for the request is estimated to average 15 hours per response. Please send comments regarding the accuracy of this burden estimate to the Office of Investigations, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436.

Commission's electronic docket (EDIS) at *http://edis.usitc.gov.*

SUPPLEMENTARY INFORMATION:

Background.—On December 11, 2009, the Department of Commerce issued antidumping and countervailing duty orders on imports of commodity matchbooks from India (74 FR 65737 and 65740). The Commission is conducting reviews to determine whether revocation of the orders would be likely to lead to continuation or recurrence of material injury to the domestic industry within a reasonably foreseeable time. It will assess the adequacy of interested party responses to this notice of institution to determine whether to conduct full or expedited reviews. The Commission's determinations in any expedited reviews will be based on the facts available, which may include information provided in response to this notice.

Definitions.—The following definitions apply to these reviews:

(1) *Subject Merchandise* is the class or kind of merchandise that is within the scope of the five-year reviews, as defined by the Department of Commerce.

(2) The *Subject Country* in these reviews is India.

(3) The *Domestic Like Product* is the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the *Subject Merchandise.* In its original determinations, the Commission defined a single *Domestic Like Product* comprised of commodity matchbooks coextensive with the scope of the investigations.

(4) The *Domestic Industry* is the U.S. producers as a whole of the *Domestic Like Product,* or those producers whose collective output of the *Domestic Like Product* constitutes a major proportion of the total domestic production of the product. In its original determinations, the Commission defined a single *Domestic Industry* consisting of all producers of commodity matchbooks.

(5) The *Order Date* is the date that the antidumping and countervailing duty orders under review became effective. In these reviews, the *Order Date* is December 11, 2009.

(6) An *Importer* is any person or firm engaged, either directly or through a parent company or subsidiary, in importing the *Subject Merchandise* into the United States from a foreign manufacturer or through its selling agent.

Participation in the proceeding and public service list.—Persons, including industrial users of the *Subject Merchandise* and, if the merchandise is sold at the retail level, representative consumer organizations, wishing to participate in the proceeding as parties must file an entry of appearance with the Secretary to the Commission, as provided in section 201.11(b)(4) of the Commission's rules, no later than 21 days after publication of this notice in the **Federal Register**. The Secretary will maintain a public service list containing the names and addresses of all persons, or their representatives, who are parties to the proceeding.

Former Commission employees who are seeking to appear in Commission five-year reviews are advised that they may appear in a review even if they participated personally and substantially in the corresponding underlying original investigation or an earlier review of the same underlying investigation. The Commission's designated agency ethics official has advised that a five-year review is not the same particular matter as the underlying original investigation, and a five-year review is not the same particular matter as an earlier review of the same underlying investigation for purposes of 18 U.S.C. 207, the post employment statute for Federal employees, and Commission rule 201.15(b) (19 CFR 201.15(b)), 79 FR 3246 (Jan. 17, 2014), 73 FR 24609 (May 5, 2008). Consequently, former employees are not required to seek Commission approval to appear in a review under Commission rule 19 CFR 201.15, even if the corresponding underlying original investigation or an earlier review of the same underlying investigation was pending when they were Commission employees. For further ethics advice on this matter, contact Carol McCue Verratti, Deputy Agency Ethics Official, at 202–205–3088.

Limited disclosure of business proprietary information (BPI) under an administrative protective order (APO) and APO service list.—Pursuant to section 207.7(a) of the Commission's rules, the Secretary will make BPI submitted in this proceeding available to authorized applicants under the APO issued in the proceeding, provided that the application is made no later than 21 days after publication of this notice in the **Federal Register**. Authorized applicants must represent interested parties, as defined in 19 U.S.C. 1677(9), who are parties to the proceeding. A separate service list will be maintained by the Secretary for those parties authorized to receive BPI under the APO.

Certification.—Pursuant to section 207.3 of the Commission's rules, any person submitting information to the Commission in connection with this proceeding must certify that the information is accurate and complete to the best of the submitter's knowledge. In making the certification, the submitter will be deemed to consent, unless otherwise specified, for the Commission, its employees, and contract personnel to use the information provided in any other reviews or investigations of the same or comparable products which the Commission conducts under Title VII of the Act, or in internal audits and investigations relating to the programs and operations of the Commission pursuant to 5 U.S.C. Appendix 3.

Written submissions.—Pursuant to section 207.61 of the Commission's rules, each interested party response to this notice must provide the information specified below. The deadline for filing such responses is December 3, 2014. Pursuant to section 207.62(b) of the Commission's rules, eligible parties (as specified in Commission rule 207.62(b)(1)) may also file comments concerning the adequacy of responses to the notice of institution and whether the Commission should conduct expedited or full reviews. The deadline for filing such comments is January 16, 2015. All written submissions must conform with the provisions of sections 201.8 and 207.3 of the Commission's rules and any submissions that contain BPI must also conform with the requirements of sections 201.6 and 207.7 of the Commission's rules. Please be aware that the Commission's rules with respect to filing have changed. The most recent amendments took effect on July 25, 2014. *See* 79 FR 35920 (June 25, 2014), and the revised Commission Handbook on E-filing, available from the Commission's Web site at *http://edis.usitc.gov.* Also, in accordance with sections 201.16(c) and 207.3 of the Commission's rules, each document filed by a party to the proceeding must be served on all other parties to the proceeding (as identified by either the public or APO service list as appropriate), and a certificate of service must accompany the document (if you are not a party to the proceeding you do not need to serve your response).

Inability to provide requested information.—Pursuant to section 207.61(c) of the Commission's rules, any interested party that cannot furnish the information requested by this notice in the requested form and manner shall notify the Commission at the earliest possible time, provide a full explanation of why it cannot provide the requested information, and indicate alternative forms in which it can provide

equivalent information. If an interested party does not provide this notification (or the Commission finds the explanation provided in the notification inadequate) and fails to provide a complete response to this notice, the Commission may take an adverse inference against the party pursuant to section 776(b) of the Act (19 U.S.C. 1677e(b)) in making its determinations in the reviews.

Information To Be Provided in Response to This Notice of Institution: As used below, the term ''firm'' includes any related firms.

(1) The name and address of your firm or entity (including World Wide Web address) and name, telephone number, fax number, and Email address of the certifying official.

(2) A statement indicating whether your firm/entity is a U.S. producer of the *Domestic Like Product,* a U.S. union or worker group, a U.S. importer of the *Subject Merchandise,* a foreign producer or exporter of the *Subject Merchandise,* a U.S. or foreign trade or business association, or another interested party (including an explanation). If you are a union/worker group or trade/business association, identify the firms in which your workers are employed or which are members of your association.

(3) A statement indicating whether your firm/entity is willing to participate in this proceeding by providing information requested by the Commission.

(4) A statement of the likely effects of the revocation of the antidumping and countervailing duty orders on the *Domestic Industry* in general and/or your firm/entity specifically. In your response, please discuss the various factors specified in section 752(a) of the Act (19 U.S.C. 1675a(a)) including the likely volume of subject imports, likely price effects of subject imports, and likely impact of imports of *Subject Merchandise* on the *Domestic Industry.*

(5) A list of all known and currently operating U.S. producers of the *Domestic Like Product.* Identify any known related parties and the nature of the relationship as defined in section 771(4)(B) of the Act (19 U.S.C. 1677(4)(B)).

(6) A list of all known and currently operating U.S. importers of the *Subject Merchandise* and producers of the *Subject Merchandise* in the *Subject Country* that currently export or have exported *Subject Merchandise* to the United States or other countries since the O*rder Date.*

(7) A list of 3–5 leading purchasers in the U.S. market for the *Domestic Like Product* and the *Subject Merchandise* (including street address, World Wide Web address, and the name, telephone number, fax number, and Email address of a responsible official at each firm).

(8) A list of known sources of information on national or regional prices for the *Domestic Like Product* or the *Subject Merchandise* in the U.S. or other markets.

(9) If you are a U.S. producer of the *Domestic Like Product,* provide the following information on your firm's operations on that product during calendar year 2013, except as noted (report quantity data in cases and value data in U.S. dollars, f.o.b. plant). If you are a union/worker group or trade/business association, provide the information, on an aggregate basis, for the firms in which your workers are employed/which are members of your association.

(a) Production (quantity) and, if known, an estimate of the percentage of total U.S. production of the *Domestic Like Product* accounted for by your firm's(s') production;

(b) Capacity (quantity) of your firm to produce the *Domestic Like Product* (i.e., the level of production that your establishment(s) could reasonably have expected to attain during the year, assuming normal operating conditions (using equipment and machinery in place and ready to operate), normal operating levels (hours per week/weeks per year), time for downtime, maintenance, repair, and cleanup, and a typical or representative product mix);

(c) the quantity and value of U.S. commercial shipments of the *Domestic Like Product* produced in your U.S. plant(s);

(d) the quantity and value of U.S. internal consumption/company transfers of the *Domestic Like Product* produced in your U.S. plant(s); and

(e) the value of (i) net sales, (ii) cost of goods sold (COGS), (iii) gross profit, (iv) selling, general and administrative (SG&A) expenses, and (v) operating income of the *Domestic Like Product* produced in your U.S. plant(s) (include both U.S. and export commercial sales, internal consumption, and company transfers) for your most recently completed fiscal year (identify the date on which your fiscal year ends).

(10) If you are a U.S. importer or a trade/business association of U.S. importers of the *Subject Merchandise* from the *Subject Country,* provide the following information on your firm's(s') operations on that product during calendar year 2013 (report quantity data in cases and value data in U.S. dollars). If you are a trade/business association, provide the information, on an aggregate basis, for the firms which are members of your association.

(a) The quantity and value (landed, duty-paid but not including antidumping or countervailing duties) of U.S. imports and, if known, an estimate of the percentage of total U.S. imports of *Subject Merchandise* from the *Subject Country* accounted for by your firm's(s') imports;

(b) the quantity and value (f.o.b. U.S. port, including antidumping and/or countervailing duties) of U.S. commercial shipments of *Subject Merchandise* imported from the *Subject Country;* and

(c) the quantity and value (f.o.b. U.S. port, including antidumping and/or countervailing duties) of U.S. internal consumption/company transfers of *Subject Merchandise* imported from the *Subject Country.*

(11) If you are a producer, an exporter, or a trade/business association of producers or exporters of the *Subject Merchandise* in the *Subject Country,* provide the following information on your firm's(s') operations on that product during calendar year 2013 (report quantity data in cases and value data in U.S. dollars, landed and duty-paid at the U.S. port but not including antidumping or countervailing duties). If you are a trade/business association, provide the information, on an aggregate basis, for the firms which are members of your association.

(a) Production (quantity) and, if known, an estimate of the percentage of total production of *Subject Merchandise* in the *Subject Country* accounted for by your firm's(s') production;

(b) Capacity (quantity) of your firm(s) to produce the *Subject Merchandise* in the *Subject Country* (i.e., the level of production that your establishment(s) could reasonably have expected to attain during the year, assuming normal operating conditions (using equipment and machinery in place and ready to operate), normal operating levels (hours per week/weeks per year), time for downtime, maintenance, repair, and cleanup, and a typical or representative product mix); and

(c) the quantity and value of your firm's(s') exports to the United States of *Subject Merchandise* and, if known, an estimate of the percentage of total exports to the United States of *Subject Merchandise* from the *Subject Country* accounted for by your firm's(s') exports.

(12) Identify significant changes, if any, in the supply and demand conditions or business cycle for the *Domestic Like Product* that have occurred in the United States or in the market for the *Subject Merchandise* in the *Subject Country* since the *Order Date,* and significant changes, if any, that are likely to occur within a

reasonably foreseeable time. Supply conditions to consider include technology; production methods; development efforts; ability to increase production (including the shift of production facilities used for other products and the use, cost, or availability of major inputs into production); and factors related to the ability to shift supply among different national markets (including barriers to importation in foreign markets or changes in market demand abroad). Demand conditions to consider include end uses and applications; the existence and availability of substitute products; and the level of competition among the *Domestic Like Product* produced in the United States, *Subject Merchandise* produced in the *Subject Country,* and such merchandise from other countries.

(13) (OPTIONAL) A statement of whether you agree with the above definitions of the *Domestic Like Product* and *Domestic Industry;* if you disagree with either or both of these definitions, please explain why and provide alternative definitions.

Authority: This proceeding is being conducted under authority of Title VII of the Tariff Act of 1930; this notice is published pursuant to section 207.61 of the Commission's rules.

By order of the Commission.

Dated: October 28, 2014.

Lisa R. Barton,

Secretary to the Commission.

[FR Doc. 2014–25992 Filed 10–31–14; 8:45 am]

BILLING CODE 7020–02–P

INTERNATIONAL TRADE COMMISSION

[Investigation Nos. 701–TA–502 and 731–TA–1227 (Final)]

Steel Concrete Reinforcing Bar From Mexico and Turkey; Determinations

On the basis of the record [1] developed in the subject investigations, the United States International Trade Commission (''Commission'') determines, pursuant to sections 705(b) and 735(b) of the Tariff Act of 1930 (19 U.S.C. 1671d(b)) and (19 U.S.C. 1673d(b)) (''the Act''), that an industry in the United States is materially injured by reason of imports from Mexico of steel concrete reinforcing bar (''rebar'') that have been found by the Department of Commerce (''Commerce'') to be sold in the United States at less than fair value, and by reason of imports from Turkey of rebar that have been found by Commerce to be subsidized by the government of Turkey. The subject merchandise is provided for primarily in subheadings 7213.10.00 and 7214.20.00 and statistical reporting number 7228.30.8010 of the Harmonized Tariff Schedule of the United States.[2]

Background

The Commission instituted these investigations effective September 4, 2013, following receipt of a petition filed with the Commission and Commerce by the Rebar Trade Action Coalition and its individual members: Nucor Corporation, Charlotte, NC; Gerdau Ameristeel U.S. Inc., Tampa, FL; Commercial Metals Company, Irving, TX; Cascade Steel Rolling Mills, Inc., McMinnville, OR; and Byer Steel Corporation, Cincinnati, OH. The final phase of the investigations was scheduled by the Commission following notification of preliminary determinations by Commerce regarding imports of rebar from Mexico and Turkey.[3] Notice of the scheduling of the final phase of the Commission's investigations and of a public hearing to be held in connection therewith was given by posting copies of the notice in the Office of the Secretary, U.S. International Trade Commission, Washington, DC, and by publishing the notice in the **Federal Register** on May 30, 2014 (79 FR 31136). The hearing was held in Washington, DC, on September 15, 2014, and all persons who requested the opportunity were permitted to appear in person or by counsel.

The Commission completed and filed its determinations in these investigations on October 28, 2014. The views of the Commission are contained in USITC Publication 4496 (October 2014), entitled *Steel Concrete Reinforcing Bar from Mexico and Turkey: Investigation Nos. 701–TA–502 and 731–TA–1227 (Final).*

[1] The record is defined in sec. 207.2(f) of the Commission's Rules of Practice and Procedure (19 CFR 207.2(f)).

[2] All six Commissioners voted in the affirmative. The Commission also finds that imports subject to Commerce's affirmative critical circumstances determinations are not likely to undermine seriously the remedial effect of the antidumping duty order on rebar from Mexico and the countervailing duty order on rebar from Turkey.

[3] On February 26, 2014, Commerce preliminarily determined that imports of rebar from Turkey were not subsidized within the meaning of section 703(b) of the Act (19 U.S.C. 1671b(b)) (79 FR 10771). On April 24, 2014, Commerce preliminarily determined that imports of rebar from Mexico and Turkey were dumped within the meaning of 733(b) of the Act (19 U.S.C. 1673b(b)) (79 FR 22802–22804). On September 15, 2014, Commerce published notice of its final affirmative determination of countervailable subsidies for producers and exporters of rebar from Turkey (79 FR 54963), its final affirmative determination of sales at less than fair value with respect to imports from Mexico (79 FR 54967), and its final negative determination of sales at less than fair value with respect to imports from Turkey (79 FR 54965).

Issued: October 28, 2014.

By order of the Commission.

Lisa R. Barton,

Secretary to the Commission.

[FR Doc. 2014–25996 Filed 10–31–14; 8:45 am]

BILLING CODE 7020–02–P

INTERNATIONAL TRADE COMMISSION

[Investigation Nos. 701–TA–432 and 731–TA–1024–1028 (Second Review) and AA1921–188 (Fourth Review)]

Prestressed Concrete Steel Wire Strand From Brazil, India, Japan, Korea, Mexico, and Thailand; Institution of Five-Year Reviews

AGENCY: United States International Trade Commission.

ACTION: Notice.

SUMMARY: The Commission hereby gives notice that it has instituted reviews pursuant to section 751(c) of the Tariff Act of 1930 (19 U.S.C. 1675(c)) (the Act) to determine whether revocation of the antidumping duty orders on prestressed concrete steel wire strand from Brazil, India, Korea, Mexico, and Thailand, and the antidumping finding on prestressed concrete steel wire strand from Japan, as well as revocation of the countervailing duty order on prestressed concrete steel wire strand from India, would be likely to lead to continuation or recurrence of material injury. Pursuant to section 751(c)(2) of the Act, interested parties are requested to respond to this notice by submitting the information specified below to the Commission; [1] to be assured of consideration, the deadline for responses is December 3, 2014. Comments on the adequacy of responses may be filed with the Commission by January 16, 2015. For further information concerning the conduct of this proceeding and rules of general application, consult the Commission's Rules of Practice and Procedure, part 201, subparts A through E (19 CFR part 201), and part 207, subparts A, D, E, and F (19 CFR part 207).

DATES: *Effective Date:* November 3, 2014.

FOR FURTHER INFORMATION CONTACT: Mary Messer (202–205–3193), Office of

[1] No response to this request for information is required if a currently valid Office of Management and Budget (OMB) number is not displayed; the OMB number is 3117–0016/USITC No. 14–5–319, expiration date June 30, 2017. Public reporting burden for the request is estimated to average 15 hours per response. Please send comments regarding the accuracy of this burden estimate to the Office of Investigations, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436.

Investigations, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission's TDD terminal on 202–205–1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at 202–205–2000. General information concerning the Commission may also be obtained by accessing its internet server (*http://www.usitc.gov*). The public record for this proceeding may be viewed on the Commission's electronic docket (EDIS) at *http://edis.usitc.gov.*

SUPPLEMENTARY INFORMATION:

Background.— On December 8, 1978, the Department of the Treasury issued an antidumping finding on imports of prestressed concrete steel wire strand from Japan (43 FR 57599). Following five-year reviews by Commerce and the Commission, effective February 3, 1999, Commerce issued a continuation of the antidumping duty order on imports of prestressed concrete steel wire strand from Japan (64 FR 40554, July 27, 1999). Following second five-year reviews by Commerce and the Commission, effective June 25, 2004, Commerce issued a continuation of the antidumping duty order on imports of prestressed concrete steel wire strand from Japan (69 FR 35584). On January 28, 2004, the Department of Commerce issued antidumping duty orders on imports of prestressed concrete steel wire strand from Brazil, India, Korea, Mexico, and Thailand (69 FR 4109–4113). On February 4, 2004, the Department of Commerce issued a countervailing duty order on imports of prestressed concrete steel wire strand from India (69 FR 5319). Following the third five-year review of the finding on imports of prestressed concrete steel wire strand from Japan and the first five-year reviews of the orders on imports of prestressed concrete steel wire strand from Brazil, India, Korea, Mexico, and Thailand by Commerce and the Commission, effective December 11, 2009, Commerce issued a continuation of the antidumping duty orders on prestressed concrete steel wire strand from Brazil, India, Korea, Mexico, and Thailand, and the antidumping finding on prestressed concrete steel wire strand from Japan, as well as the countervailing duty order on prestressed concrete steel wire strand from India (74 FR 65739). The Commission is now conducting a fourth review of the antidumping finding concerning Japan and a second review of the orders concerning Brazil, India, Korea, Mexico, and Thailand to determine whether revocation would be likely to lead to continuation or recurrence of material injury to the domestic industry within a reasonably foreseeable time. It will assess the adequacy of interested party responses to this notice of institution to determine whether to conduct full or expedited reviews. The Commission's determinations in any expedited reviews will be based on the facts available, which may include information provided in response to this notice.

Definitions.—The following definitions apply to these reviews:

(1) *Subject Merchandise* is the class or kind of merchandise that is within the scope of the five-year reviews, as defined by the Department of Commerce.

(2) The *Subject Countries* in these reviews are Brazil, India, Japan, Korea, Mexico, and Thailand.

(3) The *Domestic Like Product* is the domestically produced product or products which are like, or in the absence of like, most similar in characteristics and uses with, the *Subject Merchandise.* In its expedited first and second five-year reviews of the antidumping duty order concerning Japan, the Commission found that the appropriate definition of the *Domestic Like Product* was the same as Commerce's scope: All steel wire strand, other than alloy steel, not galvanized, which has been stress-relieved and is suitable for use in prestressed concrete. The Commission did not make a like product determination in its original determination concerning Japan. In its original determinations concerning Brazil, India, Korea, Mexico, and Thailand, the Commission found the *Domestic Like Product* to be all prestressed concrete steel wire strand co-extensive with Commerce's scope, that is, steel strand produced from wire of non-stainless, non-galvanized steel that is suitable for use in prestressed concrete (both pre-tensioned and post-tensioned) applications and that encompasses covered and uncovered strand and all types, grades, and diameters of prestressed concrete steel wire strand. In its most recent full five-year review determinations, the Commission defined the *Domestic Like Product* to encompass steel strand produced from wire of non-stainless, non-galvanized steel, which is suitable for use in prestressed concrete (both pre-tensioned and post-tensioned) applications and that encompasses covered and uncovered strand and all types, grades, and diameters of prestressed concrete steel wire strand.

(4) The *Domestic Industry* is the U.S. producers as a whole of the *Domestic Like Product,* or those producers whose collective output of the *Domestic Like Product* constitutes a major proportion of the total domestic production of the product. In its original determination and its expedited first and second reviews of the antidumping duty order concerning Japan, the Commission defined the *Domestic Industry* as all producers of prestressed concrete steel wire strand. Likewise, in its original determinations concerning Brazil, India, Korea, Mexico, and Thailand, the Commission found the *Domestic Industry* to be all producers of prestressed concrete steel wire strand. The Commission also determined that plastic coating did not constitute sufficient production-related activity to qualify coaters as members of the domestic industry producing prestressed concrete steel wire strand. In its most recent full five-year review determinations, the Commission defined the *Domestic Industry* to include all producers of the *Domestic Like Product.*

(5) An *Importer* is any person or firm engaged, either directly or through a parent company or subsidiary, in importing the *Subject Merchandise* into the United States from a foreign manufacturer or through its selling agent.

Participation in the proceeding and public service list.—Persons, including industrial users of the *Subject Merchandise* and, if the merchandise is sold at the retail level, representative consumer organizations, wishing to participate in the proceeding as parties must file an entry of appearance with the Secretary to the Commission, as provided in section 201.11(b)(4) of the Commission's rules, no later than 21 days after publication of this notice in the **Federal Register.** The Secretary will maintain a public service list containing the names and addresses of all persons, or their representatives, who are parties to the proceeding.

Former Commission employees who are seeking to appear in Commission five-year reviews are advised that they may appear in a review even if they participated personally and substantially in the corresponding underlying original investigation or an earlier review of the same underlying investigation. The Commission's designated agency ethics official has advised that a five-year review is not the same particular matter as the underlying original investigation, and a five-year review is not the same particular matter as an earlier review of the same underlying investigation for purposes of

18 U.S.C. 207, the post employment statute for Federal employees, and Commission rule 201.15(b) (19 CFR 201.15(b)), 79 FR 3246 (Jan. 17, 2014), 73 FR 24609 (May 5, 2008). Consequently, former employees are not required to seek Commission approval to appear in a review under Commission rule 19 CFR 201.15, even if the corresponding underlying original investigation or an earlier review of the same underlying investigation was pending when they were Commission employees. For further ethics advice on this matter, contact Carol McCue Verratti, Deputy Agency Ethics Official, at 202–205–3088.

Limited disclosure of business proprietary information (BPI) under an administrative protective order (APO) and APO service list.—Pursuant to section 207.7(a) of the Commission's rules, the Secretary will make BPI submitted in this proceeding available to authorized applicants under the APO issued in the proceeding, provided that the application is made no later than 21 days after publication of this notice in the **Federal Register.** Authorized applicants must represent interested parties, as defined in 19 U.S.C. 1677(9), who are parties to the proceeding. A separate service list will be maintained by the Secretary for those parties authorized to receive BPI under the APO.

Certification.—Pursuant to section 207.3 of the Commission's rules, any person submitting information to the Commission in connection with this proceeding must certify that the information is accurate and complete to the best of the submitter's knowledge. In making the certification, the submitter will be deemed to consent, unless otherwise specified, for the Commission, its employees, and contract personnel to use the information provided in any other reviews or investigations of the same or comparable products which the Commission conducts under Title VII of the Act, or in internal audits and investigations relating to the programs and operations of the Commission pursuant to 5 U.S.C. Appendix 3.

Written submissions.—Pursuant to section 207.61 of the Commission's rules, each interested party response to this notice must provide the information specified below. The deadline for filing such responses is December 3, 2014. Pursuant to section 207.62(b) of the Commission's rules, eligible parties (as specified in Commission rule 207.62(b)(1)) may also file comments concerning the adequacy of responses to the notice of institution and whether the Commission should conduct expedited or full reviews. The deadline for filing such comments is January 16, 2015. All written submissions must conform with the provisions of sections 201.8 and 207.3 of the Commission's rules and any submissions that contain BPI must also conform with the requirements of sections 201.6 and 207.7 of the Commission's rules. Please be aware that the Commission's rules with respect to filing have changed. The most recent amendments took effect on July 25, 2014. *See* 79 FR 35920 (June 25, 2014), and the revised Commission Handbook on E-filing, available from the Commission's Web site at *http://edis.usitc.gov.* Also, in accordance with sections 201.16(c) and 207.3 of the Commission's rules, each document filed by a party to the proceeding must be served on all other parties to the proceeding (as identified by either the public or APO service list as appropriate), and a certificate of service must accompany the document (if you are not a party to the proceeding you do not need to serve your response).

Inability to provide requested information.—Pursuant to section 207.61(c) of the Commission's rules, any interested party that cannot furnish the information requested by this notice in the requested form and manner shall notify the Commission at the earliest possible time, provide a full explanation of why it cannot provide the requested information, and indicate alternative forms in which it can provide equivalent information. If an interested party does not provide this notification (or the Commission finds the explanation provided in the notification inadequate) and fails to provide a complete response to this notice, the Commission may take an adverse inference against the party pursuant to section 776(b) of the Act (19 U.S.C. 1677e(b)) in making its determinations in the reviews.

Information To Be Provided in Response to This Notice of Institution: If you are a domestic producer, union/worker group, or trade/business association; import/export *Subject Merchandise* from more than one *Subject Country;* or produce *Subject Merchandise* in more than one *Subject Country,* you may file a single response. If you do so, please ensure that your response to each question includes the information requested for each pertinent *Subject Country.* As used below, the term ''firm'' includes any related firms.

(1) The name and address of your firm or entity (including World Wide Web address) and name, telephone number, fax number, and Email address of the certifying official.

(2) A statement indicating whether your firm/entity is a U.S. producer of the *Domestic Like Product,* a U.S. union or worker group, a U.S. importer of the *Subject Merchandise,* a foreign producer or exporter of the *Subject Merchandise,* a U.S. or foreign trade or business association, or another interested party (including an explanation). If you are a union/worker group or trade/business association, identify the firms in which your workers are employed or which are members of your association.

(3) A statement indicating whether your firm/entity is willing to participate in this proceeding by providing information requested by the Commission.

(4) A statement of the likely effects of the revocation of the finding/orders on the *Domestic Industry* in general and/or your firm/entity specifically. In your response, please discuss the various factors specified in section 752(a) of the Act (19 U.S.C. 1675a(a)) including the likely volume of subject imports, likely price effects of subject imports, and likely impact of imports of *Subject Merchandise* on the *Domestic Industry.*

(5) A list of all known and currently operating U.S. producers of the *Domestic Like Product.* Identify any known related parties and the nature of the relationship as defined in section 771(4)(B) of the Act (19 U.S.C. 1677(4)(B)).

(6) A list of all known and currently operating U.S. importers of the *Subject Merchandise* and producers of the *Subject Merchandise* in each *Subject Country* that currently export or have exported *Subject Merchandise* to the United States or other countries after 2008.

(7) A list of 3–5 leading purchasers in the U.S. market for the *Domestic Like Product* and the *Subject Merchandise* (including street address, World Wide Web address, and the name, telephone number, fax number, and Email address of a responsible official at each firm).

(8) A list of known sources of information on national or regional prices for the *Domestic Like Product* or the *Subject Merchandise* in the U.S. or other markets.

(9) If you are a U.S. producer of the *Domestic Like Product,* provide the following information on your firm's operations on that product during calendar year 2013, except as noted (report quantity data in pounds and value data in U.S. dollars, f.o.b. plant). If you are a union/worker group or trade/business association, provide the information, on an aggregate basis, for the firms in which your workers are employed/which are members of your association.

(a) Production (quantity) and, if known, an estimate of the percentage of total U.S. production of the *Domestic Like Product* accounted for by your firm's(s') production;

(b) Capacity (quantity) of your firm to produce the *Domestic Like Product* (i.e., the level of production that your establishment(s) could reasonably have expected to attain during the year, assuming normal operating conditions (using equipment and machinery in place and ready to operate), normal operating levels (hours per week/weeks per year), time for downtime, maintenance, repair, and cleanup, and a typical or representative product mix);

(c) The quantity and value of U.S. commercial shipments of the *Domestic Like Product* produced in your U.S. plant(s);

(d) The quantity and value of U.S. internal consumption/company transfers of the *Domestic Like Product* produced in your U.S. plant(s); and

(e) The value of (i) net sales, (ii) cost of goods sold (COGS), (iii) gross profit, (iv) selling, general and administrative (SG&A) expenses, and (v) operating income of the *Domestic Like Product* produced in your U.S. plant(s) (include both U.S. and export commercial sales, internal consumption, and company transfers) for your most recently completed fiscal year (identify the date on which your fiscal year ends).

(10) If you are a U.S. importer or a trade/business association of U.S. importers of the *Subject Merchandise* from any *Subject Country,* provide the following information on your firm's(s') operations on that product during calendar year 2013 (report quantity data in pounds and value data in U.S. dollars). If you are a trade/business association, provide the information, on an aggregate basis, for the firms which are members of your association.

(a) The quantity and value (landed, duty-paid but not including antidumping or countervailing duties) of U.S. imports and, if known, an estimate of the percentage of total U.S. imports of *Subject Merchandise* from each *Subject Country* accounted for by your firm's(s') imports;

(b) The quantity and value (f.o.b. U.S. port, including antidumping and/or countervailing duties) of U.S. commercial shipments of *Subject Merchandise* imported from each *Subject Country;* and

(c) The quantity and value (f.o.b. U.S. port, including antidumping and/or countervailing duties) of U.S. internal consumption/company transfers of *Subject Merchandise* imported from each *Subject Country.*

(11) If you are a producer, an exporter, or a trade/business association of producers or exporters of the *Subject Merchandise* in any *Subject Country,* provide the following information on your firm's(s') operations on that product during calendar year 2013 (report quantity data in pounds and value data in U.S. dollars, landed and duty-paid at the U.S. port but not including antidumping or countervailing duties). If you are a trade/business association, provide the information, on an aggregate basis, for the firms which are members of your association.

(a) Production (quantity) and, if known, an estimate of the percentage of total production of *Subject Merchandise* in each *Subject Country* accounted for by your firm's(s') production;

(b) Capacity (quantity) of your firm(s) to produce the *Subject Merchandise* in each *Subject Country* (i.e., the level of production that your establishment(s) could reasonably have expected to attain during the year, assuming normal operating conditions (using equipment and machinery in place and ready to operate), normal operating levels (hours per week/weeks per year), time for downtime, maintenance, repair, and cleanup, and a typical or representative product mix); and

(c) The quantity and value of your firm's(s') exports to the United States of *Subject Merchandise* and, if known, an estimate of the percentage of total exports to the United States of *Subject Merchandise* from each *Subject Country* accounted for by your firm's(s') exports.

(12) Identify significant changes, if any, in the supply and demand conditions or business cycle for the *Domestic Like Product* that have occurred in the United States or in the market for the *Subject Merchandise* in each *Subject Country* after 2008, and significant changes, if any, that are likely to occur within a reasonably foreseeable time. Supply conditions to consider include technology; production methods; development efforts; ability to increase production (including the shift of production facilities used for other products and the use, cost, or availability of major inputs into production); and factors related to the ability to shift supply among different national markets (including barriers to importation in foreign markets or changes in market demand abroad). Demand conditions to consider include end uses and applications; the existence and availability of substitute products; and the level of competition among the *Domestic Like Product* produced in the United States, *Subject Merchandise* produced in each *Subject Country,* and such merchandise from other countries.

(13) (OPTIONAL) A statement of whether you agree with the above definitions of the *Domestic Like Product* and *Domestic Industry;* if you disagree with either or both of these definitions, please explain why and provide alternative definitions.

Authority: This proceeding is being conducted under authority of Title VII of the Tariff Act of 1930; this notice is published pursuant to section 207.61 of the Commission's rules.

By order of the Commission.

Issued: October 28, 2014.

Lisa R. Barton,

Secretary to the Commission.

[FR Doc. 2014–25983 Filed 10–31–14; 8:45 am]

BILLING CODE 7020–02–P

INTERNATIONAL TRADE COMMISSION

[USITC SE–14–037]

Government in the Sunshine Act Meeting Notice

AGENCY HOLDING THE MEETING: United States International Trade Commission.

TIME AND DATE: November 6, 2014 at 11:00 a.m.

PLACE: Room 101, 500 E Street SW., Washington, DC 20436, Telephone: (202) 205–2000.

STATUS: Open to the public.

MATTERS TO BE CONSIDERED:

1. Agendas for future meetings: none.
2. Minutes
3. Ratification List
4. Vote in Inv. Nos. 701–TA–506 and 508 and 731–TA–1238–1243 (Final) (Non-Oriented Electrical Steel from China, Germany, Japan, Korea, Sweden, and Taiwan). The Commission is currently scheduled to complete and file its determinations and views of the Commission on November 18, 2014.
5. Outstanding action jackets: None.

In accordance with Commission policy, subject matter listed above, not disposed of at the scheduled meeting, may be carried over to the agenda of the following meeting.

By order of the Commission.

Issued: October 28, 2014.

William R. Bishop,

Supervisory Hearings and Information Officer.

[FR Doc. 2014–26133 Filed 10–30–14; 11:15 am]

BILLING CODE 7020–02–P

DEPARTMENT OF JUSTICE

Notice Lodging of Proposed Consent Decree Under the Clean Air Act

On October 28, 2014, the Department of Justice lodged a proposed consent decree with the United States District Court for the Northern District of Ohio in the lawsuit entitled *United States* v. *Ross Incineration Services, Inc.,* Civil Action No. 12–01441.

The United States filed this lawsuit under the Clean Air Act. The United States' complaint seeks injunctive relief and civil penalties for violations of various provisions of the National Emission Standards for Hazardous Air Pollutants from Hazardous Waste Combustors at defendant's hazardous waste incinerator in Grafton, Ohio. The consent decree requires the defendant to perform injunctive relief and pay a civil penalty of $400,000.

The publication of this notice opens a period for public comment on the proposed consent decree. Comments should be addressed to the Assistant Attorney General, Environment and Natural Resources Division, and should refer to *United States* v. *Ross Incineration Services, Inc.,* D.J. Ref. No. 90–5–2–1–10042. All comments must be submitted no later than thirty (30) days after the publication date of this notice. Comments may be submitted either by email or by mail:

To submit comments:	*Send them to:*
By email	*pubcomment-ees.enrd@usdoj.gov.*
By mail	Assistant Attorney General, U.S. DOJ—ENRD, P.O. Box 7611, Washington, DC 20044–7611.

During the public comment period, the proposed consent decree may be examined and downloaded at this Justice Department Web site: *http://www.usdoj.gov/enrd/Consent_Decrees.html.* We will provide a paper copy of the proposed consent decree upon written request and payment of reproduction costs. Please mail your request and payment to:

Consent Decree Library, U.S. DOJ–ENRD, P.O. Box 7611, Washington, DC 20044–7611.

Please enclose a check or money order for $8.25 (25 cents per page reproduction cost) payable to the United States Treasury.

Maureen Katz,

Assistant Section Chief, Environmental Enforcement Section, Environment and Natural Resources Division.

[FR Doc. 2014–26001 Filed 10–31–14; 8:45 am]

BILLING CODE 4410–15–P

DEPARTMENT OF LABOR

Office of the Secretary

Agency Information Collection Activities; Submission for OMB Review; Comment Request; Annual Refiling Survey

ACTION: Notice.

SUMMARY: The Department of Labor (DOL) is submitting the Bureau of Labor Statistics (BLS) sponsored information collection request (ICR) revision titled, ''Annual Refiling Survey,'' to the Office of Management and Budget (OMB) for review and approval for use in accordance with the Paperwork Reduction Act (PRA) of 1995 (44 U.S.C. 3501 et seq.).

DATES: Submit comments on or before December 3, 2014.

ADDRESSES: A copy of this ICR with applicable supporting documentation; including a description of the likely respondents, proposed frequency of response, and estimated total burden may be obtained free of charge from the RegInfo.gov Web site at *http://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=201409-1220-002* (this link will only become active on the day following publication of this notice) or by contacting Michel Smyth by telephone at 202–693–4129 (this is not a toll-free number) or sending an email to *DOL_PRA_PUBLIC@dol.gov*.

Submit comments about this request to the Office of Information and Regulatory Affairs, Attn: OMB Desk Officer for DOL–BLS, Office of Management and Budget, Room 10235, 725 17th Street NW., Washington, DC 20503, Fax: 202–395–6881 (this is not a toll-free number), email: *OIRA_submission@omb.eop.gov*. Commenters are encouraged, but not required, to send a courtesy copy of any comments to the U.S. Department of Labor—OASAM, Office of the Chief Information Officer, Attn: Departmental Information Compliance Management Program, Room N1301, 200 Constitution Avenue NW., Washington, DC 20210, email: *DOL_PRA_PUBLIC@dol.gov*.

FOR FURTHER INFORMATION CONTACT: Contact Michel Smyth by telephone at 202–693–4129 (this is not a toll-free number) or by email at *DOL_PRA_PUBLIC@dol.gov*.

Authority: 44 U.S.C. 3507(a)(1)(D).

SUPPLEMENTARY INFORMATION: This ICR seeks OMB approval for revisions to the Annual Refiling Survey (ARS). The ARS is used in conjunction with the BLS Quarterly Census of Employment and Wages (QCEW) program. The primary purpose of the ARS is to verify or to correct the North American Industry Classification System (NAICS) code assigned to establishments as well as to obtain accurate mailing and physical location addresses of establishments. As a result, changes in the industrial and geographical compositions of the economy are captured in a timely manner and reflected in BLS statistical programs. The QCEW program provides data necessary to administer State Unemployment Insurance systems. QCEW data accurately reflect the extent of coverage of the State UI laws and are used for determining UI total and taxable wages rates and for other purposes. Federal, State, and local government officials as well as private researchers depend on accurate geographical and industrial coding based on the 2012 North American Industry Classification System Manual.

This ICR has been classified as a revision because of changes to the scope and frequency of the ARS and because of minor revisions to the notification letters and collection instruments. The DOL, in coordination with the OMB, curtailed the QCEW program through a permanent budget reduction of $4.8 million in FY 2014. As a part of the effort to develop a reduction strategy with minimal impact on data quality, the ARS is being reduced in scope and is changing approach.

An analysis considered how frequently establishments changed their industry, location, and ownership. The analysis looked at these changes over three ARS cycles covering nine years, and it showed there were industries with low rates of change. Thus, certain NAICS industries exist that traditionally have low volatility based on factors such as infrastructure, intellectual property, or advanced degrees that make them unlikely candidates for transitioning from one industry to another. Rather than surveying one-third of businesses in these low-change industries every year, the QCEW program will survey one-sixth of these businesses each year, putting them on a six-year cycle. The six-year cycle preserves the ability to identify trends in these slow-changing industries, while reducing workload, postage, and other

survey-related costs. The ARS will also exclude establishments with three or fewer employees starting in FY 2015. Nationwide, this will account for about 160,000 fewer units annually. The Act establishing the BLS and Wagner-Peyser Act section 15 authorize this information collection. *See* 29 U.S.C. 1, 2, and 49l–2(a).

This information collection is subject to the PRA. A Federal agency generally cannot conduct or sponsor a collection of information, and the public is generally not required to respond to an information collection, unless the OMB under the PRA approves it and displays a currently valid OMB Control Number. In addition, notwithstanding any other provisions of law, no person shall generally be subject to penalty for failing to comply with a collection of information that does not display a valid Control Number. *See* 5 CFR 1320.5(a) and 1320.6. The DOL obtains OMB approval for this information collection under Control Number 1220–0032. The current approval is scheduled to expire on December 31, 2016; however, the DOL notes that existing information collection requirements submitted to the OMB receive a month-to-month extension while they undergo review. New requirements would only take effect upon OMB approval. For additional substantive information about this ICR, see the related notice published in the **Federal Register** on July 23, 2013 (78 FR 44160).

Interested parties are encouraged to send comments to the OMB, Office of Information and Regulatory Affairs at the address shown in the **ADDRESSES** section within 30 days of publication of this notice in the **Federal Register**. In order to help ensure appropriate consideration, comments should mention OMB Control Number 1220–0032. The OMB is particularly interested in comments that:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;
- Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
- Enhance the quality, utility, and clarity of the information to be collected; and
- Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

Agency: DOL–Bureau of Labor Statistics.

Title of Collection: Annual Refiling Survey.

OMB Control Number: 1220–0032.

Affected Public: Private Sector—businesses or other for-profits, not-for-profit institutions, and farms.

Total Estimated Number of Respondents: 959,209.

Total Estimated Number of Responses: 959,209.

Total Estimated Annual Burden Hours: 100,296.

Total Estimated Annual Other Costs Burden: $0.

Dated: October 28, 2014.

Michel Smyth,

Departmental Clearance Officer.

[FR Doc. 2014–25997 Filed 10–31–14; 8:45 am]

BILLING CODE 4510–24–P

DEPARTMENT OF LABOR

Office of the Secretary

Agency Information Collection Activities; Submission for OMB Review; Comment Request; Consumer Expenditure Surveys: Quarterly Interview and Diary

ACTION: Notice.

SUMMARY: The Department of Labor (DOL) is submitting the Bureau of Labor Statistics (BLS) sponsored information collection request (ICR) revision titled, ''Consumer Expenditure Surveys: Quarterly Interview and Diary,'' to the Office of Management and Budget (OMB) for review and approval for use in accordance with the Paperwork Reduction Act (PRA) of 1995 (44 U.S.C. 3501 et seq.). Public comments on the ICR are invited.

DATES: The OMB will consider all written comments that agency receives on or before December 3, 2014.

ADDRESSES: A copy of this ICR with applicable supporting documentation; including a description of the likely respondents, proposed frequency of response, and estimated total burden may be obtained free of charge from the RegInfo.gov Web site at *http://www.reginfo.gov/public/do/PRAViewICR?ref_nbr=201407-1220-001* (this link will only become active on the day following publication of this notice) or by contacting Michel Smyth by telephone at 202–693–4129, TTY 202–693–8064, (these are not toll-free numbers) or sending an email to *DOL_PRA_PUBLIC@dol.gov.*

Submit comments about this request by mail or courier to the Office of Information and Regulatory Affairs, Attn: OMB Desk Officer for DOL–BLS, Office of Management and Budget, Room 10235, 725 17th Street NW., Washington, DC 20503; by Fax: 202–395–5806 (this is not a toll-free number); or by email: *OIRA_submission@omb.eop.gov.* Commenters are encouraged, but not required, to send a courtesy copy of any comments by mail or courier to the U.S. Department of Labor–OASAM, Office of the Chief Information Officer, Attn: Departmental Information Compliance Management Program, Room N1301, 200 Constitution Avenue NW., Washington, DC 20210; or by email: *DOL_PRA_PUBLIC@dol.gov.*

FOR FURTHER INFORMATION CONTACT: Contact Michel Smyth by telephone at 202–693–4129, TTY 202–693–8064, (these are not toll-free numbers) or sending an email to *DOL_PRA_PUBLIC@dol.gov.*

Authority: 44 U.S.C. 3507(a)(1)(D).

SUPPLEMENTARY INFORMATION: This ICR seeks approval under the PRA for revisions to the Consumer Expenditure Surveys Quarterly Interview and Diary information collection. The BLS uses the Consumer Expenditure Surveys to gather information on expenditures, income, and other related subjects. These data are used periodically to update the national Consumer Price Index. In addition, the data are used by a variety of researchers in academia, government agencies, and the private sector. The data are collected from a national probability sample of households designed to represent the total civilian non-institutional population. Proposed changes to this ICR include implementing a new sample, eliminating the bounding interview, and updating and deleting several questions to reflect the current marketplace. Additionally, the ICR seeks clearance for a proof of concept test for a new survey design. The Census Authorizing Statute and BLS Authorizing Statute authorize this information collection. *See* 13 U.S.C. 8b and 29 U.S.C. 2.

This information collection is subject to the PRA. A Federal agency generally cannot conduct or sponsor a collection of information, and the public is generally not required to respond to an information collection, unless it is approved by the OMB under the PRA and displays a currently valid OMB Control Number. In addition, notwithstanding any other provisions of law, no person shall generally be subject to penalty for failing to comply with a

collection of information that does not display a valid Control Number. *See* 5 CFR 1320.5(a) and 1320.6. The DOL obtains OMB approval for this information collection under Control Number 1220–0050. The current approval is scheduled to expire on March 31, 2016; however, the DOL notes that existing information collection requirements submitted to the OMB receive a month-to-month extension while they undergo review. New requirements would only take effect upon OMB approval. For additional substantive information about this ICR, see the related notice published in the **Federal Register** on July 3, 2014 (79 FR 38071).

Interested parties are encouraged to send comments to the OMB, Office of Information and Regulatory Affairs at the address shown in the **ADDRESSES** section within thirty (30) days of publication of this notice in the **Federal Register**. In order to help ensure appropriate consideration, comments should mention OMB Control Number 1220–0050. The OMB is particularly interested in comments that:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;
- Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
- Enhance the quality, utility, and clarity of the information to be collected; and
- Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

Agency: DOL–BLS.

Title of Collection: Consumer Expenditure Surveys: Quarterly Interview and Diary.

OMB Control Number: 1220–0050.

Affected Public: Individuals or households.

Total Estimated Number of Respondents: 14,836.

Total Estimated Number of Responses: 67,795.

Total Estimated Annual Time Burden: 60,874 hours.

Total Estimated Annual Other Costs Burden: $0.

Dated: October 27, 2014.

Michel Smyth,

Departmental Clearance Officer.

[FR Doc. 2014–26018 Filed 10–31–14; 8:45 am]

BILLING CODE 4510–24–P

DEPARTMENT OF LABOR

Office of the Secretary

Agency Information Collection Activities; Submission for OMB Review; Comment Request; Current Population Survey: Basic Labor Force

ACTION: Notice.

SUMMARY: The Department of Labor (DOL) is submitting the Bureau of Labor Statistics (BLS) sponsored information collection request (ICR) revision titled, ''Current Population Survey: Basic Labor Force,'' to the Office of Management and Budget (OMB) for review and approval for use in accordance with the Paperwork Reduction Act (PRA) of 1995 (44 U.S.C. 3501 et seq.). Public comments on the ICR are invited.

DATES: The OMB will consider all written comments that agency receives on or before December 3, 2014.

ADDRESSES: A copy of this ICR with applicable supporting documentation; including a description of the likely respondents, proposed frequency of response, and estimated total burden may be obtained free of charge from the RegInfo.gov Web site at *http://www.reginfo.gov/public/do/PRAViewICR?ref_nbr= 201408-1220-001* (this link will only become active on the day following publication of this notice) or by contacting Michel Smyth by telephone at 202–693–4129, TTY 202–693–8064, (these are not toll-free numbers) or sending an email to *DOL_PRA_PUBLIC@dol.gov.*

Submit comments about this request by mail or courier to the Office of Information and Regulatory Affairs, Attn: OMB Desk Officer for DOL–BLS, Office of Management and Budget, Room 10235, 725 17th Street NW., Washington, DC 20503; by Fax: 202–395–6881 (this is not a toll-free number); or by email: *OIRA_submission@omb.eop.gov.* Commenters are encouraged, but not required, to send a courtesy copy of any comments by mail or courier to the U.S. Department of Labor–OASAM, Office of the Chief Information Officer, Attn: Departmental Information Compliance Management Program, Room N1301, 200 Constitution Avenue NW., Washington, DC 20210; or by email: *DOL_PRA_PUBLIC@dol.gov.*

FOR FURTHER INFORMATION CONTACT: Contact Michel Smyth by telephone at 202–693–4129, TTY 202–693–8064, (these are not toll-free numbers) or sending an email to *DOL_PRA_PUBLIC@dol.gov.*

Authority: 44 U.S.C. 3507(a)(1)(D).

SUPPLEMENTARY INFORMATION: This ICR seeks approval under the PRA for revisions to the Current Population Survey: Basic Labor Force information collection. The labor force data collected in the Current Population Survey (CPS) help to determine the employment situation of specific population groups as well as general trends in employment and unemployment. The survey is the only source of monthly data on total employment and unemployment. The *Employment Situation* report contains data from this survey, and it is designated a Principle Federal Economic Indicator; moreover, the survey also yields data on the basic status and characteristics of persons not in the labor force. CPS data are used monthly, in conjunction with data from other sources, to analyze the extent to which, and with what success, the various components of the American population are participating in the economic life of the nation. This information collection has been classified as a revision, because of the addition of three new certification questions and deletion of three little-used educational attainment questions. The Acts establishing Bureau of the Census and the BLS authorize this information collection. *See* 13 U.S.C. 9 and 29 U.S.C. 1, 2.

This information collection is subject to the PRA. A Federal agency generally cannot conduct or sponsor a collection of information, and the public is generally not required to respond to an information collection, unless it is approved by the OMB under the PRA and displays a currently valid OMB Control Number. In addition, notwithstanding any other provisions of law, no person shall generally be subject to penalty for failing to comply with a collection of information that does not display a valid Control Number. *See* 5 CFR 1320.5(a) and 1320.6. The DOL obtains OMB approval for this information collection under Control Number 1220–0100. The current approval is scheduled to expire on April 30, 2017; however, the DOL notes that existing information collection requirements submitted to the OMB receive a month-to-month extension while they undergo review. New requirements would only take effect upon OMB approval. For additional

substantive information about this ICR, see the related notice published in the **Federal Register** on July 17, 2014 (79 FR 41706).

Interested parties are encouraged to send comments to the OMB, Office of Information and Regulatory Affairs at the address shown in the **ADDRESSES** section within thirty (30) days of publication of this notice in the **Federal Register**. In order to help ensure appropriate consideration, comments should mention OMB Control Number 1220–0100. The OMB is particularly interested in comments that:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;
- Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
- Enhance the quality, utility, and clarity of the information to be collected; and
- Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

Agency: DOL–BLS.

Title of Collection: Current Population Survey: Basic Labor Force.

OMB Control Number: 1220–0100.

Affected Public: Individuals or households.

Total Estimated Number of Respondents: 55,000.

Total Estimated Number of Responses: 660,000.

Total Estimated Annual Time Burden: 83,600 hours.

Total Estimated Annual Other Costs Burden: $0.

Dated: October 28, 2014.

Michel Smyth,

Departmental Clearance Officer.

[FR Doc. 2014–26014 Filed 10–31–14; 8:45 am]

BILLING CODE 4510–24–P

DEPARTMENT OF LABOR

Occupational Safety and Health Administration

[Docket No. OSHA–2014–0007]

Advisory Committee on Construction Safety and Health (ACCSH)

AGENCY: Occupational Safety and Health Administration (OSHA), Labor.

ACTION: Announcement of ACCSH and ACCSH Workgroup Meetings and Request for Nominations for Membership on ACCSH.

SUMMARY: ACCSH will meet December 4, 2014, in Washington, DC. In conjunction with the ACCSH meeting, ACCSH Workgroups will meet December 3, 2014. OSHA also announces the Assistant Secretary of Labor's request for nominations for membership on ACCSH.

DATES: *ACCSH meeting:* ACCSH will meet from 9 a.m. to 5 p.m., e.t., Thursday, December 4, 2014.

ACCSH Workgroup meetings: ACCSH Workgroups will meet Wednesday, December 3, 2014. (For Workgroup meeting times, see the schedule under ''Workgroup Meetings'' in the **SUPPLEMENTARY INFORMATION** section of this notice.)

Submit (postmark, send, transmit) comments, requests to address the ACCSH meeting, speaker presentations (written or electronic), and requests for special accommodations for the ACCSH meeting and ACCSH Workgroup meetings, by November 12, 2014.

Nominations for ACCSH membership: Submit nominations for ACCSH membership by January 2, 2015.

ADDRESSES: *Submission of comments, requests to speak, and speaker presentations for the ACCSH meeting, and nominations for ACCSH membership:* Submit comments, requests to speak, and speaker presentations for the ACCSH meeting, and nominations and supporting material for ACCSH membership, using one of the following methods:

Electronically: Submit materials, including attachments, electronically at *http://www.regulations.gov,* which is the Federal eRulemaking Portal. Follow the on-line instructions for submissions.

Facsimile (Fax): If the submission, including attachments, does not exceed 10 pages, you may fax it to the OSHA Docket Office at (202) 693–1648.

Regular mail, express mail, hand delivery, or messenger (courier) service: Submit materials to the OSHA Docket Office, Docket No. OSHA–2014–0007, Room N–2625, U.S. Department of Labor, 200 Constitution Avenue NW., Washington, DC 20210; telephone: (202) 693–2350 (TTY (877) 889–5627). OSHA's Docket Office accepts deliveries (hand deliveries, express mail, and messenger service) during normal business hours, 8:15 a.m.–4:45 p.m., e.t., weekdays.

Instructions: Submissions must include the agency name and docket number for this **Federal Register** notice (Docket No. OSHA–2014–0007). Due to security-related procedures, submissions by regular mail may experience significant delays. Please contact the OSHA Docket Office for information about security procedures for making submissions. For additional information on submitting comments, requests to speak, and speaker presentations, see the **SUPPLEMENTARY INFORMATION** section of this notice.

OSHA will post comments, requests to speak, and speaker presentations, including any personal information provided, without change, at *http://www.regulations.gov.* Therefore, OSHA cautions you about submitting personal information such as Social Security numbers and birthdates.

Location of the ACCSH meeting: ACCSH and ACCSH Workgroups will meet in Room N–4437 A–C, U.S. Department of Labor, 200 Constitution Avenue NW., Washington, DC 20210.

Requests for special accommodations: Please submit requests for special accommodations to attend the ACCSH meeting and ACCSH Workgroup meetings to Ms. Gretta Jameson, OSHA, Office of Communications, Room N–3647, U.S. Department of Labor, 200 Constitution Avenue NW., Washington, DC 20210; telephone: (202) 693–1999; email: *jameson.grettah@dol.gov.*

FOR FURTHER INFORMATION CONTACT: *For press inquiries:* Mr. Frank Meilinger, Director, OSHA Office of Communications, Room N–3647, U.S. Department of Labor, 200 Constitution Avenue NW., Washington, DC 20210; telephone: (202) 693–1999; email: *meilinger.francis2@dol.gov.*

For general information about ACCSH, the ACCSH meetings, and ACCSH membership: Mr. Damon Bonneau, OSHA, Directorate of Construction, Room N–3468, U.S. Department of Labor, 200 Constitution Avenue NW., Washington, DC 20210; telephone: (202) 693–2020; email: bonneau.damon@dol.gov.

Copies of this ***Federal Register*** *notice:* Electronic copies of this **Federal Register** notice are available at *http://www.regulations.gov.* This notice, as well as news releases and other relevant information, also are available on the

OSHA Web page at *http://www.osha.gov.*

SUPPLEMENTARY INFORMATION:

I. ACCSH Meeting

Background: ACCSH will meet December 4, 2014, in Washington, DC. The meeting is open to the public. OSHA transcribes ACCSH meetings and prepares detailed minutes of meetings. OSHA places the transcript and minutes in the public docket for the meeting. The docket also includes speaker presentations, comments, and other materials submitted to ACCSH.

ACCSH advises the Secretary of Labor and the Assistant Secretary of Labor for Occupational Safety and Health (Assistant Secretary) in the formulation of standards affecting the construction industry, and on policy matters arising in the administration of the safety and health provisions under the Contract Work Hours and Safety Standards Act (Construction Safety Act (CSA)) (40 U.S.C. 3701 *et seq.*) and the Occupational Safety and Health Act of 1970 (OSH Act) (29 U.S.C. 651 *et seq.*) (see also 29 CFR 1911.10 and 1912.3). In addition, the OSH Act and CSA require that the Assistant Secretary consult with ACCSH before the Agency proposes any occupational safety and health standard affecting construction activities (29 CFR 1911.10; 40 U.S.C. 3704).

Meeting agenda: The tentative agenda for this meeting includes:

- Assistant Secretary's Agency update and remarks;
- Directorate of Construction update on rulemaking projects, that will include an overview of the communication tower safety initiatives;
- ACCSH's consideration of, and recommendations on, the following OSHA proposed rules affecting construction activities:

—New Quantitative Fit Testing Protocol: Amendment to the Final Rule on Respiratory Protection;

—Clarification of Employer's Continuing Obligation to Make and Maintain Accurate Records of Each Recordable Injury and Illness;

—Removal of Coke Oven Emissions Construction Standard in Standards Improvement Project—IV rulemaking;

- Presentation on 29 CFR part 1926, subpart V, Power Transmission and Distribution; and,
- Public Comment Period.

II. Workgroup Meetings

The following ACCSH Workgroups will meet concurrently on December 3, 2014, from 1 to 3 p.m.:

- Health Hazards, Emerging Issues, and Prevention through Design.
- Temporary Workers.
- Training and Outreach.

ACCSH Workgroup meetings are open to the public. For additional information on ACCSH Workgroup meetings or participating in them, please contact Mr. Bonneau or look on the ACCSH page on OSHA's Web page at: *http://www.osha.gov.*

Attending the meeting: Individuals attending the meetings at the U.S. Department of Labor must enter the building at the visitors' entrance, 3rd and C Streets NW., and pass through building security. Attendees must have valid government-issued photo identification (such as a driver's license) to enter the building. For additional information about building-security measures for attending ACCSH meetings, please contact Ms. Jameson (see ''*Requests for special accommodations''* in the **ADDRESSES** section of this notice).

Requests to speak and speaker presentations: Attendees who want to address ACCSH at the meeting must submit a request to speak, as well as any written or electronic presentation, by November 12, 2014, using one of the methods listed in the **ADDRESSES** section. The request must state:

- The amount of time requested to speak;
- The interest you represent (e.g., business, organization, affiliation), if any; and
- A brief outline of your presentation.

PowerPoint presentations and other electronic materials must be compatible with PowerPoint 2010 and other Microsoft Office 2010 formats.

Alternately, at the ACCSH meeting, you may request to address ACCSH briefly by signing the public-comment request sheet and listing the topic(s) you will address. You also must provide 20 hard copies of any materials, written or electronic, you want to present to ACCSH.

The ACCSH Chair may grant requests to address ACCSH as time and circumstances permit.

Public docket of the ACCSH meeting: OSHA will place comments, requests to speak, and speaker presentations, including any personal information you provide, in the public docket of this ACCSH meeting without change, and those documents will be available online at: *http://www.regulations.gov.* OSHA also places in the public docket the meeting transcript, meeting minutes, documents presented at the ACCSH meeting, and other documents pertaining to the ACCSH and ACCSH Workgroup meetings. These documents are available online at: *http://www.regulations.gov.*

Access to the public record of ACCSH and ACCSH Workgroup meetings: To read or download documents in the public docket of this ACCSH meeting, go to Docket No. OSHA–2014–0007 at: *http://www.regulations.gov.* The *http://www.regulations.gov* index also lists all documents in the public record for these meetings; however, some documents (e.g., copyrighted materials) are not publicly available through that Web page. All documents in the public record, including materials not available through *http://www.regulations.gov,* are available for inspection and copying in the OSHA Docket Office (see **ADDRESSES** section). Contact the OSHA Docket Office for assistance in making submissions to, or obtaining materials from, the public docket.

III. Request for Nominations for Membership on ACCSH

The Assistant Secretary of Labor for Occupational Safety and Health (Assistant Secretary) invites interested persons to submit nominations for membership on ACCSH.

Background: ACCSH is a continuing advisory committee established under Section 107(e) of the CSA to advise the Secretary of Labor (Secretary) in the formulation of construction safety and health standards, as well as on policy matters arising under the CSA and the OSH Act. In particular, 29 CFR 1911.10(a) and 1912.3(a) provide that the Assistant Secretary shall consult with ACCSH whenever the Agency proposes any safety or health standard that affects the construction industry.

ACCSH operates in accordance with the CSA, the OSH Act, the Federal Advisory Committee Act (FACA) (5 U.S.C. App. 2), and regulations issued pursuant to those statutes (29 CFR part 1912, 41 CFR part 102–3). ACCSH generally meets two to four times a year.

ACCSH membership: ACCSH consists of 15 members whom the Secretary appoints. ACCSH members generally serve staggered two-year terms, unless they resign, cease to be qualified, or become unable to serve, or the Secretary removes them (29 CFR 1912.3(e)). The Secretary may appoint ACCSH members to successive terms. No member of ACCSH, other than members who represent employers or employees, shall have an economic interest in any proposed rule that affects the construction industry (29 CFR 1912.6).

The categories of ACCSH membership, and the number of new members to be appointed to replace members whose terms will expire, are:

- Five members who are qualified by experience and affiliation to present the viewpoint of employers in the

construction industry—three employer representatives will be appointed;

• Five members who are similarly qualified to present the viewpoint of employees in the construction industry—three employee representatives will be appointed;

• Two representatives of State safety and health agencies—one representative from a State safety and health agency will be appointed;

• Two public members, qualified by knowledge and experience to make a useful contribution to the work of ACCSH, such as those who have professional or technical experience and competence with occupational safety and health in the construction industry—one public representative will be appointed; and

• One representative designated by the Secretary of the Department of Health and Human Services and appointed by the Secretary—no new appointment will be made.

The Department of Labor is committed to equal opportunity in the workplace and seeks broad-based and diverse ACCSH membership. Any interested person or organization may nominate one or more individuals for membership on ACCSH. Interested persons also are invited and encouraged to submit statements in support of nominees.

Submission requirements: Nominations must include the following information:

• Nominee's contact information and current employment or position;

• Nominee's résumé or curriculum vitae, including prior membership on ACCSH and other relevant organizations and associations;

• Category of membership (employer, employee, public, State safety and health agency) that the nominee is qualified to represent;

• A summary of the background, experience, and qualifications that addresses the nominee's suitability for each of the nominated membership categories;

• Articles or other documents the nominee has authored that indicate the nominee's knowledge, experience, and expertise in occupational safety and health, particularly as it pertains to the construction industry; and

• A statement that the nominee is aware of the nomination, is willing to regularly attend and participate in ACCSH meetings, and has no conflicts of interest that would preclude membership on ACCSH.

• A letter signed by the nominee, stating: ''In agreeing to serve as a member of the Advisory Committee on Construction Safety and Health (ACCSH), I attest to the following: During the last 10 years, I have not been convicted of a felony, or been imprisoned, been on probation, or been on parole, for a felony; and I am not currently under charges for a felony. I certify that, to the best of my knowledge and belief, the above-information on this Self-Certification is true, correct, complete, and made in good faith.''

Member selection: The Secretary will select ACCSH members on the basis of their experience, knowledge, and competence in the field of occupational safety and health, particularly as it pertains to the construction industry. Information received through this nomination process, in addition to other relevant sources of information, will assist the Secretary in appointing members to ACCSH. In selecting ACCSH members, the Secretary will consider individuals nominated in response to this **Federal Register** notice, as well as other qualified individuals.

Instructions for submitting nominations: All nominations, supporting documents, attachments, and other materials must identify the Agency name and the docket number for this **Federal Register** notice (Docket No. OSHA–2014–0007). Submit materials electronically, by FAX, or by hard copy. You may supplement electronic submissions by attaching electronic files. If you supplement electronic submissions with hard-copy documents, submit the hard copy documents to the OSHA Docket Office and clearly identify the electronic submission by Agency name and docket number (Docket No. OSHA–2014–0007) so the Docket Office can attach the hard-copy documents to the appropriate electronic submission.

The OSHA Docket Office will post all submissions, including personal information provided, in the docket without change. Therefore, OSHA cautions interested parties about submitting personal information such as Social Security numbers and birthdates. Guidance on submitting nominations and supporting materials is available on-line at *http://www.regulations.gov* and from the OSHA Docket Office.

Access to docket: The *http://www.regulations.gov* index lists all submissions provided in response to this **Federal Register** notice; however, some information (e.g., copyrighted material) is not publicly available to read or download from that Web page. All submissions, including materials not available on-line, are available for inspection and copying at the OSHA Docket Office. For information about accessing materials in Docket No. OSHA–2014–0007, including materials not available on-line, contact the OSHA Docket Office.

Authority and Signature

David Michaels, Ph.D., MPH, Assistant Secretary of Labor for Occupational Safety and Health, directed the preparation of this notice under the authority granted by 29 U.S.C. 656; 40 U.S.C. 3704; 5 U.S.C. App. 2; 29 CFR parts 1911 and 1912; 41 CFR 102–3; and Secretary of Labor's Order No. 1–2012 (77 FR 3912, Jan. 25, 2012).

Signed at Washington, DC on October 28, 2014.

David Michaels,

Assistant Secretary of Labor for Occupational Safety and Health.

[FR Doc. 2014–25960 Filed 10–31–14; 8:45 am]

BILLING CODE 4510–26–P

EXECUTIVE OFFICE OF THE PRESIDENT

Office of National Drug Control Policy

Removal of 5 Counties as High Intensity Drug Trafficking Areas

AGENCY: Office of National Drug Control Policy.

ACTION: Notice of removal of HIDTA county designation.

SUMMARY: The Director of the Office of National Drug Control Policy (ONDCP) removed 5 counties as High Intensity Drug Trafficking Areas (HIDTA) counties pursuant to 21 U.S.C. 1706, effective September 29, 2014. The 5 counties removed from HIDTA county designation within the Appalachia HIDTA are (1) Cumberland and Clinton Counties in Kentucky; (2) Clay and White Counties in Tennessee; and (3) Mason County in West Virginia. The Executive Board of the Appalachia HIDTA requested removal of these counties from designation after assessing the threat and determining that these counties no longer met the statutory criteria necessary for designation as HIDTA counties. ONDCP evaluated and accepted the request.

FOR FURTHER INFORMATION CONTACT: Questions regarding this notice should be directed to Michael K. Gottlieb, National HIDTA Program Director, Office of National Drug Control Policy, Executive Office of the President, Washington, DC 20503; (202) 395–4868.

Dated: October 27, 2014.

Daniel Rader,

Deputy General Counsel.

[FR Doc. 2014–25994 Filed 10–31–14; 8:45 am]

BILLING CODE 3280–F5–P

NUCLEAR REGULATORY COMMISSION

[Docket No. 40–8838; License No. SUB–1435; NRC–2014–0097]

Jefferson Proving Ground License Amendment Application for Source Materials License

AGENCY: Nuclear Regulatory Commission.

ACTION: Intent to prepare an environmental impact statement and conduct scoping process; public meeting and request for comment.

SUMMARY: The U.S. Army (Army) submitted a license amendment application, dated August 28, 2013, to the U.S. Nuclear Regulatory Commission (NRC), which included a Decommissioning Plan (DP) and an Environmental Report (ER). The Army submitted the DP and ER in support of its request that the NRC terminate Materials License SUB–1435 for the Depleted Uranium Impact Area at the Jefferson Proving Ground in Madison, Indiana, under restricted conditions.

The NRC, in accordance with the National Environmental Policy Act of 1969, as amended (NEPA), and the NRC's regulations, announces its intent to prepare an Environmental Impact Statement (EIS) to evaluate the potential environmental impacts of the proposed license termination and to conduct a scoping process for the EIS. The NRC invites and encourages members of the public to submit comments on the appropriate scope of issues to be considered in, and the content of the EIS.

DATES: Submit comments by December 18, 2014. Comments received after this date will be considered if it is practical to do so, but the NRC is able to ensure consideration only for comments received before this date.

In addition, the NRC will conduct a public scoping meeting in Madison, Indiana, to assist in defining the appropriate scope of the EIS, and to help identify the significant environmental issues that need to be addressed in detail. The meeting will be transcribed to record the NRC staff presentations and public comments. The meeting date, time, and location are listed below:

Meeting Date: December 3, 2014.

Meeting Time: 7:00 p.m. to 10:00 p.m. (In addition, the NRC staff will host informal discussions for 1 hour prior to the start of the public meeting.)

Meeting Location: The Livery Stable, 309 Broadway Street, Madison, Indiana 47250.

ADDRESSES: You may submit comments by any of the following methods (unless this document describes a different method for submitting comments on a specific subject):

- *Federal Rulemaking Web site*: Go to *http://www.regulations.gov* and search for Docket ID NRC–2014–0097. Address questions about NRC dockets to Carol Gallagher; telephone: 301–287–3422; email: *Carol.Gallagher@nrc.gov.* For technical questions, contact the individual listed in the **FOR FURTHER INFORMATION CONTACT** section of this document.
- *Mail comments to*: Cindy Bladey, Office of Administration, Mail Stop: 3WFN–06–A44M, 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.

FOR FURTHER INFORMATION CONTACT: Stephen Lemont, Office of Nuclear Material Safety and Safeguards, telephone: 301–415–5163, email: *Stephen.Lemont@nrc.gov*, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001.

SUPPLEMENTARY INFORMATION:

I. Obtaining Information and Submitting Comments

A. Obtaining Information

Please refer to Docket ID NRC–2014–0097 when contacting the NRC about the availability of information regarding this action. You may obtain information related to this action by any of the following methods:

- *Federal Rulemaking Web site*: Go to *http://www.regulations.gov* and search for Docket ID NRC–2014–0097.
- *NRC's Agencywide Documents Access and Management System (ADAMS)*: You may obtain publicly-available documents online in the ADAMS Public Document collection at *http://www.nrc.gov/reading-rm.html.* To begin the search, select ''ADAMS Public Documents'' and then select ''Begin Web-based ADAMS Search.'' For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1–800–397–4209, 301–415–4737, or by email to *pdr.resource@nrc.gov.* The ADAMS accession number for each document referenced (if it is available in ADAMS) is provided the first time that it is mentioned in the **SUPPLEMENTARY INFORMATION** section.
- *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.
- *Jefferson County Public Library*: Documents are also available for public viewing at the Madison Branch of the Jefferson County Public Library, located at 420 W. Main Street, Madison, Indiana 47250.

B. Submitting Comments.

Please include Docket ID NRC–2014–0097 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. The NRC will post all comment submissions at *http://www.regulations.gov* as well as enter the comment submissions into ADAMS, and the NRC does not routinely edit comment submissions to remove identifying or contact information.

If you are requesting or aggregating comments from other persons for submission to the NRC, 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 the NRC does not routinely edit comment submissions to remove such information before making the comment submissions available to the public or entering the comment into ADAMS.

II. Additional Information

A. Background

The NRC received, by letter dated August 28, 2013 (ADAMS accession number ML13247A549), the Army's application in support of its request to terminate Materials License SUB–1435 under restricted conditions, in accordance with section 20.1043 of Title 10 of the Code of Federal Regulations (10 CFR). Materials License SUB–1435 authorizes the licensee to possess depleted uranium (DU) [1] at Jefferson Proving Ground (JPG), kept onsite in the restricted area known as the ''Depleted Uranium Impact Area.''

JPG is located in Jefferson, Jennings, and Ripley Counties in southeastern Indiana. The DU Impact Area at JPG is located entirely within Jefferson County.

[1] Depleted uranium (DU) is uranium with a percentage of the uranium-235 isotope lower than the 0.7 percent (by mass) contained in natural uranium. (The normal residual uranium-235 content in DU is 0.2–0.3 percent, with the uranium-238 isotope comprising the remaining 98.7–98.8 percent.)

JPG was established in 1941, and was used by the Army as a proving ground between 1941 and 1995 for the test firing of a wide variety of conventional munitions. A firing line with 268 fixed-gun positions was used to test munitions. Approximately 1.5 million rounds did not detonate upon impact, remaining as unexploded ordnance (UXO) either on or beneath the ground surface. An additional 3 to 5 million rounds with live detonators, primers, or fuzes remain onsite north of the firing line.

As part of its munitions testing program at JPG, the Army test fired DU projectiles into the DU Impact Area, which is also located north of the firing line. The DU proof test firings were conducted under NRC Materials License SUB–1435. The test firing of DU projectiles began on March 18, 1984, and concluded on May 2, 1994. Approximately 100,000 kilograms (kg) (220,462 pounds [lb]) of DU projectiles were fired at soft targets in the 8.4-square kilometer (km^2) (2,080-acre [ac]) DU Impact Area. Approximately 26,500 kg (58,423 lb) of DU projectiles and projectile fragments were recovered during periodic surface sweeps of the DU Impact Area. Approximately 73,500 kg (162,040 lb) of DU remain in the DU Impact Area. Also, specifically within the DU Impact Area, a ''very high'' density of high-explosive UXO (i.e., 85 UXO/acre) is suspected by the Army to be present.

The U.S. Fish and Wildlife Service (FWS) established the Big Oaks National Wildlife Refuge (NWR) at JPG in the area north of the firing line in June 2000. Under a negotiated Memorandum of Agreement between the Army, U.S. Air Force, and FWS, the Army retains ownership of the land and FWS operates the NWR on a 25-year lease with 10-year renewal options. The Big Oaks NWR encompasses approximately 206 km^2 (51,000 ac), including the DU Impact Area. Access to approximately 97 km^2 (24,000 ac) of land is restricted by the FWS within the refuge primarily because of the occurrence of high levels of UXO, but also because of both UXO and DU in and near the DU Impact Area.

The Army submitted a DP and an ER to the NRC in support of its request to terminate Materials License SUB–1435. Specifically, the Army proposes to decommission the DU Impact Area at the JPG facility under restricted conditions, leaving the DU and UXO in place, while the Army continues to maintain institutional controls in the area north of the firing line at JPG (which includes the DU Impact Area), based on Army ownership of the land and the existence of DU and UXO. According to the Army, since the DU is commingled with UXO, cleanup of the DU would be both hazardous and expensive. Institutional controls include physical access restrictions to prevent unauthorized entry into the area (e.g., perimeter chain-link fence with pad locked chain-link fence gates, security warning signs placed around the property to caution persons not to enter), as well as legal controls (e.g., the Army as an agency of the Federal Government and an enduring entity retains property ownership of JPG north of the firing line) and administrative controls (e.g., restricted and limited public access and hunting prohibitions) over the DU Impact Area.

A notice of receipt of the application, solicitation of comments, and opportunity to request a hearing and petitions for leave to intervene was published in the **Federal Register** on April 28, 2014 (79 FR 23384). The NRC staff intends to prepare an EIS, to include conducting a scoping process, to evaluate the potential environmental impacts of the proposed action and alternatives to the proposed action.

B. Alternatives To Be Evaluated

The alternatives identified below will be evaluated in the EIS. Other alternatives not listed here may be identified through the scoping process.

No-Action—Under the no-action alternative, NRC Materials License SUB–1435 would remain in effect. Licensed material would remain in the DU Impact Area; the Army's semi-annual Environmental Radiation Monitoring program for surface soil, groundwater, surface water, and sediment and associated reporting would continue; and the Army's existing Radiation Safety Plan would continue to be implemented to minimize unauthorized entries into the DU Impact Area. The no-action alternative serves as a baseline for comparison with other alternatives.

Proposed Action—The proposed action is for the NRC to terminate Materials License SUB–1435 subject to the Army's commitments for institutional controls in the area north of the firing line at JPG, which includes the DU Impact Area. The material currently in the DU Impact Area would remain in place. Concurrent with license termination, the Army would discontinue implementation of its present Environmental Radiation Monitoring program.

C. Environmental Impact Areas To Be Analyzed

The following areas have been tentatively identified for detailed analysis in the EIS:

- *Land Use:* Plans, policies, and controls;
- *Geology and Soils:* Physical geography, topography, geology, and soil characteristics;
- *Water Resources:* Surface and groundwater hydrology, water use and quality, and the potential for degradation;
- *Ecological Resources:* Wetlands, aquatic and terrestrial, economically and recreationally; important species; and threatened and endangered species;
- *Air Quality:* Meteorological and climatological conditions, ambient background, pollutant sources, and the potential for degradation;
- *Environmental Justice:* Potential disproportionately high and adverse impacts to minority and low-income populations;
- *Public and Occupational Health:* Potential public and occupational health consequences from normal, expected case scenarios and abnormal or accidental scenarios; and
- *Cumulative Effects:* Potential impacts in the above areas resulting from the incremental impacts of the proposed action when added to the impacts of other past, present and reasonably foreseeable future actions at and near the site.

This list is not intended to be all inclusive, nor is it a predetermination of potential environmental impacts. The list is presented to facilitate comments on the scope of the EIS. Additions to, or deletions from, this list may occur as a result of the public scoping process. For example, additional areas for possible detailed consideration in the EIS may include one or more of the following: transportation, noise, historic and cultural resources, visual and scenic resources, socioeconomics, waste management.

D. Scoping Process and Scoping Meeting

The NRC encourages public involvement in the EIS process and solicits public comments on the scope and content of the EIS. Scoping is an early and open process designed to determine the range of issues, alternatives, and potential environmental impacts to be considered in the EIS and to identify the significant issues related to the proposed action. It is intended to solicit input from the public and governmental and private sector agencies/organizations so that the analysis can be more clearly focused on

issues of genuine concern. The principal goals of the scoping process are to:

- Ensure that important issues and concerns are identified early and are properly studied;
- Identify alternatives to be examined;
- Identify significant issues to be analyzed;
- Eliminate unimportant issues from detailed consideration; and
- Identify public concerns.

In addition to submission of written comments as described in the **ADDRESSES** section of this notice, the NRC scoping process will include a transcribed public scoping meeting, to be held on December 3, 2014, at The Livery Stable in Madison, Indiana, to solicit both oral and written comments from interested parties. The meeting will convene at 7:00 p.m. and will continue until approximately 10:00 p.m. In addition, the NRC staff will host informal discussions for 1 hour prior to the start of the public meeting. No formal oral comments on the proposed scope of the EIS will be accepted during the informal discussions.

During the public meeting, a description of the NRC's role and mission and an overview of the license termination safety review process and of the environmental review process will be provided. Time will be allotted for attendees to make oral comments. To be considered, comments must be provided either at the transcribed public meeting or in writing.

Persons may register to attend or present oral comments at the scoping meeting by contacting Antoinette Walker-Smith at 301–415–6390, or by email to *Antoinette.Walker-Smith@nrc.gov,* no later than November 21, 2014. Members of the public may also register to attend or to speak at the meeting location prior to the start of the session. Individual oral comments may be limited by the time available, depending on the number of persons who register. Members of the public who have not registered may also have an opportunity to speak, if time permits. If special equipment or accommodations are needed to attend or present information at the public meeting, please contact Antoinette Walker-Smith no later than November 21, 2014, so that the NRC staff can determine whether the request can be accommodated.

At the conclusion of the scoping process, the NRC staff will prepare a summary of public comments regarding the scope of the environmental review and significant issues identified. The NRC staff will send this summary to each participant in the scoping process for whom the staff has an address. Also, this summary and other project-related material will be available for public review in ADAMS at *http://www.nrc.gov/reading-rm/adams.html.*

E. The NEPA Process

The EIS for the proposed JPG DU Impact Area license termination will be prepared pursuant to NEPA and the NRC's NEPA-implementing regulations at 10 CFR Part 51. After the scoping process is complete, the NRC staff will prepare a draft EIS. There will be a 45-day comment period on the draft EIS and a public meeting to receive comments. Availability of the draft EIS, the dates of the public comment period, and information about the public meeting will be announced in the **Federal Register**, the local news media, and the NRC Web site: (*http://www.nrc.gov*). The final EIS will be prepared based on consideration of any comments received on the draft EIS and will include responses to the comments received.

Dated at Rockville, Maryland, this 24th day of October, 2014.

For the Nuclear Regulatory Commission.

Marissa Bailey,

Director, Division of Fuel Cycle Safety, Safeguards, and Environmental Review, Office of Nuclear Material Safety and Safeguards.

[FR Doc. 2014–26060 Filed 10–31–14; 8:45 am]

BILLING CODE 7590–01–P

NUCLEAR REGULATORY COMMISSION

[Docket Nos. 52–027 and 52–028; NRC–2008–0441]

Virgil C. Summer Nuclear Station, Units 2 and 3; South Carolina Electric & Gas Company; Tier 1 Editorial and Consistency Changes

AGENCY: Nuclear Regulatory Commission.

ACTION: Exemption and combined license amendment; issuance.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) is granting an exemption to allow a departure from the certification information of Tier 1 of the generic design control document (DCD) and issuing License Amendment No. 15 to Combined Licenses (COL), NPF–93 and NPF–94. The COLs were issued to South Carolina Electric & Gas Company (SCE&G), and South Carolina Public Service Authority (the licensee), for construction and operation of the Virgil C. Summer Nuclear Station (VCSNS), Units 2 and 3 located in Fairfield County, South Carolina. The amendment consists of changes to Figure 2.2.5–1, Tables; 2.6.3–4, 3.5–3, 3.5–7, 2.2.3–1, 3.5–1, 3.3–6, 2.7.1–4, 2.6.6–1, 2.2.3–4, 2.3.10–2, and 2.1.1–1, and Section 3.2, Item 1.e) of Appendix C to the COLs. The granting of the exemption allows the changes to Tier 1 information asked for in the amendment. Because the acceptability of the exemption was determined in part by the acceptability of the amendment, the exemption and amendment are being issued concurrently.

ADDRESSES: Please refer to Docket ID NRC–2008–0441 when contacting the NRC about the availability of information regarding this document. You may obtain information related to this document, which the NRC possesses and is publicly-available, using any of the following methods:

- *Federal Rulemaking Web site:* Go to *http://www.regulations.gov* and search for Docket ID NRC–2008–0441. Address questions about NRC dockets to Carol Gallagher; telephone: 301–287–3422; email: *Carol.Gallagher@nrc.gov.* For technical questions, contact the individual listed in the **FOR FURTHER INFORMATION CONTACT** section of this document.
- *NRC's Agencywide Documents Access and Management System (ADAMS):* You may obtain publicly-available documents online in the NRC Library at *http://www.nrc.gov/reading-rm/adams.html.* To begin the search, select ''ADAMS Public Documents'' and then select ''Begin Web-based ADAMS Search.'' For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1–800–397–4209, 301–415–4737, or by email to *pdr.resource@nrc.gov.* The ADAMS accession number for each document referenced in this document (if that document is available in ADAMS) is provided the first time that a document is referenced. The request for the amendment and exemption was submitted by the letter dated July 2, 2013 (ADAMS Accession No. ML13189A285). The licensee supplemented this request by letter dated September 26, 2013 (ADAMS Accession No. ML13273A394).
- *NRC's PDR:* You may examine and purchase copies of public documents at the NRC's PDR, Room O1–F21, One White Flint North, 11555 Rockville Pike, Rockville, Maryland 20852.

FOR FURTHER INFORMATION CONTACT: Denise McGovern, Office of New Reactors, U.S. Nuclear Regulatory Commission, Washington, DC 20555–0001; telephone: 301–415–0681; email: *Denise.Mcgovern@nrc.gov.*

SUPPLEMENTARY INFORMATION:

I. Introduction

The NRC is granting an exemption from the provisions of Title 10 of the *Code of Federal Regulations* (10 CFR) Part 52, Appendix D, Section III.B, ''Design Certification Rule for the AP1000 Design, Scope, and Contents and issuing License Amendment No. 15 to COLs, NPF–93 and NPF–94, to the licensee. The exemption is required by Paragraph B.6.c of Section VIII, ''Processes for Changes and Departures,'' Appendix D to 10 CFR Part 52 to allow the licensee to depart from Tier 1 information. With the requested amendment, the licensee sought changes to the UFSAR Tier 1 and Appendix C to the COL.

Part of the justification for granting the exemption was provided by the review of the amendment. Because the exemption is necessary in order to issue the requested license amendment, the NRC granted the exemption and issued the amendment concurrently, rather than in sequence. This included issuing a combined safety evaluation containing the NRC staff's review of both the exemption request and the license amendment. The exemption met all applicable regulatory criteria set forth in 10 CFR 50.12, 10 CFR 52.7, and 52.63(b)(1). The license amendment was found to be acceptable as well. The combined safety evaluation is available in ADAMS under Accession No. ML14182A574.

Identical exemption documents (except for referenced unit numbers and license numbers) were issued to the licensee for VCSNS Units 2 and 3 (COLs NPF–93 and NPF–94). These documents can be found in ADAMS under Accession Nos. ML14182A516 and ML14182A541, respectively. The exemption is reproduced (with the exception of abbreviated titles and additional citations) in Section II of this document. The amendment documents for COLs NPF–93 and NPF–94 are available in ADAMS under Accession Nos. ML14182A451 and ML14182A509, respectively. A summary of the amendment documents is provided in Section III of this document.

II. Exemption

Reproduced below is the exemption document issued to VCSNS, Units 2 and 3. It makes reference to the combined safety evaluation that provides the reasoning for the findings made by the NRC (and listed under Item 1) in order to grant the exemption:

1. In a letter dated July 2, 2013 and as supplemented by the letter dated September 26, 2013, South Carolina Electric & Gas Company (licensee) requested from the Nuclear Regulatory Commission (Commission) an exemption from the provisions of Title 10 of the *Code of Federal Regulations* (10 CFR) Part 52, Appendix D, Section III.B, ''Design Certification Rule for the AP1000 Design, Scope, and Contents,'' as part of license amendment request (LAR 13–25), ''Tier 1 Editorial and Consistency Changes.''

For the reasons set forth in Section 3.1 of the NRC staff Safety Evaluation, which can be found in ADAMS under Accession No. ML14182A574, the Commission finds that:

A. The exemption is authorized by law;

B. the exemption presents no undue risk to public health and safety;

C. the exemption is consistent with the common defense and security;

D. special circumstances are present in that the application of the rule in this circumstance is not necessary to serve the underlying purpose of the rule;

E. the special circumstances outweigh any decrease in safety that may result from the reduction in standardization caused by the exemption; and

F. the exemption will not result in a significant decrease in the level of safety otherwise provided by the design.

2. Accordingly, the licensee is granted an exemption to the provisions of 10 CFR Part 52, Appendix D, Section III.B, to allow deviations from the certified Design Control Document (DCD) Tier 1 Figure 2.2.5–1, Tables; 2.6.3–4, 3.5–3, 3.5–7, 2.2.3–1, 3.5–1, 3.3–6, 2.7.1–4, 2.6.6–1, 2.2.3–4, 2.3.10–2, and 2.1.1–1, and Section 3.2, Item 1.e), as described in the licensee's request dated July 2, 2013 and supplemented on September 26, 2013. This exemption is related to, and necessary for the granting of License Amendment No. 15, which is being issued concurrently with this exemption.

3. As explained in Section 5.0 of the NRC staff Safety Evaluation (ADAMS Accession No. ML14182A574), this exemption meets the eligibility criteria for categorical exclusion set forth in 10 CFR 51.22(c)(9). Therefore, pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment needs to be prepared in connection with the issuance of the exemption.

4. This exemption is effective as of July 31, 2014.

III. License Amendment Request

The request for the amendment and exemption was submitted by the letter dated July 2, 2013 (ADAMS Accession No. ML13189A285). The licensee supplemented this request by letter dated September 26, 2013 (ADAMS Accession No. ML13273A394). The proposed license amendment request revises Figure 2.2.5–1, Tables; 2.6.3–4, 3.5–3, 3.5–7, 2.2.3–1, 3.5–1, 3.3–6, 2.7.1–4, 2.6.6–1, 2.2.3–4, 2.3.10–2, and 2.1.1–1, and Section 3.2, Item 1.e of Appendix C to the COLs.

The Commission has determined for these amendments that the application complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations. The Commission has made appropriate findings as required by the Act and the Commission's rules and regulations in 10 CFR Chapter I, which are set forth in the license amendment.

A notice of consideration of issuance of amendment to facility operating license or combined license, as applicable, proposed no significant hazards consideration determination, and opportunity for a hearing in connection with these actions, was published in the **Federal Register** on October 1, 2013 (78 FR 60321). No comments were received during the 60-day comment period.

The Commission has determined that these amendments satisfy the criteria for categorical exclusion in accordance with 10 CFR 51.22(c)(9). Therefore, pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment need be prepared for these amendments.

IV. Conclusion

Using the reasons set forth in the combined safety evaluation, the staff granted the exemption and issued the amendment that the licensee requested on July 2, 2013, and supplemented by letter dated September 26, 2013. The exemption and amendment were issued on July 31, 2014 as part of a combined package to the licensee (ADAMS Accession No. ML14182A432).

Dated at Rockville, Maryland, this 27th day of October 2014.

For the Nuclear Regulatory Commission.

Denise L. McGovern,

Senior Project Manager, Licensing Branch 4, Division of New Reactor Licensing, Office of New Reactors.

[FR Doc. 2014–26063 Filed 10–31–14; 8:45 am]

BILLING CODE 7590–01–P

NUCLEAR REGULATORY COMMISSION

[NRC–2014–0001]

Sunshine Act Meeting Notice

DATE: Weeks of November 3, 10, 17, 24, December 1, 8, 2014.

PLACE: Commissioners' Conference Room, 11555 Rockville Pike, Rockville, Maryland.

STATUS: Public and Closed.

Week of November 3, 2014

Wednesday, November 5, 2014

1:00 p.m. Briefing on Small Modular Reactors (Public Meeting) (Contact: Rollie D. Berry, III, 301–415–8162)

This meeting will be webcast live at the Web address—*http://www.nrc.gov/*.

Week of November 10, 2014—Tentative

Thursday, November 13, 2014

9:30 a.m. Strategic Programmatic Overview of the Nuclear Material Users and the Fuel Facilities Business Lines (Public Meeting) (Contact: Cinthya Roman, 301–287–9091)

This meeting will be webcast live at the Web address—*http://www.nrc.gov/*.

1:30 p.m. Discussion of Management and Personnel Issues (Closed—Ex. 2 and 6)

2:45 p.m. Discussion of International Activities (Closed—Ex. 9)

Week of November 17, 2014—Tentative

Thursday, November 20, 2014

9:30 a.m. Briefing on Project Aim 2020 (Closed—Ex. 2)

Week of November 24, 2014—Tentative

There are no meetings scheduled for the week of November 24, 2014.

Week of December 1, 2014—Tentative

There are no meetings scheduled for the week of December 1, 2014.

Week of December 8, 2014—Tentative

Thursday, December 11, 2014

9:30 a.m. Briefing on Equal Employment Opportunity, Diversity, and Small Business Programs (Public Meeting) (Contact: Larniece McKoy Moore, 301–415–1942)

This meeting will be webcast live at the Web address—*http://www.nrc.gov/*.

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The schedule for Commission meetings is subject to change on short notice. For more information or to verify the status of meetings, contact Glenn Ellmers at (301) 415–0442 or via email at *Glenn.Ellmers@nrc.gov.*

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The NRC Commission Meeting Schedule can be found on the Internet at: *http://www.nrc.gov/public-involve/public-meetings/schedule.html.*

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The NRC provides reasonable accommodation to individuals with disabilities where appropriate. If you need a reasonable accommodation to participate in these public meetings, or need this meeting notice or the transcript or other information from the public meetings in another format (e.g. braille, large print), please notify Kimberly Meyer, NRC Disability Program Manager, at 301–287–0727, by videophone at 240–428–3217, or by email at *Kimberly.Meyer-Chambers@nrc.gov*. Determinations on requests for reasonable accommodation will be made on a case-by-case basis.

* * * * *

Members of the public may request to receive this information electronically. If you would like to be added to the distribution, please contact the Office of the Secretary, Washington, DC 20555 (301–415–1969), or send an email to *Patricia.Jimenez@nrc.gov* or *Brenda.Akstulewicz@nrc.gov*

Dated: October 30, 2014.

Glenn Ellmers,

Policy Coordinator, Office of the Secretary.

[FR Doc. 2014–26211 Filed 10–30–14; 4:15 pm]

BILLING CODE 7590–01–P

POSTAL REGULATORY COMMISSION

[Docket Nos. MC2015–4 and CP2015–5; Order No. 2230]

New Postal Product

AGENCY: Postal Regulatory Commission.

ACTION: Notice.

SUMMARY: The Commission is noticing a recent Postal Service filing concerning an addition of Priority Mail Contract 96 to the competitive product list. This notice informs the public of the filing, invites public comment, and takes other administrative steps.

DATES: *Comments are due:* November 4, 2014.

ADDRESSES: Submit comments electronically via the Commission's Filing Online system at *http://www.prc.gov.* Those who cannot submit comments electronically should contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section by telephone for advice on filing alternatives.

FOR FURTHER INFORMATION CONTACT: David A. Trissell, General Counsel, at 202–789–6820.

SUPPLEMENTARY INFORMATION:

Table of Contents

I. Introduction
II. Notice of Commission Action
III. Ordering Paragraphs

I. Introduction

In accordance with 39 U.S.C. 3642 and 39 CFR 3020.30 *et seq.,* the Postal Service filed a formal request and associated supporting information to add Priority Mail Contract 96 to the competitive product list.[1]

The Postal Service contemporaneously filed a redacted contract related to the proposed new product under 39 U.S.C. 3632(b)(3) and 39 CFR 3015.5. *Id.* Attachment B.

To support its Request, the Postal Service filed a copy of the contract, a copy of the Governors' Decision authorizing the product, proposed changes to the Mail Classification Schedule, a Statement of Supporting Justification, a certification of compliance with 39 U.S.C. 3633(a), and an application for non-public treatment of certain materials. It also filed supporting financial workpapers.

II. Notice of Commission Action

The Commission establishes Docket Nos. MC2015–4 and CP2015–5 to consider the Request pertaining to the proposed Priority Mail Contract 96 product and the related contract, respectively.

The Commission invites comments on whether the Postal Service's filings in the captioned dockets are consistent with the policies of 39 U.S.C. 3632, 3633, or 3642, 39 CFR part 3015, and 39 CFR part 3020, subpart B. Comments are due no later than November 4, 2014. The public portions of these filings can be accessed via the Commission's Web site (*http://www.prc.gov*).

The Commission appoints Cassie Dsouza to serve as Public Representative in these dockets.

III. Ordering Paragraphs

It is ordered:

1. The Commission establishes Docket Nos. MC2015–4 and CP2015–5 to consider the matters raised in each docket.

2. Pursuant to 39 U.S.C. 505, Cassie Dsouza is appointed to serve as an officer of the Commission to represent the interests of the general public in these proceedings (Public Representative).

3. Comments are due no later than November 4, 2014.

4. The Secretary shall arrange for publication of this order in the **Federal Register**.

[1] Request of the United States Postal Service to Add Priority Mail Contract 96 to Competitive Product List and Notice of Filing (Under Seal) of Unredacted Governors' Decision, Contract, and Supporting Data, October 27, 2014 (Request).

By the Commission.

Shoshana M. Grove,

Secretary.

[FR Doc. 2014–26017 Filed 10–31–14; 8:45 am]

BILLING CODE 7710–FW–P

POSTAL REGULATORY COMMISSION

[Docket Nos. MC2015–6 and CP2015–7; Order No. 2229]

New Postal Product

AGENCY: Postal Regulatory Commission.

ACTION: Notice.

SUMMARY: The Commission is noticing a recent Postal Service filing concerning an addition of Priority Mail Contract 98 to the competitive product list. This notice informs the public of the filing, invites public comment, and takes other administrative steps.

DATES: *Comments are due:* November 4, 2014.

ADDRESSES: Submit comments electronically via the Commission's Filing Online system at *http://www.prc.gov.* Those who cannot submit comments electronically should contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section by telephone for advice on filing alternatives.

FOR FURTHER INFORMATION CONTACT: David A. Trissell, General Counsel, at 202–789–6820.

SUPPLEMENTARY INFORMATION:

Table of Contents

I. Introduction
II. Notice of Commission Action
III. Ordering Paragraphs

I. Introduction

In accordance with 39 U.S.C. 3642 and 39 CFR 3020.30 *et seq.,* the Postal Service filed a formal request and associated supporting information to add Priority Mail Contract 98 to the competitive product list.[1]

The Postal Service contemporaneously filed a redacted contract related to the proposed new product under 39 U.S.C. 3632(b)(3) and 39 CFR 3015.5. *Id.* Attachment B.

To support its Request, the Postal Service filed a copy of the contract, a copy of the Governors' Decision authorizing the product, proposed changes to the Mail Classification Schedule, a Statement of Supporting Justification, a certification of compliance with 39 U.S.C. 3633(a), and an application for non-public treatment of certain materials. It also filed supporting financial workpapers.

II. Notice of Commission Action

The Commission establishes Docket Nos. MC2015–6 and CP2015–7 to consider the Request pertaining to the proposed Priority Mail Contract 98 product and the related contract, respectively.

The Commission invites comments on whether the Postal Service's filings in the captioned dockets are consistent with the policies of 39 U.S.C. 3632, 3633, or 3642, 39 CFR part 3015, and 39 CFR part 3020, subpart B. Comments are due no later than November 4, 2014. The public portions of these filings can be accessed via the Commission's Web site (*http://www.prc.gov*).

The Commission appoints Kenneth R. Moeller to serve as Public Representative in these dockets.

III. Ordering Paragraphs

It is ordered:

1. The Commission establishes Docket Nos. MC2015–6 and CP2015–7 to consider the matters raised in each docket.

2. Pursuant to 39 U.S.C. 505, Kenneth R. Moeller is appointed to serve as an officer of the Commission to represent the interests of the general public in these proceedings (Public Representative).

3. Comments are due no later than November 4, 2014.

4. The Secretary shall arrange for publication of this order in the **Federal Register**.

By the Commission.

Shoshana M. Grove,

Secretary.

[FR Doc. 2014–25978 Filed 10–31–14; 8:45 am]

BILLING CODE 7710–FW–P

POSTAL REGULATORY COMMISSION

[Docket Nos. MC2015–5 and CP2015–6; Order No. 2228]

New Postal Product

AGENCY: Postal Regulatory Commission.

ACTION: Notice.

SUMMARY: The Commission is noticing a recent Postal Service filing concerning an addition of Priority Mail Contract 97 to the competitive product list. This notice informs the public of the filing, invites public comment, and takes other administrative steps.

DATES: *Comments are due:* November 4, 2014.

ADDRESSES: Submit comments electronically via the Commission's Filing Online system at *http://www.prc.gov.* Those who cannot submit comments electronically should contact the person identified in the **FOR FURTHER INFORMATION CONTACT** section by telephone for advice on filing alternatives.

FOR FURTHER INFORMATION CONTACT: David A. Trissell, General Counsel, at 202–789–6820.

SUPPLEMENTARY INFORMATION:

Table of Contents

I. Introduction
II. Notice of Commission Action
III. Ordering Paragraphs

I. Introduction

In accordance with 39 U.S.C. 3642 and 39 CFR 3020.30 *et seq.,* the Postal Service filed a formal request and associated supporting information to add Priority Mail Contract 97 to the competitive product list.[1]

The Postal Service contemporaneously filed a redacted contract related to the proposed new product under 39 U.S.C. 3632(b)(3) and 39 CFR 3015.5. *Id.* Attachment B.

To support its Request, the Postal Service filed a copy of the contract, a copy of the Governors' Decision authorizing the product, proposed changes to the Mail Classification Schedule, a Statement of Supporting Justification, a certification of compliance with 39 U.S.C. 3633(a), and an application for non-public treatment of certain materials. It also filed supporting financial workpapers.

II. Notice of Commission Action

The Commission establishes Docket Nos. MC2015–5 and CP2015–6 to consider the Request pertaining to the proposed Priority Mail Contract 97 product and the related contract, respectively.

The Commission invites comments on whether the Postal Service's filings in the captioned dockets are consistent with the policies of 39 U.S.C. 3632, 3633, or 3642, 39 CFR part 3015, and 39 CFR part 3020, subpart B. Comments are due no later than November 4, 2014. The public portions of these filings can be accessed via the Commission's Web site (*http://www.prc.gov*).

The Commission appoints Lyudmila Y. Bzhilyanskaya to serve as Public Representative in these dockets.

[1] Request of the United States Postal Service to Add Priority Mail Contract 98 to Competitive Product List and Notice of Filing (Under Seal) of Unredacted Governors' Decision, Contract, and Supporting Data, October 27, 2014 (Request).

[1] Request of the United States Postal Service to Add Priority Mail Contract 97 to Competitive Product List and Notice of Filing (Under Seal) of Unredacted Governors' Decision, Contract, and Supporting Data, October 27, 2014 (Request).

III. Ordering Paragraphs

It is ordered:

1. The Commission establishes Docket Nos. MC2015–5 and CP2015–6 to consider the matters raised in each docket.

2. Pursuant to 39 U.S.C. 505, Lyudmila Y. Bzhilyanskaya is appointed to serve as an officer of the Commission to represent the interests of the general public in these proceedings (Public Representative).

3. Comments are due no later than November 4, 2014.

4. The Secretary shall arrange for publication of this order in the **Federal Register**.

By the Commission.

Shoshana M. Grove,

Secretary.

[FR Doc. 2014–25981 Filed 10–31–14; 8:45 am]

BILLING CODE 7710–FW–P

POSTAL SERVICE

Board of Governors; Sunshine Act Meeting

DATES AND TIMES: Wednesday, November 12, 2014, at 9:30 a.m.; Thursday, November 13, 2014, at 9:30 a.m.; and Friday, November 14, at 8:30 a.m. and 10:00 a.m.

PLACE: Washington, DC, at U.S. Postal Service Headquarters, 475 L'Enfant Plaza, SW., in the Benjamin Franklin Room.

STATUS: Wednesday, November 12, at 9:30 a.m.—Closed, Thursday, November 13, at 9:30 a.m.—Closed; Friday, November 14, at 8:30 a.m.—Open; and at 10:00 a.m.—Closed.

MATTERS TO BE CONSIDERED:

Wednesday, November 12, at 9:30 a.m. (Closed)

1. Financial Matters.
2. Personnel Matters and Compensation Issues.

Thursday, November 13, at 9:30 a.m. (Closed)

1. Strategic Issues.
2. Financial Matters.
3. Pricing.
4. Personnel Matters and Compensation Issues.
5. Governors' Executive Session—Discussion of prior agenda items and Board Governance.

Friday, November 14, at 8:30 a.m. (Open)

1. Remarks of the Chairman of the Board.
2. Remarks of the Postmaster General and CEO.
3. Approval of Minutes of Previous Meetings.
4. Committee Reports.
5. FY2014 10K and Financial Statements.
6. FY2015 IFP and Financing Resolution.
7. FY2016 Appropriations Request.
8. Quarterly Service Performance Report.
9. Approval of Annual Report and Comprehensive Statement.
10. Tentative Agenda for the January 7, 2015, via teleconference.
11. Election of Chairman and Vice Chairman of the Board of Governors.

Friday, November 14, at 10:00 a.m. (Closed—if needed)

1. Continuation of Thursday's closed session agenda.

CONTACT PERSON FOR FURTHER INFORMATION: Julie S. Moore, Secretary of the Board, U.S. Postal Service, 475 L'Enfant Plaza SW., Washington, DC 20260–1000. Telephone: (202) 268–4800.

Julie S. Moore,

Secretary.

[FR Doc. 2014–26109 Filed 10–30–14; 11:15 am]

BILLING CODE 7710–12–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–73448; File No. S7–24–89]

Joint Industry Plan; Order Approving Amendment No. 32 to the Joint Self-Regulatory Organization Plan Governing the Collection, Consolidation and Dissemination of Quotation and Transaction Information for Nasdaq-Listed Securities Traded on Exchanges on an Unlisted Trading Privileges Basis Submitted by the BATS Exchange, Inc., BATS Y-Exchange, Inc., Chicago Board Options Exchange, Incorporated, Chicago Stock Exchange, Inc., EDGA Exchange, Inc., EDGX Exchange, Inc., Financial Industry Regulatory Authority, Inc., International Securities Exchange LLC, NASDAQ OMX BX, Inc., NASDAQ OMX PHLX, Inc., Nasdaq Stock Market LLC, National Stock Exchange, Inc., New York Stock Exchange LLC, NYSE Arca, Inc., and NYSE MKT, LLC

October 28, 2014.

I. Introduction

On September 12, 2014, the Chicago Board Options Exchange, Incorporated, on behalf of the Participants [1] in the Joint Self-Regulatory Organization Plan Governing the Collection, Consolidation, and Dissemination of Quotation and Transaction Information for Nasdaq-Listed Securities Traded on Exchanges on an Unlisted Trading Privileges Basis (''Nasdaq/UTP Plan'' or ''Plan'') filed with the Securities and Exchange Commission (''Commission'') pursuant to Rule 608 [2] under the Securities Exchange Act of 1934 (''Act'') [3] a proposal to amend the Plan [4] to change certain of the voting requirements under the Plan. The proposed amendment was published for comment in the **Federal Register** on October 6, 2014.[5] No comment letters were received in response to the Notice. This order approves the proposal.

II. Description of the Proposal

The amendment proposes to change certain of the voting requirements under the Plan to harmonize the voting requirements under the Plan with the voting requirements under the CTA Plan and the CQ Plan.[6]

This amendment revises the following voting requirements: [7]

- The voting requirement to eliminate an existing fee or to reduce an existing

[1] The Plan Participants (collectively, ''Participants'') are the: BATS Exchange, Inc. (''BATS''); BATS Y-Exchange, Inc. (''BATS Y''); Chicago Board Options Exchange, Incorporated (''CBOE''); Chicago Stock Exchange, Inc. (''CHX''); EDGA Exchange, Inc. (''EDGA''); EDGX Exchange, Inc. (''EDGX''); Financial Industry Regulatory Authority, Inc. (''FINRA''); International Securities Exchange LLC (''ISE''); NASDAQ OMX BX, Inc. (''BX''); NASDAQ OMX PHLX, Inc. (''PHLX''); Nasdaq Stock Market LLC (''Nasdaq''); National Stock Exchange, Inc. (''NSX''); New York Stock Exchange LLC (''NYSE''); NYSE Amex, Inc. (''NYSEAmex''); and NYSE Arca, Inc. (''NYSEArca'').

[2] 17 CFR 240.608.

[3] 15 U.S.C. 78k–1.

[4] The Plan governs the collection, processing, and dissemination on a consolidated basis of quotation information and transaction reports in Eligible Securities for each of its Participants. This consolidated information informs investors of the current quotation and recent trade prices of Nasdaq securities. It enables investors to ascertain from one data source the current prices in all the markets trading Nasdaq securities. The Plan serves as the required transaction reporting plan for its Participants, which is a prerequisite for their trading Eligible Securities. *See* Securities Exchange Act Release No. 55647 (April 19, 2007) 72 FR 20891 (April 26, 2007).

[5] *See* Securities Exchange Act Release No. 73239 (September 26, 2014), 79 FR 60203 (''Notice'').

[6] *See* Securities Exchange Act Release No. 73285 (October 1, 2014), 79 FR 60555 (October 7, 2014), Notice of SR–CTA/CQ–2014–02, proposing to amend the voting requirements to: Raise, lower, add and eliminate fees, and amend the capacity planning process.

[7] The Notice stated that the amendment changed the vote requirement for establishing procedures to select a new processor from unanimity to a two-thirds majority vote. However, the Commission has been informed by the attorney for the UTP Plan that the Participants did not vote on this change, therefore, the change is not included in this order. Email from Steven J. Abrams to Katherine A. England, SEC, dated October 28, 2014.

fee, from unanimity to the affirmative vote of two-thirds of all Participants entitled to vote;

• the voting requirement to request system changes other than those related to the processor function from a unanimous vote to the affirmative vote of a majority of all Participants entitled to vote;

• establishes as the voting requirement to select a new processor—the affirmative vote of two-thirds of all Participants entitled to vote;

• the default voting requirement from unanimity to the affirmative vote of a majority of all Participants entitled to vote.

III. Discussion

After careful review, the Commission finds that the proposed amendment to the Plan is consistent with the requirements of the Act and the rules and regulations thereunder,[8] and, in particular, Section 11A(a)(1) of the Act[9] and Rule 608 thereunder[10] in that they are necessary or appropriate in the public interest, for the protection of investors and the maintenance of fair and orderly markets, to remove impediments to, and perfect the mechanisms of, a national market system.

A. Fee Setting

Amending the voting requirements, as proposed by the Participants, should provide the Participants with greater flexibility to accomplish the goals of the Plan. The change with respect to eliminating a fee and reducing a fee would harmonize the voting requirement with the counterpart voting requirements under the CTA Plan and the CQ Plan. Changes with respect to reducing a fee would also harmonize the Plan with counterpart voting requirement under the OPRA Plan. These changes to the voting requirements should provide the Participants with greater flexibility when amending the Plan's fee schedule.

B. System Changes

The change with respect to system changes subjects all system changes to the same voting requirement, thereby providing Participants greater flexibility and making it easier for the Participants to arrive at decisions regarding necessary system upgrades and changes. The Commission notes that the CTA Plan, the CQ Plan, and the OPRA Plan all require a majority vote for decisions relating to system changes.

C. Processor Selection

The Commission believes that a two-thirds majority vote, rather than unanimity, should facilitate decision-making regarding the selection of a processor.

D. Default Voting Requirement

Changing the default voting requirement to the affirmative vote of a majority of Participants, from a unanimous vote should provide greater flexibility and facilitate the Participants' ability to take action under the Plan. The Commission notes that the CTA Plan, the CQ Plan, and the OPRA Plan require majority votes to act on matters for which those plans do not specify a voting requirement. Thus, the change harmonizes requirements under the Plan with corresponding requirements under the CTA Plan, the CQ Plan, and the OPRA Plan.

IV. Conclusion

It is therefore ordered, pursuant to Section 11A of the Act,[11] and Rule 608 thereunder,[12] that the proposed amendment to Nasdaq/UTP Plan (File No. S7–24–89) is approved.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[13]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–26008 Filed 10–31–14; 8:45 am]

BILLING CODE 8011–01–P

[8] The Commission has considered the proposed amendment's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

[9] 15 U.S.C. 78k–1(a)(1).

[10] 17 CFR 240.608.

[11] 15 U.S.C. 78k–1.

[12] 17 CFR 240.608.

[13] 17 CFR 200.30–3(a)(27).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–73450; File No. SR–CBOE–2014–081]

Self-Regulatory Organizations; Chicago Board Options Exchange, Incorporated; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change Relating to Functionality of Public Automated Routing System

October 28, 2014.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the ''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on October 15, 2014, Chicago Board Options Exchange, Incorporated (the ''Exchange'' or ''CBOE'') 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 Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to adopt Rule 6.12A (Public Automated Routing System (PAR)) to describe the functionality of the PAR workstation. The text of the proposed rule change is below and in Exhibit 1 (additions are italicized; deletions are [bracketed]).

* * * * *

Chicago Board Options Exchange, Incorporated Rules

* * * * *

Rule 6.12. Reserved

* * * * *

6.12A. Public Automated Routing System (PAR)

Rule 6.12A. The PAR workstation (PAR) is an Exchange-provided order management tool for use on the Exchange's trading floor by Trading Permit Holders or Exchange PAR Officials (see Rule 7.12 for a description of the responsibilities of PAR Officials). The Exchange's Order Handling System allows for orders to be routed to and from PAR in accordance with TPH and Exchange order routing parameters and the Rules including, but not limited to, this Rule 6.12A and Chapters VI, VII, and VIII of the Rules and Rules 6.2B, 6.13, 6.14B, 6.53, 6.53C, 6.74, 7.12, and 8.51 thereunder.

(a) Order Routing. Eligible orders will be routed to PAR in accordance with TPH and Exchange order routing parameters and the order's terms.

(b) Order Handling. Once an order is on PAR, the order shall be processed in accordance with the manual or automatic settings established by the user and the order's terms. Subject to the forgoing, once an order is on PAR, the user may:

(i) Submit the order into the Hybrid Trading System (including for execution against quotes and orders resting in the electronic book and exposure to appropriate electronic auctions pursuant to Rules 6.13A, 6.14A, 6.53C, 6.74B, and 24B.5B);

(ii) Execute the order in open outcry, including against other orders on PAR and with other TPHs or PAR Officials in accordance with Rules 6.74 and 7.12;

(iii) Route the order to an Order Management Terminal (OMT)

designated by the TPH or otherwise return the order to the order entry firm or originating TPH;

(iv) Route the order or a portion thereof to an away exchange in accordance with Rules 6.14B and 6.81;

(v) Reflect the price and/or quantity related to the order or a portion thereof in the displayed Exchange BBO (applicable only in options classes on the Hybrid 3.0 Platform); or

(vi) Cancel the unexecuted order, including upon receipt of a cancel request from the order entry firm or originating TPH or as prescribed by Exchange or TPH order routing parameters.

(c) Eligible Order Types. Unless otherwise specified in the Rules, all order types specified in Rule 6.53 are eligible to route to PAR, except that the order types defined in Rules 6.53(h), 6.53(o)–(r), and 6.53(t)–(v) may not be routed to PAR.

(d) Preemption. To the extent that any provision(s) of this Rule 6.12A conflicts with any provision(s) of any Regulatory Circular previously issued by the Exchange regarding the operation or functionality of PAR, this Rule supersedes and supplants the limited conflicting provision(s) of any such Regulatory Circular.

* * * * *

The text of the proposed rule change is also available on the Exchange's Web site (*http://www.cboe.com/AboutCBOE/CBOELegalRegulatoryHome.aspx*), at the Exchange's Office of the Secretary, and at the Commission's Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange proposes to adopt new Rule 6.12A to describe its existing PAR operations and PAR workstation [3] functionality. The Exchange notes that PAR is currently in use on the Exchange and that PAR is referenced throughout the Rules [4] and in various Regulatory Circulars.[5] While there are various references to PAR throughout the Rules and in Regulatory Circulars, the Rules do not describe the substantive aspects of the order handling process available to users once orders are received on PAR (and thus how Trading Permit Holders (''TPHs'') or PAR Officials,[6] as applicable, may process such orders). The purpose of this rule filing is to codify the details of the Exchange's existing PAR operations and functionalities within the Rules. The Exchange believes that adding details to the Rules regarding PAR would be useful to TPHs.

The Exchange is continuously evaluating additions to the Rules, particularly with respect to systems processes and order handling. The Exchange believes that the adoption of Rule 6.12A describing PAR functionality is consistent with this effort.

Background

PAR is a touch-screen order routing and handling tool that is used by TPHs and PAR Officials on the floor of the Exchange to manage and process orders that are routed to PAR for processing. PAR is equipped with a dynamic, graphical display that allows users to manually and automatically execute orders electronically through the Exchange's central trading engine and in open outcry. In general, PAR allows users to specify execution quantities, split trades among multiple contra parties, report trades, route orders to the book, and generate trading reports, including a detailed history on all activity conducted on the workstation.

The Exchange operates a dynamic order handling system (''OHS''),[7] which allows orders to be routed, processed, and transmitted to the Exchange's trade engine, in a variety of ways on the Hybrid Trading System. The OHS may route orders directly to the Exchange's trade engine for automatic execution and book entry, to PAR workstations located in the trading crowds for manual handling, and/or to other order management terminals (''OMTs'') located in booths on the floor of the Exchange. PAR receives orders through the OHS according to Exchange and TPH routing parameter configurations.

A TPH or PAR Official may select an order on the workstation and enter trade information such as execution quantity, price, and contra party information. The PAR interface also allows the user to direct an order to be executed or booked

[3] The PAR workstation is an Exchange-provided facility used to operate the Exchange's Public Automated Routing System. The Public Automated Routing System and Public Automated Routing workstation are referred to collectively as ''PAR'' herein.

[4] The Exchange is currently working on a separate filing that would consolidate the Rules that interact with PAR (*see, e.g.,* Rule 6.2B.03(c)(ii); Rule 6.8(d)(iv)(A); Rule 6.13(b)(i)(A)(2); Rule 6.13(b)(iii); Rule 6.13(b)(iv); Rule 6.13(b)(v)(B); Rule 6.53C(c); Rule 6.53C(d)(vi); Rule 6.53C.06(b); Rule 6.53C.07(a)(3); Rule 6.53C.07(b); Rule 6.53C.07(e); Rule 7.12; Rule 8.51.10) into a single Rule.

[5] *See, e.g.,* Regulatory Circular RG97–018 (Order Routing of Contingency Orders) (February 7, 1997); RG97–019 (New PAR Functionality—Contingency, Discretionary Orders) (February 7, 1997); RG03–003 (Limit Order Display Requirements) (January 10, 2003); RG03–029 (Market Linkage Implementation II) (April 17, 2003); RG03–043 (Failure to Address Orders and Honor Firm Quote) (June 25, 2003); RG03–064 (Market Maker Orders Now Book-Eligible in Hybrid Classes) (July 31, 2003); RG04–056 (How Firm Quote Applies to Marketable Orders Entered At or Near the Close) (April 30, 2004); RG04–066 (All or None (AON) Orders in Hybrid Classes) (June 2, 2004); RG04–068 (Routing of Discretionary Orders to DPM PAR Workstations) (June 4, 2004); RG05–017 (Autobook) (February 11, 2005); RG07–046 (PAR Reporting Enhancements) (April 13, 2007); RG07–084 (Hybrid 2.0 Auto-Ex on Single-List Classes) (August 3, 2007); RG07–104 (EPW Activation in Single-List, Hybrid 2.0 Classes) (October 8, 2007); RG07–112 (Hybrid Auto-Ex and ''Exchange Prescribed Widths'' (EPWs)) (November 5, 2007); RG09–084 (New Option Linkage Implementation) (August 14, 2009); RG11–005 (CBOEdirect Version 8.5 System Modifications) (January 13, 2011); RG11–074 (Processing of Stock-Option Strategy Orders) (June 17, 2011); RG11–102 (Price Protection Enhancements) (August 26, 2011); RG12–037 (Prefix Usage for SPX Combination (''Combo'') Orders) (February 29, 2012); RG13–083 (New Order Designations) (June 5, 2013); RG13–105 (New Order Designations) (July 29, 2013); RG13–154 (Exchange Rule 6.51—''Reporting Duties'') (November 29, 2013); RG14–037 (PAR Enhancements) (March 25, 2014); RG14–047 (PAR Enhancements) (April 2, 2014); RG14–096 (PAR Enhancements) (June 20, 2014); *see also* Information Circular IC03–08 (Systems Enhancements—Complex Orders and Linkage) (January 23, 2003); IC03–38 (Complex Order TNT Entry) (March 21, 2003); IC04–018 (Floor Broker Workstation (FBW Enhancements) (February 17, 2004); IC04–020 (CBOE Systems Enhancements) (February 17, 2004); IC05–006 (Complex Order TNT Entry) (January 24, 2005); IC05–112 (PAR AutoLink and COB) (August 31, 2005); IC06–076 (PAR Routed Orders) (June 23, 2006).

[6] A PAR Official is an Exchange employee or independent contractor whom the Exchange may designate as being responsible for (i) operating the PAR workstation in a DPM trading crowd with respect to the classes of options assigned to him/her; (ii) when applicable, maintaining the book with respect to the classes of options assigned to him/her; and (iii) effecting proper executions of orders placed with him/her. The PAR Official may not be affiliated with any Trading Permit Holder that is approved to act as a Market-Maker. Rule 7.12(a). The duties and obligations of PAR Officials are set forth in Rule 7.12.

[7] The Exchange completed the rollout of the OHS in 2008, which replaced the Exchange's Order Routing System (''ORS''). OHS resides within the Exchange's central trading platform, CBOE Command and thus, functions on same platform as the Exchange's trade processing engine, resulting in speedier processing and improved order handling.

by the Exchange's trade engine. Once execution of an order is completed, PAR transmits the completed execution (also referred to as a ''fill''), back to the OHS. PAR users can also transmit to the trade engine a portion of a selected order to be executed or booked within the trade engine. In addition, PAR allows users to execute orders in open outcry and record information about open outcry trades for audit-trail purposes. These functions are described in greater detail below. PAR workstations may be used in the form of fixed workstation terminals or mobile devices.

PAR was introduced at the Exchange in 1994 as an innovative trading automation solution. In general, PAR was developed to automate the manual trading process in open outcry, which previously required the use of paper tickets to execute customer orders. Rather than entering orders and executions into TPH computer systems, transmitting order and trade execution information to and from the Exchange's trade engine, printing order tickets and fill reports, and physically delivering the order tickets and fill reports to counterparty brokers on the floor of the Exchange and to the Options Clearing Corporation, PAR allows users to process orders directly through the OHS and from TPH trading systems.

Initially, PAR was placed in use in limited areas on the floor of the Exchange.[8] By 1997, PAR functionality was enhanced to allow the direct routing of various order types from the Exchange's system to PAR, including the following types of orders: All or None; Opening Only; Immediate or Cancel; Market on Close; Fill or Kill; Closing Only; Minimum Quantity; Market if Touched; Stop; Not Held; and Stop Limit.[9] Notably, whether a particular order or order type routed to PAR was (and continues to be) a function of parameter controls, set by TPHs and the Exchange, that allow different order types to be selectively routed at the discretion of, and in accordance with, TPH order routing and handling instructions.[10] As technology, regulation, and trading practices have shifted, the Exchange has adapted and enhanced PAR to meet the trading needs of TPHs and the Exchange. The systemic flexibility of PAR has been (and continues to be) essential in maintaining PAR as an effective order management tool.

Until 2005, only Floor Brokers and DPMs used PAR on the floor of the Exchange, with DPMs handling agency orders on PAR including orders that could not be automatically executed and thus, routed to PAR for manual handling. In 2005, the Exchange adopted Rule 7.12, which prohibited DPMs from executing agency orders in their appointed classes and allowed the Exchange to place PAR Officials at PAR workstations for the handling of orders routed to PAR in accordance with Exchange and TPH order routing parameters.[11] TPHs and PAR Officials have continually used PAR on the floor of the Exchange since Rule 7.12 was adopted.

The Exchange considers PAR an important Exchange facility and order management tool for market participants on the Exchange. Many of the orders that cannot be automatically processed by the Exchange's central trade engine are routed to PAR for handling. The functionalities provided on PAR that allow these orders to be processed are essential to the functioning of the Exchange and the maintenance of fair and orderly markets. The proposed rule describes the substantive functions of PAR and its central operation.

Proposal

The Exchange proposes to adopt Rule 6.12A to describe the operation of PAR and and [sic] functionality of its PAR workstations. Among other things, Rule 6.12A would describe how orders may be routed to PAR and what PAR users may do to process orders once they are received on PAR. Proposed Rule 6.12A describes the substantive operation of PAR and the primary functionality of the PAR workstation. The proposed Rule is not intended as a user manual or software tutorial. The Exchange notes that PAR does not allow market participants to perform any functions that are not already authorized under the Rules. Rather, PAR is a tool that may be used by market participants, at their discretion, to help facilitate the efficient and orderly processing of orders in a manner already authorized under the Rules. Thus, the purpose of the proposed rule is simply to describe and clarify the substantive functions of PAR. The Exchange believes that the proposed rule will add clarity to the Rules (inasmuch as PAR is already referenced throughout the Rules without a description of PAR or the substantive functions that may be performed on PAR) and that the proposed rule would be useful for TPHs.

Under the Exchange's proposal, the rule would describe the order processing functions of PAR including, but not limited to how PAR users may: Interact with the electronic trade engine (including executions with quotes and orders resting in the electronic book and exposure to applicable electronic auctions); execute orders in open outcry (including against other orders on the same PAR terminal (i.e., cross orders), or with other TPHs and PAR Officials); route orders to Order Management Terminals (''OMTs'') or otherwise return orders to order entry firms or the TPH that entered the order; route orders or portion thereof to an away exchange; route orders to the electronic book; reflect a price and/or quantity of orders or portion thereof in the CBOE BBO for classes trading on the Hybrid 3.0 Platform;[12] and cancel unexecuted orders. Proposed Rule 6.12A(a) would describe the process by which orders may be routed to PAR. Proposed Rule 6.12A(b) would describe the order handling process on PAR, including the functionalities that may be achieved using a PAR workstation. Proposed Rule 6.12A(c) would describe the order types that may be handled on PAR. Proposed Rule 6.12A(d) would establish the controlling nature of the Rule with respect to previously issued Regulatory

[8] *See* Securities and Exchange Act Release No. 34–34876 (October 21, 1994), FR Doc No: 94–26765 (October 28, 1994) (Order Approving Proposed Rule Change and Amendment No. 1 to a Proposed Rule Change and Notice of Filing and Order Granting Accelerated Approval of Amendment No. 2 to a Proposed Rule Change by the Chicago Board Options Exchange, Inc. Relating to Firm Quote Responsibilities) (SR–CBOE–94–17).

[9] *See* Regulatory Circular RG97–67 (Permanent Approval of Order Routing of Contingency Orders) (June 4, 1997); *see also* Securities and Exchange Act Release No. 34–38702 (May 30, 1997), 62 FR 31184 [sic] (Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change Relating to Enhancements to the Electronic Order Routing System) (June 6, 1997) (SR–CBOE–97–22).

[10] *See Id.*

[11] *See* Securities and Exchange Act Release No. 34–52798 (November 18, 2005), 70 FR 71134 [sic] (Order Approving a Proposed Rule Change and Amendment No. 1 Thereto and Notice of Filing and Order Granting Accelerated Approval to Amendments No. 2 and 4 Thereto Relating to the Removal of Agency Responsibilities From Designated Primary Market-Makers and the Establishment of PAR Officials) (November 28, 2005) (SR–CBOE–2005–46); *see also* Regulatory Circular RG05–117 (Separation of DPM Agency and Principal Functions) (November 22, 2005).

[12] The Hybrid 3.0 Platform is an electronic trading platform on the Hybrid Trading System that allows one or more quoters to submit electronic quotes which represent the aggregate Market-Maker quoting interest in a series for the trading crowd. Standard SPX options contracts are traded on the Hybrid 3.0 Platform. The Hybrid Trading System refers to the Exchange's trading platform that allows automatic executions to occur electronically and open outcry trades to occur on the floor of the Exchange. To operate in this ''hybrid'' environment, the Exchange has a dynamic order handling system that has the capability to route orders to the trade engine for automatic execution and book entry, to Trading Permit Holder and PAR Official workstations located in the trading crowds for manual handling, and/or to other order management terminals generally located in booths on the trading floor for manual handling.

Circulars concerning PAR and its functionality. Each of these sections and the introductory paragraph of the proposed Rule are described in greater detail below.

The Exchange proposes to adopt an introductory paragraph to Rule 6.12A that would generally describe order handling and processing on PAR and PAR workstation functionality. Under the proposed introductory paragraph to Rule 6.12A, PAR would be described as an Exchange-provided order management tool for use on the Exchange's trading floor by Trading Permit Holders or PAR Officials. The introductory paragraph would also describe the order routing process to PAR, explaining that the OHS allows for orders to be routed to and from a PAR workstation in accordance with Exchange and TPH routing parameters and as set forth in the Rules.[13]

Proposed Rule 6.12A(a) would reflect the process by which eligible orders will route to PAR. Where an order is routed for processing depends on various parameters configured by the Exchange and the TPH. TPHs are afforded discretion in where they route orders and may route orders onto various order management tools available on the Exchange according to preset or order-specific routing parameters. Depending on the order routing parameters, certain orders may route to PAR. For example, a TPH may or the Exchange may set default auto-execution ''drill-through'' protection limits in the Hybrid Trading System such that any order that exceeds a limit will be routed to PAR on the floor of the Exchange. These parameters may be used, to limit ''drill-throughs'' or protect against extreme and potentially erroneous limit prices as part of the Exchange's risk controls. TPHs may also customize routing instructions to route certain orders to PAR for more detailed handling. Thus, the OHS provides TPHs with some flexibility in determining how best to process their orders on the Hybrid Trading System. The Exchange believes that the use of routing parameters supports TPHs' various trading strategies, mitigates order handling and processing risks, assists the Exchange in attracting order flow and liquidity, and promotes the maintenance of a fair and orderly market. The Exchange views the use of routing parameters as an important tool to assist TPHs efficiently manage, process, and execute orders in the ''hybrid'' trading environment.

The discretion to set order routing parameters to route an order to a preferred order management tool on the floor of the Exchange, including PAR, is codified throughout the Rules.[14] For example, under Rule 6.13(b)(i)(B), orders that are not eligible for automatic execution will route on a class-by-class basis to PAR or, at the order entry firm's discretion, to the order entry firm's booth or OMT. Similarly, under Rule 6.53C(e), complex orders that are marketable, but would executed at a price that is not within an acceptable percentage distance from the derived net price of the individual leg series that existed at the start of a Complex Order Auction (''COA'') will route on a class-by-class basis to PAR, or, at the order entry firm's discretion, to the order entry firm's booth. Accordingly, proposed Rule 6.12A(a) is modeled to reflect the discretion afforded to TPHs under the Rules with routing orders to PAR according to an order's terms and Exchange order routing parameters.

In addition to TPH order routing parameters, the Exchange sets certain order eligibility requirements for orders routing to PAR. For example, reserve orders (which are limit orders that have both a displayed size as well as an additional non-displayed size amount) are currently not eligible to route to PAR. Accordingly, the Exchange's proposal is modeled to reflect the fact that only eligible orders will be accepted on PAR. Under proposed Rule 6.12A(a) only ''eligible'' orders will be routed to PAR.

Proposed paragraph 6.12A(b) would describe the substantive aspects of PAR functionality, which include: Routing an order for electronic processing; executing an order; booking an order; routing an order to an away exchange; and cancelling an order. Proposed Rule 6.12A(b)(i), would provide that orders may be submitted into the Hybrid System (including for execution against quotes and orders resting in the electronic book and exposure to appropriate electronic auctions including auctions pursuant to Rules 6.13A, 6.14A, 6.53C, 6.74B, and 24B.5B).

PAR workstations are capable of handling both single-legged (''simple'') and multi-legged (''complex'') options orders, including those with a stock leg. Simple orders on PAR that are marketable may be automatically routed to the electronic book to trade with quotes or orders in the book or may be manually executed in open outcry in accordance with preset PAR user parameters and the order's terms. Upon partial execution of an order on PAR, any remaining balance of an order that was previously on PAR may be returned to PAR or booked, provided it does not lock or cross a quote of another exchange. Similarly, complex orders on PAR that are marketable may automatically initiate an electronic auction or trade against orders in the Complex Order Book (''COB'') or with quotes of the individual leg series or may be manually executed in open outcry after the COB is cleared in accordance with preset user parameters and the order's terms. The automatic routing functions available on PAR are reflected in the language of proposed Rule 6.12A(b), which provides orders on PAR shall be processed in accordance with the automatic settings established by the user and the order's terms.

Proposed Rule 6.12A(b)(i) would also reference the auction functions that may be performed on PAR. Eligible simple and complex orders routed to PAR in classes where electronic auction functionality is active may also be auctioned from PAR. The proposed rule would reference the auction functions available on the Hybrid Trading System under Rules 6.13A, 6.14A, 6.53C(d), 6.74B, and 24B.5B reflecting the fact that orders on PAR may be submitted for auction pursuant to routing parameter configurations and specific order handling instructions. Orders auctioned from PAR, which do not fully execute at the conclusion of the auction process, may be returned to PAR or booked in accordance with order routing parameters and order handling instructions as permitted under the Rules.[15]

Proposed Rule 6.12A(b)(ii) would provide for the execution of orders on PAR in open outcry, including against other orders on PAR and with other TPHs or PAR Officials in accordance with Rule 6.74 (Crossing Orders). Both simple and complex orders on PAR may be crossed with other orders on PAR by PAR users, including by PAR Officials. Proposed Rule 6.12A(b)(ii) would describe the process by which orders may be crossed on PAR in open outcry, including by PAR Officials, after being verbalized to the crowd. Orders that may be crossed on PAR include, but are not limited to buy and sell orders in the same options series that are marketable against each other and complex orders and inter-regulator spreads (as defined in Rule 1.1).

As provided in proposed Rule 6.12A(b)(iii), PAR workstations also

[13] As stated above, various rules reference PAR and Exchange routing parameters for orders handled on PAR including, but not limited to Rules 6.2B(a), Rule 6.13(b), Rule 6.53; and Rules 6.53C(c) and 6.53C(d). *See supra,* note 4. The proposed rule change is consistent with Rules and the current authority of the Exchange under the Rules.

[14] *See supra,* notes 4 and 13.

[15] *See, e.g.,* Rule 6.53C(d).

allow users to route orders to an OMT designated by the TPH that entered the order or otherwise return the order to the TPH or order entry firm. Proposed Rule 6.12A(b)(iii) is a reflection of current rules which permit PAR users to route orders to a designated OMT or otherwise return an order to its originator. Under proposed Rule 6.12A(b)(iv), orders on PAR may also be routed to an away market for best execution in accordance with order protection rules under the Federal Securities Laws and the Rules including, but not limited to Rules 6.81[16] and 7.12(b)(ii).[17]

Proposed Rule 6.12A(b)(v) describes the display functionality of a PAR workstation. CBOE PAR Officials may reflect bids and offers for orders, or portions of orders, in Hybrid 3.0 classes in the displayed CBOE BBO using the ''PAR in the Quote'' feature. Currently, there are no CBOE PAR Officials on the trading floor in Hybrid 3.0 trading crowds. Accordingly, PAR allows the user to reflect the price and/or quantity related to an order or portion of an order in the displayed Exchange BBO in classes of options on the Hybrid 3.0 Platform. This functionality allows PAR users to protect customer orders at specified price points while not displaying the full size of such orders (oftentimes customers may not want the full size of an order reflected in the quote). Proposed Rule 6.12A(b)(vi) would provide that unexecuted orders resting on PAR may be cancelled. All un-executed orders on PAR may be cancelled upon receipt of a cancel request from the order entry TPH or as prescribed in the routing parameters of the Exchange or order entry TPH.

Proposed Rule 6.12A(c) would codify the ability of the Exchange to designate order types eligible to route to PAR and describe the types of orders that the Exchange may designate as eligible. Under the Exchange's proposal, the Exchange would have the ability to designate any order type that it makes available to TPHs pursuant to Rule 6.53 eligible to route to PAR. Current Rule 6.53 describes and defines the order types that may be made available for trading on a class-by-class basis by the Exchange. Under the Exchange's proposal, all order types specified in Rule 6.53 would be eligible to route to PAR, except that the order types defined in Rules 6.53(h), 6.53(o)–(r), and 6.53(t)–(v) would not be eligible to be routed to PAR. Proposed Rule 6.12A(c) is consistent with the current practices and Rules of the Exchange in that all of the order types listed in Rule 6.53 other that those listed in Rules 6.53(h), 6.53(o)–(r), and 6.53(t)–(v) are currently eligible to be routed to PAR. PAR is a technology that supports the processing of order types authorized for trading on the Exchange under Rule 6.53. Accordingly, the Exchange may make future enhancements that would permit other order types to be processed on PAR or technological issues may prevent the Exchange from processing certain order types on PAR at any given time. Proposed Rule 6.12A(c) reflects the fluidity of the PAR technology as well as the fact that PAR is an order handling tool, which only gives TPHs the ability to process orders pursuant to the Rules.

Finally, under proposed Rule 6.12A(d) to the extent that any provision(s) of the proposed rule conflicts with any provision of any Regulatory Circular previously issued by the Exchange regarding the operation or functionality of PAR, the proposed rule would supersedes the limited conflicting provisions of any such Regulatory Circular. PAR has been in use for approximately a decade on the Exchange. Over the years, PAR has been enhanced and reconfigured and changed to reflect updates and changes in the Rules. Numerous Regulatory Circulars contemplate the use of PAR by DPMs rather than PAR Officials.[18] Other Regulatory Circulars reflect old Linkage rules no longer in effect under the new Order Protection rules.[19] Accordingly, to the extent that any provisions of any Regulatory Circular are in conflict with the proposed rule, such provisions would be superseded by the rule.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with the Act and the rules and regulations thereunder applicable to the Exchange and, in particular, the requirements of Section 6(b) of the Act.[20] Specifically, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)[21] requirements that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in 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. Additionally, the Exchange believes the proposed rule change is consistent with the Section 6(b)(5)[22] requirement that the rules of an exchange not be designed to permit unfair discrimination between customers, issuers, brokers, or dealers.

The Exchange views PAR as an important tool that allows TPHs on the trading floor of the Exchange to manage and process orders. The Exchange believes that the adoption of rules regarding the functionality of PAR will contribute to fair and orderly markets by making the Exchange's order handling processes more transparent and understandable for users. The proposed rules are intended to assist TPHs and order entry firms in their ability to efficiently manage, process, and execute orders on the Exchange as well as assist the Exchange in its ability to effectively attract order flow and liquidity to the market. The Exchange also believes that adding transparency and efficiency to the market are goals that benefit all investors. The Exchange believes that the proposed would further these goals, which the Exchange believes are consistent with the Act.

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 Exchange believes that proposed Rule 6.12A will promote competition by making the functionality of the Exchange's order processing workstations more understandable to users and the general public. The Exchange believes that by better explaining its order management and order handling systems to PAR users and TPHs, PAR users and TPHs will better understand the Exchange's systems. The Exchange believes that additional clarity and transparency in the Rules will make it easier for market participants to compete with one another on equal footing in the markets and ultimately benefits all investors.

[16] Rule 6.81 (Order Protection) forbids TPHs from effecting Trade-Throughs except as prescribed under Rule 6.81(b).

[17] Rule 7.12(b)(ii) (Execution) provides that a ''PAR Official shall use due diligence to execute the orders placed in the PAR Official's custody at the best prices available to him or her under the Rules of the Exchange.''

[18] *See, e.g.,* Regulatory Circular RG04–68 (Routing of Discretionary Orders to DPM PAR Workstations) (June 4, 2004).

[19] *See, e.g.,* Regulatory Circular RG03–29 (Market Linkage Implementation II) (April 17, 2003).

[20] 15 U.S.C. 78f(b).

[21] 15 U.S.C. 78f(b)(5).

[22] *Id.*

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

The Exchange neither solicited nor received written comments on the proposed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing proposed rule change does not:

A. Significantly affect the protection of investors or the public interest;

B. impose any significant burden on competition; and

C. become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act [23] and Rule 19b–4(f)(6) [24] 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 will institute proceedings 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–CBOE–2014–081 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–CBOE–2014–081. 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–CBOE–2014–081, and should be submitted on or before November 24, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[25]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–26010 Filed 10–31–14; 8:45 am]

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[23] 15 U.S.C. 78s(b)(3)(A).

[24] 17 CFR 240.19b–4(f)(6).

[25] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–73443; File No. SR–DTC–2014–10]

Self-Regulatory Organizations; The Depository Trust Company; Notice of Filing of Proposed Rule Change in Connection With the Modifications To Require Receiver Authorized Delivery Approval for DTC Processing of Institutional Delivery Transactions

October 28, 2014.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'') [1] and Rule 19b–4 thereunder,[2] notice is hereby given that on October 16, 2014, The Depository Trust Company (''DTC'') filed with the Securities Exchange Commission (''Commission'') the proposed rule change as described in Item I, II and III below, which Items have been prepared by DTC. The Commission is publishing this notice to solicit comments on the proposed change from interested persons.

I. Clearing Agency's Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change consists of changes to the DTC Settlement Service Guide (the ''Guide'') [3] to require Participants to use the Receiver Authorized Delivery (''RAD'') function to accept (*i.e.,* ''match'') any affirmed institutional delivery transaction (''ID Transaction'') prior to DTC processing of the related securities delivery.[4]

II. Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, DTC included statements concerning the purpose of and basis for the proposed rule change, and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. DTC has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

(1) Purpose

DTC proposes to modify the Guide to require Participants to use RAD to accept any affirmed ID Transaction prior to DTC processing of the respective delivery of securities.

RAD allows a receiver of valued deliveries of securities (''Receiver'') to manage which deliveries to accept, or to reject, prior to further processing by DTC. Prior to the proposed rule change, pursuant to a recent rule change (the ''Prior RAD Change'') [5] DTC has instituted the requirement that all Deliver Orders and Payment Orders be approved through RAD for further processing at DTC. The purpose of the Prior RAD Change and this proposed rule change is to establish a consistent internal ''matching'' system for book-entry deliveries at DTC, by which the agreement of the Participant delivering securities (''Deliverer'') and Receiver is

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] The Guide is available at *http://www.dtcc.com/~/media/Files/Downloads/legal/service-guides/Settlement.ashx.*

[4] Terms not otherwise defined herein have the meaning set forth in the Rules.

[5] Securities Exchange Act Release No. 72576 (Jul. 9, 2014); 79 FR 41335 (Jul. 15, 2014) (SR–DTC–2014–06).

confirmed with respect to each delivery for purposes of DTC settlement.

ID Transactions generally have not required RAD approval, because these transactions are externally pre-matched through Omgeo, LLC: the Guide has permitted Participants, at their option, to apply RAD.[6] Instead of RAD, a Participant may use the same-day reclaim process to return securities to the original Deliverer without the acceptance of the latter. This process creates uncertainty for Participants and DTC with respect to ID Transactions as to whether securities would be delivered or reclaimed on the same day without the prior acceptance of the Receiver or original Deliverer, as applicable.

Pursuant to the proposed rule change, DTC would amend the Guide to eliminate this uncertainty by providing that ID Transactions would only be processed for delivery once the intended Receiver has approved the transaction in RAD.[7] Same day reclaims would also be subject to RAD approval by the original Deliverer. As with any securities delivery, these transactions would be subject to risk management controls.[8]

Additionally, the Guide would be updated for technical changes to: (i) Update the text for consistency to reflect that all valued Deliver Orders, Payment Orders, ID Transactions, MMI transactions, reclaims, pledges and releases of pledged securities would be subject to RAD; (ii) update the text for consistency to reflect that all reclaims would be subject to risk management controls and remove references to system functions related to reclaims that have become obsolete; (iii) add an email address to which Settling Banks seeking to adjust Net Debit Caps may send their requests, in addition to via mail or overnight delivery to the existing mailing address; (iv) indicate where Participants may access certain system functions via Settlement Web either in addition to, or in lieu of, PBS/PTS; (v) eliminate references to fees, relating to the ID Net service, which are redundant since those fees are also listed in DTC's fee schedule; and (vi) delete reference to the population of a ''third party'' field on DTC's system screens for the ID Net service which is no longer applicable.

Implementation. The effective date of the proposed rule change would be announced via a DTC Important Notice.

(2) Statutory Basis

The proposed rule change would reduce uncertainty relating to settlement of securities deliveries for ID transactions through DTC by requiring acceptance by the receiving party prior to delivery. Therefore, the proposed rule change is consistent with the provisions of Section 17A(b)(3)(F)[9] of the Act which requires that the rules of the clearing agency be designed, *inter alia,* to promote the prompt and accurate clearance and settlement of securities transactions. In addition, the proposed rule change is consistent with Rule 17Ad–22(d)(12) of the Act[10] which requires that a clearing agency establish, implement, maintain and enforce written policies and procedures reasonably designed to ensure that final settlement occurs no later than the end of the settlement day and requires that intraday or real-time finality be provided where necessary to reduce risks.

B. Self-Regulatory Organization's Statement on Burden on Competition

DTC does not believe that the proposed rule change would have any impact, or impose any burden, on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

Written comments relating to the proposed rule change have not yet been solicited or received with respect to this filing.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) By order approve or disapprove such proposed rule change, or

(B) institute proceedings to determine whether the proposed rule change should be 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 No. SR–DTC–2014–10 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 No. SR–DTC–2014–10. 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 DTC and on DTC's Web site at *http://dtcc.com/legal/sec-rule-filings.aspx.* 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 No. SR–DTC–2014–10 and should be submitted on or before November 24, 2014.

[6] Receivers may optionally set their DTC profile to route ID Transactions to RAD.

[7] For processing efficiency, the proposed change to the Guide would offer Participants the option to set their system profile to allow affirmed ID Transactions to be automatically accepted in RAD. However, Participants would no longer have an option to allow ID Transactions to bypass RAD.

[8] DTC risk management controls, including Collateral Monitor and Net Debit Cap (as defined in DTC Rule 1), are designed so that DTC may complete system-wide settlement notwithstanding the failure to settle of its largest Participant or affiliated family of Participants. The Collateral Monitor tests that a Receiver has adequate collateral to secure the amount of its net debit balance and the Net Debit Cap limits the net debit balance of a Participant so that it cannot exceed DTC liquidity resources for settlement. *See* DTC Rules, *http://dtcc.com/~/media/Files/Downloads/legal/rules/dtc_rules.ashx.*

[9] 15 U.S.C. 78q–1(b)(3)(F).

[10] 17 CFR 240.17Ad–22(d)(12).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[11]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–26004 Filed 10–31–14; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–73444; File No. SR–ICC–2014–18]

Self-Regulatory Organizations; ICE Clear Credit LLC; Notice of Filing of Proposed Rule Change To Revise the ICC Risk Management Framework

October 28, 2014.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'')[1] and Rule 19b–4 thereunder[2] notice is hereby given that on October 22, 2014, ICE Clear Credit LLC (''ICC'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared primarily by ICC. 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 principal purpose of the proposed rule change is to revise the ICC Risk Management Framework to incorporate certain risk model enhancements. These revisions do not require any changes to the ICC Clearing Rules (''Rules'').

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, ICC included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. ICC has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of these statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

ICC proposes revising the ICC Risk Management Framework to incorporate risk model enhancements related to anti-procyclicality, devolatilization, liquidity charges, and concentration charges. ICC believes such revisions will facilitate the prompt and accurate clearance and settlement of securities transactions and derivative agreements, contracts, and transactions for which it is responsible. The proposed revisions are described in detail as follows.

ICC proposes revising the ICC Risk Management Framework to facilitate compliance with requirements under the European Market Infrastructure Regulations, specifically anti-procyclicality conditions described in Article 28 of the Regulatory Technical Standards.[3] Currently, ICC considers three levels of volatility in its Risk Management Framework to account for stable but prudent margin requirements. ICC proposes adding a fourth volatility scale that assigns a 25% weight to a stress period (currently the stress period is set to January 14, 2008 to December 31, 2008) and the remaining 75% to the immediate most recent 250 observations, consistent with Article 28(b) of the Regulatory Technical Standards. The revised initial margin requirements are expected to result in more conservative initial margin figures for some risk factors. In addition, ICC proposes introducing devolatilization enhancements to describe spread log-return time series that span market periods associated with different volatility regimes.

Additionally, ICC proposes a revised approach to computing index liquidity charges. The enhancement consists of reducing the portfolio liquidity benefits across different index series. As part of its product offering, ICC clears credit default swap (''CDS'') index series. A new series of CDS indices is issued every six months, and the new series is referred to as being ''on-the-run,'' while previous series is referred to as being ''off-the-run.'' The revised calculation establishes series-specific liquidity charges by considering the series-specific positions and establishing series-specific position directionality based on the corresponding 5-year equivalent notional amount directionality. Further, to capture the market behavior around index rolls when the bid/offer width for index-roll transactions (i.e., trading the on-the-run vs. first off-the-run indices) is typically smaller than the bid/offer width of each individual leg, ICC proposes implementing time-dependent long/short liquidity charge portfolio benefits for the on-the-run and the first off-the run series. The proposed revisions to the liquidity charges are expected to result in more conservative requirements than the ones associated with the current approach.

ICC also proposes enhancements to the calculation of its concentration charges by introducing index series-specific concentration charges. The revised calculation establishes series-specific concentration charges for positions exceeding series-specific concentration threshold limits based on the direction of the 5-year equivalent notional amount or the net notional amount. Under the revised calculation, ICC will estimate series-specific concentration charge threshold limits based on the distribution of series-specific open interest information at the Clearing House. The estimated series-specific concentration charge threshold limits reflect the average open interest over a 5-day period. The proposed revisions to the concentration charge are expected to result in more conservative requirements than the ones associated with the current approach.

Section 17A(b)(3)(F) of the Act[4] requires, among other things, that the rules of a clearing agency be designed to promote the prompt and accurate clearance and settlement of securities transactions, and to the extent applicable, derivative agreements, contracts and transactions and to comply with the provisions of the Act and the rules and regulations thereunder. ICC believes that the proposed rule changes are consistent with the requirements of the Act and the rules and regulations thereunder applicable to ICC, in particular, to Section 17(A)(b)(3)(F),[5] because ICC believes that the proposed rule changes will promote the prompt and accurate clearance and settlement of securities transactions, derivatives agreements, contracts, and transactions, as the proposed risk model revisions enhance risk policies and are expected to impose more conservative initial margin requirements, which would enhance the financial resources available to ICC and thereby facilitate its ability to promptly and accurately clear and settle its

[11] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] Commission Delegated Regulation (EU) No. 153/2013 of 19 December 2012 Supplementing Regulation (EU) No. 648/2012 of the European Parliament and of the Council with regard to Regulatory Technical Standards on Requirements for Central Counterparties (the ''Regulatory Technical Standards'').

[4] 15 U.S.C. 78q–1(b)(3)(F).

[5] *Id.*

cleared CDS contracts. In addition, the proposed revisions are consistent with the relevant requirements of Rule 17Ad–22. In particular, the amendments to the Risk Management Framework will enhance the financial resources available to the Clearing House by imposing a more conservative initial margin requirement, and are therefore reasonably designed to meet the margin and financial resource requirements of Rule 17Ad–22(b)(2–3). As such, the proposed rule changes are designed to promote the prompt and accurate clearance and settlement of securities transactions, derivatives agreements, contracts, and transactions within the meaning of Section 17A(b)(3)(F) [6] of the Act.

B. Self-Regulatory Organization's Statement on Burden on Competition

ICC does not believe the proposed rule changes would have any impact, or impose any burden, on competition. The risk model enhancements apply uniformly across all market participants. Therefore, ICC does not believe the proposed rule changes impose any burden on competition that is inappropriate in furtherance of the purposes of the Act.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

Written comments relating to the proposed rule change have not been solicited or received. ICC will notify the Commission of any written comments received by ICC.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) By order approve or disapprove such proposed rule change, or

(B) institute proceedings to determine whether the proposed rule change should be 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–ICC–2014–18 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–ICC–2014–18. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filings will also be available for inspection and copying at the principal office of ICE Clear Credit and on ICE Clear Credit's Web site at *https://www.theice.com/clear-credit/regulation.*

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–ICC–2014–18 and should be submitted on or before November 24, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[7]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–26005 Filed 10–31–14; 8:45 am]

BILLING CODE 8011–01–P

[6] *Id.*

[7] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–73446; File No. SR–BX–2014–050]

Self-Regulatory Organizations; NASDAQ OMX BX, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Collection of Exchange Fees

October 28, 2014.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on October 16, 2014, NASDAQ OMX BX, Inc. (''BX'' or ''Exchange'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend Exchange Rule 7011, which is currently reserved, and entitle it ''Collection of Exchange Fees and Other Claims'' and require each BX member, and all applicants for registration as such, to provide a clearing account number for an account at the National Securities Clearing Corporation (''NSCC'') for purposes of permitting the Exchange to debit certain fees, fines, charges and/or other monetary sanctions or other monies due and owing to the Exchange.

The text of the proposed rule change is available on the Exchange's Web site at *http://nasdaqomxbx.cchwallstreet.com,* at the principal office of the Exchange, and at the Commission's Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of the proposed rule change is to amend Rule 7011 to require BX members, and all applicants for registration as such, to provide a clearing account number for an account at NSCC for purposes of permitting the Exchange to debit any undisputed or final fees, fines, charges and/or other monetary sanctions or other monies due and owing to the Exchange or other charges related to certain 7000 series rules [3] and the 8000 [4] series rules which are due and owing to BX. The Exchange would entitle Rule 7011 ''Collection of Exchange Fees and Other Claims.''

Currently, the Exchange requires all Options Participants to provide such an NSCC account number.[5] The Exchange believes that the proposed debiting process for BX members that conduct an equities business would create an efficient method of collecting undisputed or final fees, fines, charges and/or other monetary sanctions or monies due and owing to the Exchange.[6] Further, this proposal would provide a cost savings to the Exchange in that it would alleviate administrative processes related to the collection of monies owed to the Exchange by BX members conducting an equities business, as it does today for BX Options Participants. Collection matters divert staff resources away from the Exchange's regulatory and business purposes. In addition, the debiting process would prevent BX member accounts from becoming overdue.

The Exchange proposes to require BX members and applicants to provide a clearing account number for an account at NSCC in order to permit the Exchange to debit any undisputed or final fees, fines, charges and/or monetary sanctions or other monies due and owing to the Exchange or other charges related to the 7000 series rules, as specified below, and the 8000 series rules. Specifically, the following 7000 series rules will be subject to proposed Rule 7011: 7001 (Membership Fees), 7015 (Access Services), 7016 (BX Pre-Trade Risk Management), 7018 (NASDAQ OMX BX Equities System Order Execution and Routing), 7021 (BX Trading and Compliance Data Package Fee), 7027 (Aggregation of Activity of Affiliated Members), 7029 (Installation, Removal or Relocation), 7030 (Other Services), 7034 (Co-Location Services), 7051 (Direct Connectivity to BX), 7055 (Short Sale Monitor), 7058 (QView).

The Exchange would send a monthly invoice [7] to each BX member on approximately the 3th–10th business day of the following month.[8] The Exchange would also send a file to NSCC each month on approximately the 23rd of the following month to initiate the debit of the appropriate amount stated on the BX member's invoice for the prior month. Because the BX member would receive an invoice well before any monies are debited (normally within two weeks), the BX member would have adequate time to contact the staff with any questions concerning its invoice. If a BX member disagrees with the invoice, the Exchange would not commence the debit until the dispute is resolved. Specifically, the Exchange will not include the disputed amount in the debit if the member has disputed the amount in writing to the Exchange's designated staff by the 15th of the month, or the following business day if the 15th is not a business day, and the amount in dispute is at least $10,000 or greater.

Once NSCC receives the file from the Exchange, NSCC would proceed to debit the amounts indicated from the clearing members account. In the instance where the BX member clears through an Exchange clearing member, the estimated transaction fees owed to the Exchange are typically debited by the clearing member on a daily basis in order to ensure adequate funds have been escrowed. The Exchange would debit any monies owed including undisputed or final fees, fines, charges and/or monetary sanctions or monies due and owed to the Exchange.[9] The Exchange believes that the debit process would eliminate the risk of unpaid invoices because of the large amounts of capital held at NSCC by BX members.

The Exchange proposes this rule change become operative with respect to December 2014 billing. The Exchange will debit December 2014 billing in January 2015 pursuant to the process described in this rule change.[10] The Exchange will notify BX members of this rule change in an Equity Trader Alert to provide its members ample time to provide the Exchange with the information necessary for the direct debit and prepare for the change to the collection process. BX members will be required to provide an NSCC number prior to January 1, 2015.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act [11] in general, and furthers the objectives of Section 6(b)(5) of the Act [12] in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, 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 by providing BX members with an efficient process to pay undisputed or final fees, fines, charges and/or monetary sanctions or monies dues and owing to the Exchange.

The Exchange believes that its proposal to debit NSCC accounts is reasonable because it would ease the BX member's administrative burden in paying monthly invoices, avoid overdue balances and provide same day collection from all BX members who owe monies to the Exchange.

[3] The 7000 series rules in the BX Rulebook list charges for membership, services and equipment. Only the Rules which require payment to the Exchange would be subject to direct debit. By way of example, Rule 7003, Registration and Processing Fees, fees are collected by FINRA.

[4] The 8000 series rules in the BX Rulebook list sanctions associated with disciplinary actions. Any disciplinary fines or sanctions collected pursuant to the 8000 series shall be subject to direct debit to the extent described within this rule change. *See also* note 6 for exceptions to debits.

[5] *See* Chapter XV, Section 1 in the BX Rules.

[6] The Exchange will not debit accounts for fees that are unusually large or for special circumstances, unless such debiting is requested by the BX member.

[7] The monthly invoice will indicate that the amount on the invoice will be debited from the designated NSCC account. Each month, the Exchange will send a file to the BX member's clearing firm which will indicate the amounts to be debited from each member. If a BX member is ''self-clearing'', no such file would be sent as the member would receive the invoice, as noted above, which would indicate the amount to be debited.

[8] BX members may receive invoices either electronically, by mail or by both methods.

[9] This includes, among other things, fines and sanctions which result from disciplinary proceedings or actions taken pursuant to the 8000 series of BX Rules. With respect to disciplinary proceedings, the Exchange would not debit any monies until such action is final. The Exchange would not consider an action final until all appeal periods have run and/or all appeal timeframes are exhausted. With respect to non-disciplinary actions, the Exchange would similarly not take action to debit a member account until all appeal periods have run and/or all appeal timeframes are exhausted. Any uncontested disciplinary or non-disciplinary actions will be debited, and the amount due will appear on the BX member's invoice prior to the actual NSCC debit.

[10] The initial debit will include all outstanding fees through December 2014.

[11] 15 U.S.C. 78f(b).

[12] 15 U.S.C. 78f(b)(5).

The Exchange believes that its proposal to debit NSCC accounts is equitable and not unfairly discriminatory because it will apply to all BX members in a uniform manner. Today, the debit process is applied to all Options Participants.

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. With this proposal, the proposed debit process would apply uniformly to all BX members as it does today with all Options Participants.

Further, this proposal would provide a cost savings to the Exchange in that it would alleviate administrative processes related to the collection of monies owed to the Exchange for BX members conducting an equities business, as it does today for BX Options Participants. Collection matters divert staff resources away from the Exchange's regulatory and business purposes. In addition, the debiting process would prevent BX member accounts from becoming overdue.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

No written comments were either solicited or received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing proposed rule change does not significantly affect the protection of investors or the public interest; does not impose any significant burden on competition; and by its terms does not become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) [13] of the Act and Rule 19b–4(f)(6) thereunder.[14]

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is: Necessary or appropriate in the public interest; for the protection of investors; or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (*http://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov*. Please include File Number SR–BX–2014–050 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

All submissions should refer to File Number SR–BX–2014–050. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal offices of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–BX–2014–050, and should be submitted on or before November 24, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[15]

Kevin M. O' Neill,

Deputy Secretary.

[FR Doc. 2014–26007 Filed 10–31–14; 8:45 am]

BILLING CODE 8011–01–P

[13] 15 U.S.C. 78s(b)(3)(A).

[14] 17 CFR 240.19b–4(f)(6).

[15] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–73453; File No. SR–NYSEARCA–2014–118]

Self-Regulatory Organizations; NYSE Arca, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Amending NYSE Arca Equities Rule 7.16(f)(v) To Provide That Proactive if Locked Modifiers Will Be Ignored for Short Sale Orders During a Short Sale Period

October 28, 2014.

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 October 15, 2014, NYSE Arca, Inc. (the ''Exchange'' or ''NYSE Arca'') 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 NYSE Arca Equities Rule 7.16(f)(v) to provide that Proactive if Locked Modifiers will be ignored for short sale orders during a Short Sale Period. The text of the proposed rule 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

[1] 15 U.S.C. 78s(b)(1).

[2] 15 U.S.C. 78a.

[3] 17 CFR 240.19b–4.

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 is proposing to amend NYSE Arca Equities Rule 7.16(f)(v) (''Rule 7.16'') to provide that Proactive if Locked Modifiers will be ignored for short sale orders during a Short Sale Period.

Rule 7.16(f) sets forth how the Exchange handles short sale orders when the provisions of paragraph (b)(1) of Rule 201 of Regulation SHO are in effect.[4] Rule 7.16(f)(b)(ii)(sic) provides that the Exchange will not execute or display a short sale order for a covered security, as defined in Rule 201 of Regulation SHO, at a price that is less than or equal to the current national best bid (''NBB'') if the listing market for such security has determined that the price of the covered security decreased by 10% or more from the prior day's closing price (''Short Sale Price Test''). Consistent with paragraph (b)(1)(ii) of Rule 201 of Regulation SHO,[5] Exchange Rule 7.16(f)(iv) defines a Short Sale Period as the period during which sell orders marked short are subject to a Short Sale Price Test. Rule 7.16(f)(v) further specifies how the Exchange handles short sale orders during the Short Sale Period.

The Exchange proposes to add new Rule 7.16(f)(v)(G) to specify how the Exchange will handle short sale orders that include a Proactive if Locked Modifier during a Short Sale Period. As defined in Rule 7.31(hh), a Proactive if Locked Modifier is available for limit orders and if so designated, the Exchange will route the order to another market center pursuant to Rule 7.37(d) for the away market's displayed size in the instance in which the other market center has locked the order and the locking market has not resolved the locked market situation in a timely manner based upon average response times from other market centers. If the order routed from the Exchange to another market center is not executed in its entirety, the Exchange shall post the order or portion thereof on the Exchange's book. Proactive if Locked Modifiers are only available for Exchange-listed securities.

As proposed, the Exchange will ignore Proactive if Locked Modifiers applied to short sale orders for a security that is in a Short Sale Period. The Exchange believes that it is appropriate to ignore the Proactive if Locked Modifier for short sale orders during a Short Sale Period because it would reduce the possibility that the Exchange will route a short sale order priced at or below the NBB to another market center. Instead, the Exchange will handle the short sale order consistent with the existing provisions of Rule 7.16(f)(v), as applicable, which may include re-pricing the order to a Permitted Price[6] or rejecting the order, if so designated by the ETP Holder.[7]

The Exchange will announce the implementation date of the systems functionality associated with the proposed rule change by Trader Update to be published no later than 30 days following the effective date. The implementation date will be no later than 30 days following the issuance of the Trader Update.

2. Statutory Basis

The Exchange believes that the proposal is consistent with Section 6(b) of the Act,[8] in general, and furthers the objectives of Section 6(b)(5),[9] in particular, in that it is designed to promote just and equitable principles of trade, to remove impediments to, and perfect the mechanism of a free and open market and, in general, to protect investors and the public interest.

The Exchange believes that ignoring the Proactive if Locked Modifier for short sale orders during a Short Sale Period will remove impediments to and perfect the mechanism of a free and open market because it will reduce the possibility that the Exchange will route a sell short order priced at or below the NBB to another market center. Rule 201(b)(1)(i) of Regulation SHO[10] requires that a trading center prevent the execution or display of a short sale order at a price that is less than or equal to the NBB, but is silent on whether a trading center can route a short sale order during a Short Sale Period that is priced less than or equal to the NBB. The Exchange believes, however, that it is appropriate and promotes just and equitable principles of trade to reduce the possibility that the Exchange would route a sell short order during a Short Sale Period that is priced less than or equal to the NBB, as the receiving away market would otherwise be required to prevent the display or execution of such order consistent with Rule 201 of Regulation SHO. The Exchange therefore believes that by ignoring Proactive if Locked Modifiers for short sale orders during a Short Sale Period, the Exchange would comply with Rule 201 of Regulation SHO by handling the order consistent with other provisions of Rule 7.16(f)(v) and not shift that responsibility to an away market.

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 Exchange believes the proposed rule change removes a burden on competition because it reduces the possibility that the Exchange would route a sell short order during a Short Sale Period that is priced less than or equal to the NBB, which otherwise would have shifted the responsibility for that sell short order to an away market. As proposed, the Exchange would instead be responsible for handling that sell short order, consistent with existing Rule 7.16(f)(v) and Rule 201 of Regulation SHO.

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 Exchange has filed the proposed rule change pursuant to Section 19(b)(3)(A)(iii) of the Act[11] and Rule 19b–4(f)(6) thereunder.[12] Because the proposed rule change does not: (i) Significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative prior to 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A)

[4] 17 CFR 242.201(b)(1).

[5] 17 CFR 242.201(b)(1)(ii).

[6] A Permitted Price is one minimum price increment above the NBB. Rule 7.16(b)(v)(C).

[7] *See* Rule 7.16(b)(v)(A).

[8] 15 U.S.C. 78f(b).

[9] 15 U.S.C. 78f(b)(5).

[10] 17 CFR 242.201(b)(1)(i)

[11] 15 U.S.C. 78s(b)(3)(A)(iii).

[12] 17 CFR 240.19b–4(f)(6).

of the Act and Rule 19b–4(f)(6)(iii) thereunder.

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) [13] 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–NYSEARCA–2014–118 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–NYSEARCA–2014–118. 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 Section, 100 F Street NE., Washington, DC 20549–1090. Copies of the filing will also be available for inspection and copying at the NYSE's principal office and on its Internet Web site at *www.nyse.com.* 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–NYSEARCA–2014–118 and should be submitted on or before November 24, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[14]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–26013 Filed 10–31–14; 8:45 am]

BILLING CODE 8011–01–P

[13] 15 U.S.C. 78s(b)(2)(B).

[14] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–73445; File No. SR–CME–2014–46]

Self-Regulatory Organizations; Chicago Mercantile Exchange Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Make Changes to Settlement Procedures Regarding Seven CME Cleared OTC FX Spot, Forward and Swap Contracts

October 28, 2014.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'') [1] and Rule 19b–4 thereunder [2] notice is hereby given that, on October 20, 2014, Chicago Mercantile Exchange Inc. (''CME'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I, II and III below, which Items have been prepared primarily by CME. CME filed the proposal pursuant to Section 19(b)(3)(A) of the Act,[3] and Rule 19b–4(f)(4)(ii) [4] thereunder, so that the proposal was effective upon filing with the Commission. 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

CME is proposing rule changes that are limited to its business as a derivatives clearing organization (''DCO''). More specifically, the proposed rule change contains amendments to certain aspects of CME's settlement procedures for seven of CME's Cleared Over-the-Counter (''OTC'') Foreign Exchange (''FX'') Spot, Forward and Swap Contracts.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, CME included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. CME has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of these statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

CME is registered as a DCO with the Commodity Futures Trading Commission (''CFTC'') and offers clearing services for many different futures and swaps products. The proposed rule changes that are the subject of this filing are limited to CME's business as a DCO offering clearing services for CFTC-regulated swaps products. CME currently offers clearing services for cleared-only OTC FX contracts on a number of different currency pairs. These CME Cleared OTC FX Spot, Forward and Swap Contracts are non-deliverable foreign currency forward contracts and, as such, are considered to be ''swaps'' under applicable regulatory definitions.[5] CME proposes to make amendments to five of these contracts.

The amendments would impact the following CME contracts and associated rules:

- Rule 270H.02.A. Day of Cash Settlement of Cleared OTC U.S. Dollar/Chinese Renminbi (USD/RMB) Spot, Forwards and Swaps (Rulebook Chapter 270H: Commodity Code: USDCNY); Rule 270H.02.B.—Procedures if No Cash Settlement Price is Available for the USD/RMB Cleared OTC Spot, Forwards and Swaps Contracts;
- Rule 271H.02.A. Day of Cash Settlement of Cleared OTC U.S. Dollar/

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] 15 U.S.C. 78s(b)(3)(A).

[4] 17 CFR 240.19b–4(f)(4)(ii).

[5] See Commodity Futures Trading Commission and Securities and Exchange Commission Joint Final Rule Defining ''Swap,'' ''Security-Based Swap,'' and ''Security-Based Swap Agreement;'' Mixed Swaps; Security-Based Swap Agreement Recordkeeping, 77 FR 48207, 48255 (August 13, 2012).

Korean Won (USD/KRW) Spot, Forwards and Swaps (Rulebook Chapter 271H: Commodity Code: USDKRW); Rule 271H.02.B.—Procedures if No Cash Settlement Price is Available for the USD/KRW Cleared OTC Spot, Forwards and Swaps Contracts;

- Rule 279H.02.A. Day of Cash Settlement of Cleared OTC U.S. Dollar/Indian Rupee (USD/INR) Spot, Forwards and Swaps (Rulebook Chapter 279H: Commodity Code: USDINR);
- Rule 280H.02.A. Day of Cash Settlement of Cleared OTC U.S. Dollar/Malaysian Ringgit (USD/MYR) Spot, Forwards and Swaps (Rulebook Chapter 280H: Commodity Code: USDMYR);
- Rule 281H.02.A. Day of Cash Settlement of Cleared OTC U.S. Dollar/Indonesian Rupiah (USD/IDR) Spot, Forwards and Swaps (Rulebook Chapter 281H: Commodity Code: USDIDR);
- Rule 282H.02.A. Day of Cash Settlement of Cleared OTC U.S. Dollar/Taiwan Dollar (USD/TWD) Spot, Forwards and Swaps (Rulebook Chapter 282H: Commodity Code: USDTWD); and
- Rule 283H.02.A. Day of Cash Settlement of Cleared OTC U.S. Dollar/Philippines Peso (USD/PHP) Spot, Forwards and Swaps (Rulebook Chapter 283H: Commodity Code: USDPHP).

More specifically, CME is proposing to amend Rule 270H.02.B. and 271H.02.B. to remove an outdated interpretation reference regarding fallback procedures. CME will work with EMTA, a trade group focused on the global emerging markets trading and investment community, and other OTC organizations, to make sure CME is aligned in the event a rate is not determined or published. Further, CME is proposing rule changes to Rules 270H.02.A., 271H.02.A., 279H.02.A., Rule 280H.02.A., Rule 281H.02.A., Rule 282H.02.A. and Rule 283H.02.A. that would specify that in the event that a ''Final Settlement Price'' is not able to be determined for the applicable contracts, then the Final Settlement Price would be determined pursuant to existing CME Rule 812.[6] CME Rule 812 allows CME to establish a final settlement price in the event the final settlement price cannot be determined and alternative settlement procedures are not otherwise specified in the relevant product chapter.

The changes that are described in this filing are limited to CME's business as a DCO clearing products under the exclusive jurisdiction of the CFTC and do not materially impact CME's security-based swap clearing business in any way. The changes will be effective on filing. CME notes that it has also certified the proposed rule changes that are the subject of this filing to its primary regulator, the CFTC, in a separate filing, CME Submission No. 14–409.

CME believes the proposed rule change is consistent with the requirements of the Act including Section 17A of the Act.[7] CME is proposing the amendments to clarify that CME would be allowed to establish a final settlement price for certain OTC FX contracts in the event a final settlement price cannot be determined and alternative settlement procedures are not otherwise specified in the relevant product chapter. These amendments to CME's fallback procedures are designed to promote the prompt and accurate clearance and settlement of securities transactions and, to the extent applicable, derivatives agreements, contracts, and transactions, to assure the safeguarding of securities and funds which are in the custody or control of the clearing agency or for which it is responsible, and, in general, to protect investors and the public interest consistent with Section 17A(b)(3)(F) of the Act.[8]

Furthermore, the proposed changes are limited in their effect to products offered under CME's authority to act as a DCO. The products that are the subject of this filing are under the exclusive jurisdiction of the CFTC. As such, the proposed CME changes are limited to CME's activities as a DCO clearing swaps that are not security-based swaps, futures that are not security futures and forwards that are not security forwards. CME notes that the policies of the CFTC with respect to administering the Commodity Exchange Act are comparable to a number of the policies underlying the Act, such as promoting market transparency for over-the-counter derivatives markets, promoting the prompt and accurate clearance of transactions and protecting investors and the public interest.

Because the proposed changes are limited in their effect to OTC FX products offered under CME's authority to act as a DCO, the proposed changes are properly classified as effecting a change in an existing service of CME that:

(a) Primarily affects the clearing operations of CME with respect to products that are not securities, including futures that are not security futures, swaps that are not security-based swaps or mixed swaps, and forwards that are not security forwards; and

(b) does not significantly affect any securities clearing operations of CME or any rights or obligations of CME with respect to securities clearing or persons using such securities-clearing service.

As such, the changes are therefore consistent with the requirements of Section 17A of the Act[9] and are properly filed under Section 19(b)(3)(A)[10] and Rule 19b–4(f)(4)(ii)[11] thereunder.

B. Self-Regulatory Organization's Statement on Burden on Competition

CME does not believe that the proposed rule change will have any impact, or impose any burden, on competition. The proposed amendments are designed to establish appropriate fallback settlement price procedures for several OTC FX contracts. Further, the changes are limited to CME's derivatives clearing business and, as such, do not affect the security-based swap clearing activities of CME in any way and therefore would not impose any burden on competition that is inappropriate in furtherance of the purposes of the Act.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

CME has not solicited, and does not intend to solicit, comments regarding this proposed rule change. CME has not received any unsolicited written comments from interested parties.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective upon filing pursuant to Section 19(b)(3)(A)[12] of the Act and Rule 19b–4(f)(4)(ii)[13] 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.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing,

[6] Pursuant to a teleconference with CME's counsel on October 23, 2014, staff in the Division of Trading and Markets has revised this sentence by adding Rule 280H.02.A. to the description of the Rules that are being amended as part of the proposed rule change.

[7] 15 U.S.C. 78q–1.

[8] 15 U.S.C. 78q–1(b)(3)(F).

[9] 15 U.S.C. 78q–1.

[10] 15 U.S.C. 78s(b)(3)(A).

[11] 17 CFR 240.19b–4(f)(4)(ii).

[12] 15 U.S.C. 78s(b)(3)(A).

[13] 17 CFR 240.19b–4(f)(4)(ii).

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–CME–2014–46 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–CME–2014–46. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filings will also be available for inspection and copying at the principal office of CME and on CME's Web site at *http://www.cmegroup.com/market-regulation/rule-filings.html.*

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–CME–2014–46 and should be submitted on or before November 24, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[14]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–26006 Filed 10–31–14; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–73449; File No. SR–OCC–2014–19]

Self-Regulatory Organizations; The Options Clearing Corporation; Notice of Filing of Proposed Rule Change To Permit the Executive Chairman, the President or a Delegate of Such Officer To Approve Requests by a Hedge Clearing Member To Become a Market Loan Clearing Member

October 28, 2014.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'')[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on October 24, 2014, The Options Clearing Corporation (''OCC'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I, II and III below, which Items have been prepared by OCC. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Clearing Agency's Statement of the Terms of Substance of the Proposed Rule Change

This proposed rule change by OCC would amend OCC's By-Laws to permit the Executive Chairman, the President or a delegate of such officer to approve requests by a Hedge Clearing Member to become a Market Loan Clearing Member, provided that such delegate is an officer of the rank of Senior Vice President or higher.

II. Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, OCC included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. OCC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of these statements.

(A) Clearing Agency's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of this proposed rule change is permit the Executive Chairman, the President or their delegate to approve business expansion requests of Hedge Clearing Members [3] to become Market Loan Clearing Members.[4] Delegates of the Executive Chairman and/or the President must be an officer of the rank of Senior Vice President or higher. Currently, OCC's By-Laws require that requests of a Hedge Clearing Member to become a Market Loan Clearing Member be processed through OCC's business expansion process, which involves review and approval by OCC's Risk Committee (''Committee''). As described below, this type of business expansion request is operational and administrative in nature and OCC does not believe review and approval of this type of business expansion request requires the Committee to assess the risk of such designation. Accordingly, OCC proposes to amend its rules to permit the Executive Chairman, the President, or their delegate to approve business expansion requests of Hedge Clearing Members to become Market Loan Clearing Members without further review by the Committee, provided that any delegate be an officer of the rank of Senior Vice President or higher.

By way of background, the Committee is responsible for reviewing and approving clearing member requests to clear a type or a kind of transaction for which it is not currently approved to clear through OCC (i.e., a business expansion request).[5] The Committee has delegated the Executive Chairman, the Management Vice Chairman, the President, or their delegate with authority to review and approve business expansion requests in response to requests by clearing members for expedited review. Such approval is then subject to the Committee's review and ratification at its next regularly scheduled meeting. If a clearing member does not request expedited review of a business expansion request then such request will be reviewed by the Committee at a regularly scheduled

[14] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* OCC By-Laws, Article 1.H(1). *See also,* OCC By-Laws, Article V, Section 1, Interpretation and Policy .07.

[4] *See* OCC By-Laws, Article 1.M(4). *See also,* OCC By-Laws, Article V, Section 1, Interpretation and Policy .07A.

[5] *See* OCC By-Laws, Article V, Section 1, Interpretation and Policy .03(e).

meeting of the Committee, and not by the Executive Chairman, the Management Vice Chairman, the President, or their delegate.

In the case of a Hedge Clearing Member requesting a business expansion in order to be approved as Market Loan Clearing Member, the clearing member will have already been subject a robust risk review by the Committee concerning such clearing member's ability to participate in stock loan activity at OCC. Accordingly, the review of the Market Loan business expansion request by either the Committee and/or the Executive Chairman, the Management Vice Chairman, the President, or their delegate would be primarily operational in nature and involve ensuring that the clearing member: (1) Is a U.S. Clearing Member, (2) is a member of a Loan Market,[6] (3) is a participant of the Depository Trust Company and has executed certain agreements with the Depository Trust Company, and (4) executes applicable agreements with OCC.[7] The Committee and/or the Executive Chairman, the Management Vice Chairman, the President, or their delegate would also review the current financial risk profile of the clearing member in connection with the business expansion request in order to verify that the clearing member continues to meet OCC's financial requirements. OCC believes that a second risk review by the Committee would be duplicative because the Committee has already analyzed and approved the clearing member's ability to participate in stock loan activity at OCC. In addition, OCC does not believe that review and approval of this type of business expansion request is an appropriate use of the Committee's time given other, more substantive, issues the Committee must consider. Therefore, OCC proposes to amend Article V, Section 1, Interpretation and Policy .03 of its By-Laws to provide the Executive Chairman, the President, or their delegate with the authority to approve the business expansion requests of Hedge Clearing Members to become Market Loan Clearing Members without further review by the Committee, provided that any delegate be an officer of the rank of Senior Vice President or higher. OCC will implement appropriate procedures to ensure that Hedge Clearing Members meet the requirements to become Market Loan Clearing Members and participate and the Market Loan Program.

2. Statutory Basis

OCC believes that the proposed rule change is consistent with Section 17A(b)(3)(F) of Act[8] because it is designed to remove impediments to a national system for the prompt and accurate clearance and settlement of securities transactions through the removal of administrative and ministerial obligations of the Committee. By providing the Executive Chairman, the President or their delegate the authority to review and approve the business expansion requests of Hedge Clearing Members that would like to become Market Loan Clearing Members without further review by the Committee, clearing members and their customers will not be subject to an additional and time-consuming review by the Committee. In addition, the proposed rule change will allow the Committee to focus on substantive risk issues. The proposed rule change is not inconsistent with any rules of OCC, including those proposed to be amended.

(B) Clearing Agency's Statement on Burden on Competition

OCC does not believe that the proposed rule change would impose a burden on competition.[9] The proposed rule change will ensure that OCC may provide timely and efficient services to its clearing members because it will remove administrative and ministerial steps associated with certain types of business expansion requests. The proposed rule change will apply to all clearing members and will not substantively change the requirements for Hedge Clearing Member to be approved as Market Loan Clearing Members. The Committee's review and approval of a Market Loan Clearing Member business expansion requests from a Hedge Clearing Member would be duplicative of prior action by the Committee since a Market Loan Clearing Member must first be approved as a Hedge Clearing Member, and the Committee will have already considered substantive issues concerning a clearing member's ability to participate in stock loan activity cleared through OCC when the clearing member was designated as a Hedge Clearing Member. Accordingly, OCC does not believe that the proposed rule will impose any burden on competition.

(C) Clearing Agency's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

Written comments on the proposed rule change were not and are not intended to be solicited with respect to the proposed rule change and none have been received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) By order approve or disapprove the proposed rule change, or

(B) institute proceedings to determine whether the proposed rule change should be 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–OCC–2014–19 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–OCC–2014–19. 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

[6] *See* OCC By-Laws, Article 1.L(5).

[7] *See,* OCC By-Laws, Article V, Section 1, Interpretation and Policy .07A.

[8] 15 U.S.C. 78q–1(b)(3)(F).

[9] 15 U.S.C. 78q–1(b)(3)(I).

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 OCC and on OCC's Web site at *http://www.theocc.com/components/docs/legal/rules_and_bylaws/sr_occ_14_19.pdf.*

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–OCC–2014–19 and should be submitted on or before November 24, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[10]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–26009 Filed 10–31–14; 8:45 am]

BILLING CODE 8011–01–P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–73452; File No. SR–BX–2014–054]

Self-Regulatory Organizations; NASDAQ OMX BX, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Billing Policy

October 28, 2014.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 19b–4 thereunder,[2] notice is hereby given that on October 24, 2014, NASDAQ OMX BX, Inc. (''BX'' or ''Exchange'') filed with the Securities and Exchange Commission (''SEC'' or ''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend Exchange Rule 7011, and re-title it ''Collection of Exchange Fees and Other Claims and Billing Policy,'' and to require BX members to submit billing disputes within a certain time period.

The text of the proposed rule change is available on the Exchange's Web site at *http://nasdaqomxbx.cchwallstreet.com,* at the principal office of the Exchange, and at the Commission's Public Reference Room.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

The purpose of the proposed rule change is to amend Rule 7011, which was recently filed,[3] to require all pricing disputes to be submitted to the Exchange in writing[4] and accompanied by supporting documentation within sixty days of receipt of an invoice. The Exchange believes that this practice will conserve Exchange resources which are expended when untimely billing disputes require staff to research applicable fees and order information beyond two months after the transaction occurred.

The sixty days would first apply to invoices related to transactional billing in December 2014 and would apply thereafter.[5] The Exchange proposes to apply the billing policy in Rule 7011 to the following 7000 series Rules: 7001 (Membership Fees), 7015 (Access Services), 7016 (BX Pre-Trade Risk Management), 7018 (NASDAQ OMX BX Equities System Order Execution and Routing), 7021 (BX Trading and Compliance Data Package Fee), 7027 (Aggregation of Activity of Affiliated Members), 7029 (Installation, Removal or Relocation), 7030 (Other Services), 7034 (Co-Location Services), 7051 (Direct Connectivity to BX), 7055 (Short Sale Monitor), 7058 (QView).

Further, this proposal would provide a cost savings to the Exchange in that it would alleviate administrative processes related to the untimely review of billing disputes which divert staff resources away from the Exchange's regulatory and business purposes.

In addition, the Exchange proposes to amend the title of Exchange Rule 7011 from ''Collection of Exchange Fees and Other Claims'' to ''Collection of Exchange Fees and Other Claims and Billing Policy.'' The Exchange believes that the proposed title provides a more specific description of Rule 7011.

2. Statutory Basis

The Exchange believes that its proposal is consistent with Section 6(b) of the Act[6] in general, and furthers the objectives of Section 6(b)(5) of the Act[7] in particular, in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest, by providing a uniform practice for disputing fees.

The Exchange believes the requirement that all pricing disputes, for certain specified fees and rebates, must be submitted to the Exchange within sixty days from receipt of the invoice will provide its members with guidance on disputing pricing. The proposal equally applies to all BX members. Also, the Exchange's administrative costs would be lowered as a result of this policy because staff resources would not be diverted to review untimely requests regarding billing.

The Exchange believes that sixty days is ample time to review an invoice and dispute any pricing related to the transactions for that time period. This policy applies today with respect to BX Options billing.[8] The Exchange is seeking to apply this policy to all BX members alike in the same manner.

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

[10] 17 CFR 200.30–3(a)(12).

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

[3] *See* SR–BX–2014–050.

[4] The Exchange invoice specifies the Exchange contact persons with whom to dispute the invoice.

[5] This proposal would not apply to invoices related to November 2014 billing.

[6] 15 U.S.C. 78f(b).

[7] 15 U.S.C. 78f(b)(5).

[8] *See* Chapter XV, Section 7 in the BX Rules.

of the purposes of the Act. The billing policy would apply uniformly to all BX equity members as it does today with all Options Participants. All BX members would be subject to this policy.

Further, this proposal would provide a cost savings to the Exchange in that it would alleviate administrative processes related to the untimely review of billing disputes which divert staff resources away from the Exchange's regulatory and business purposes.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

No written comments were either solicited or received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing proposed rule change does not significantly affect the protection of investors or the public interest; does not impose any significant burden on competition; and by its terms does not become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A)[9] of the Act and Rule 19b–4(f)(6) thereunder.[10]

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is: Necessary or appropriate in the public interest; for the protection of investors; or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's Internet comment form (*http://www.sec.gov/rules/sro.shtml*); or
- Send an email to *rule-comments@sec.gov.* Please include File Number SR–BX–2014–054 on the subject line.

Paper Comments

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE., Washington, DC 20549–1090.

All submissions should refer to File Number SR–BX–2014–054. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549 on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal offices of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR–BX–2014–054, and should be submitted on or before November 24, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[11]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–26012 Filed 10–31–14; 8:45 am]

BILLING CODE 8011–01–P

[9] 15 U.S.C. 78s(b)(3)(A).

[10] 17 CFR 240.19b–4(f)(6).

[11] 17 CFR 200.30–3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–73451; File No. SR–ICC–2014–17]

Self-Regulatory Organizations; ICE Clear Credit LLC; Notice of Filing of Proposed Rule Change To Revise ICC End-of-Day Price Discovery Policies and Procedures

October 28, 2014.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act'')[1] and Rule 19b–4 thereunder[2] notice is hereby given that on October 17, 2014, ICE Clear Credit LLC (''ICC'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change as described in Items I, II, and III below, which Items have been prepared primarily by ICC. 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 principal purpose of the proposed rule change is to revise the ICC End-of-Day Price Discovery Policies and Procedures to incorporate enhancements to its price discovery process. This revision does not require any changes to the ICC Clearing Rules (''Rules'').

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, ICC included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. ICC has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of these statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

ICC proposes revising the ICC End-of-Day Price Discovery Policies and Procedures to incorporate enhancements to its price discovery process.

ICC believes such revisions will facilitate the prompt and accurate

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

clearance and settlement of securities transactions and derivative agreements, contracts, and transactions for which it is responsible. The proposed revisions are described in detail as follows.

ICC currently utilizes a ''cross and lock'' algorithm as part of its price discovery process. Under this algorithm, bids and offers derived from Clearing Participant submissions are matched by sorting them from highest to lowest and lowest to highest levels, respectively. This sorting process pairs the CP submitting the highest bid price with the CP submitting the lowest offer price, the CP submitting the second highest bid price with the CP submitting the second-lowest offer price, and so on. The algorithm then identifies crossed and/or locked markets. Crossed markets are the Clearing Participant pairs generated by the sorting and ranking process for which the bid price of one Clearing Participant is above the offer price of the matched Clearing Participant. The algorithm identifies locked markets, where the bid and the offer are equal, in a similar fashion. The mid-point of the first non-crossed, non-locked matched market is the final end-of-day level (with additional steps taken to remove off-market submissions from influencing the final level). This process captures the market dynamics of trading; however, final pricing levels are ultimately determined by a single bid and a single offer, which results in the ability for one submission to influence the outcome.

ICC proposes enhancements to its methodology to improve the consistency of prices and reduce the sensitivity of the final level to a single Clearing Participant's submission. Under the new ''cross and lock'' methodology, the average of the mid-points of all non-crossed, non-locked matched markets that are less than or equal to one bid-offer width is used as the final level (with additional steps taken to remove off-market submissions from influencing the final level). As a result, prices are less sensitive to outlying submissions. ICC also proposes additional language in the ICC End-of-Day Price Discovery Policies and Procedures to clarify existing policies and practices, including, but not limited to, language to clarify the existing pricing methodology's treatment of identical crossed or locked matched market bids or offers.[3] There are no changes to ICC's Rules as a result of these enhancements.

Section 17A(b)(3)(F) of the Act[4] requires, among other things, that the rules of a clearing agency be designed to promote the prompt and accurate clearance and settlement of securities transactions, and to the extent applicable, derivative agreements, contracts and transactions and to comply with the provisions of the Act and the rules and regulations thereunder. ICC believes that the proposed rule changes are consistent with the requirements of the Act and the rules and regulations thereunder applicable to ICC, in particular, to Section 17(A)(b)(3)(F),[5] because ICC believes that the proposed rule changes will assure the prompt and accurate clearance and settlement of securities transactions, derivatives agreements, contracts, and transactions, as the proposed revisions enhance ICC's price discovery process, resulting in more consistent day-over-day end-of-day levels. As such, the proposed changes are designed to promote the prompt and accurate clearance and settlement of securities transactions, derivatives agreements, contracts, and transactions within the meaning of Section 17A(b)(3)(F)[6] of the Act.

B. Self-Regulatory Organization's Statement on Burden on Competition

ICC does not believe the proposed rule changes would have any impact, or impose any burden, on competition. The enhancements to ICC's price discovery process apply uniformly across all market participants. Therefore, ICC does not believe the proposed rule changes impose any burden on competition that is inappropriate in furtherance of the purposes of the Act.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

Written comments relating to the proposed rule change have not been solicited or received. ICC will notify the Commission of any written comments received by ICC.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 45 days of the date of publication of this notice in the **Federal Register** or within such longer period up to 90 days (i) as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) By order approve or disapprove such proposed rule change, or

(B) institute proceedings to determine whether the proposed rule change should be 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–ICC–2014–17 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–ICC–2014–17. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (*http://www.sec.gov/rules/sro.shtml*). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for Web site viewing and printing in the Commission's Public Reference Room, 100 F Street NE., Washington, DC 20549, on official business days between the hours of 10:00 a.m. and 3:00 p.m. Copies of such filings will also be available for inspection and copying at the principal office of ICE Clear Credit and on ICE Clear Credit's Web site at *https://www.theice.com/clear-credit/regulation.*

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

[3] Pursuant to a teleconference with ICC's in-house counsel on October 27, 2014, staff in the Division of Trading and Markets has added this sentence to more completely describe the proposed textual changes as a result of this proposed rule change.

[4] 15 U.S.C. 78q–1(b)(3)(F).

[5] *Id.*

[6] *Id.*

submissions should refer to File Number SR–ICC–2014–17 and should be submitted on or before November 24, 2014.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.[7]

Kevin M. O'Neill,

Deputy Secretary.

[FR Doc. 2014–26011 Filed 10–31–14; 8:45 am]

BILLING CODE 8011–01–P

SMALL BUSINESS ADMINISTRATION

Senior Executive Service: Performance Review Board Members

AGENCY: U.S. Small Business Administration.

ACTION: Notice of Members for the FY 15 Performance Review Board.

SUMMARY: Section 4314(c)(4) of Title 5, U.S.C.; requires each agency to publish notification of the appointment of individuals who may serve as members of that Agency's Performance Review Board (PRB). The following individuals have been designated to serve on the FY 15 Performance Review Board for the U.S. Small Business Administration:

1. Robert Hill (Chair), Associate Administrator, Field Operations
2. Nicholas Coutsos, Associate Administrator, Congressional and Legislative Affairs
3. Isabella Guzman, Senior Advisor to the Administrator
4. James Rivera, Associate Administrator for Disaster Assistance
5. John Klein, Assistant General Counsel for Procurement
6. Renee Macklin, Chief Information Officer
7. Francisco Marrero, District Director, South Florida

Maria Contreras-Sweet,

Administrator.

[FR Doc. 2014–26039 Filed 10–31–14; 8:45 am]

BILLING CODE P

SOCIAL SECURITY ADMINISTRATION

Agency Information Collection Activities: 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 a revision of an OMB-approved information collection.

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 collection techniques or other forms of information technology. Mail, email, or fax your comments and recommendations on the information collection(s) to the OMB Desk Officer and SSA Reports Clearance Officer at the following addresses or fax numbers.

(OMB), Office of Management and Budget, Attn: Desk Officer for SSA, Fax: 202–395–6974, Email address: *OIRA_Submission@omb.eop.gov.*

(SSA), Social Security Administration, OLCA, Attn: Reports Clearance Director, 3100 West High Rise, 6401 Security Blvd., Baltimore, MD 21235, Fax: 410–966–2830, Email address: *OR.Reports.Clearance@ssa.gov.*

SSA submitted the information collection below to OMB for clearance. Your comments regarding the information collection 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 December 3, 2014. Individuals can obtain copies of the OMB clearance package by writing to *OR.Reports.Clearance@ssa.gov.*

Application for a Social Security Number Card, and the Social Security Number Application Process (SSNAP)—20 CFR 422.103–422.110—0960–0066. SSA collects information on the SS–5 (used in the United States) and SS–5–FS (used outside the United States) to issue original or replacement Social Security cards. SSA also enters the application data into the Social Security Number Application Process (SSNAP) when applicants request a new or replacement card via telephone or in person. In addition, hospitals collect the same information on SSA's behalf for newborn children through the Enumeration-at-Birth process. In this process, parents of newborns provide hospital birth registration clerks with information required to register these newborns. Hospitals send this information to State Bureaus of Vital Statistics (BVS), and they send the information to SSA's National Computer Center. SSA then uploads the data to the SSA mainframe along with all other enumeration data, and we assign the newborn a Social Security number (SSN) and issue a Social Security card. Respondents can also use these modalities to request a change in their SSN records. The respondents for this collection are applicants for original and replacement Social Security cards, or individuals who wish to change information in their SSN records, who use any of the modalities described above.

Type of Request: Revision of an OMB-approved information collection.

Application scenario	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)
Respondents who do not have to provide parents' SSNs	12,000,000	1	8.5	1,700,000
Respondents whom we ask to provide parents' SSNs (when applying for original SSN cards for children under age 18)	400,000	1	9	60,000
Applicants age 12 or older who need to answer additional questions so SSA can determine whether we previously assigned an SSN	1,500,000	1	9.5	237,500
Applicants asking for a replacement SSN card beyond the new allowable limits (i.e., who must provide additional documentation to accompany the application)	900	1	60	900
Authorization to SSA to obtain personal information cover letter	500	1	15	125

[7] 17 CFR 200.30–3(a)(12).

Application scenario	Number of respondents	Frequency of response	Average burden per response (minutes)	Estimated total annual burden (hours)
Authorization to SSA to obtain personal information follow-up cover letter	500	1	15	125
Totals	13,901,900			1,998,650

Dated: October 29, 2014.

Faye Lipsky,

Reports Clearance Director, Social Security Administration.

[FR Doc. 2014–26015 Filed 10–31–14; 8:45 am]

BILLING CODE 4191–02–P

DEPARTMENT OF TRANSPORTATION

Office of the Secretary of Transportation

Notice of Funding Availability for the Small Business Transportation Resource Center Program

AGENCY: Office of Small and Disadvantaged Business Utilization (OSDBU), Office of the Secretary of Transportation (OST), Department of Transportation (DOT).

ACTION: Notice of Funding Availability for the Capital Region SBTRC.

SUMMARY: The Department of Transportation (DOT), Office of the Secretary (OST), Office of Small and Disadvantaged Business Utilization (OSDBU) announces the opportunity for: (1) Business centered community-based organizations; (2) transportation-related trade associations; (3) colleges and universities; (4) community colleges or; (5) chambers of commerce, registered with the Internal Revenue Service as 501 C(6) or 501 C(3) tax-exempt organizations, to compete for participation in OSDBU's Small Business Transportation Resource Center (SBTRC) program in the Capital Region (District of Columbia, Stafford County (VA), Fauquier County (VA), Prince William County (VA), Manassas County (VA), Loudoun County (VA), Fairfax County (VA), Charles County (MD), Prince Georges County (MD) and Montgomery County (MD)).

OSDBU will enter into Cooperative Agreements with these organizations to provide outreach to the small business community in their designated region and provide financial and technical assistance, business training programs, business assessment, management training, counseling, marketing and outreach, and the dissemination of information, to encourage and assist small businesses to become better prepared to compete for, obtain, and manage DOT funded transportation-related contracts and subcontracts at the federal, state and local levels. Throughout this notice, the term ''small business'' will refer to: 8(a), small disadvantaged businesses (SDB), disadvantaged business enterprises (DBE), women owned small businesses (WOSB), HubZone, service disabled veteran owned businesses (SDVOB), and veteran owned small businesses (VOSB). Throughout this notice, ''transportation-related'' is defined as the maintenance, rehabilitation, restructuring, improvement, or revitalization of any of the nation's modes of transportation.

Funding Opportunity Number: USDOT–OST–OSDBU–SBTRC–2014–16

Catalog of Federal Domestic Assistance (CFDA) Number: 20.910 Assistance to small and disadvantaged businesses.

Type of Award: Cooperative Agreement Grant.

Award Ceiling: $150,000.

Award Floor: $135,000.

Program Authority: DOT is authorized under 49 U.S.C. 332 (b) (4), (5) & (7) to design and carry out programs to assist small disadvantaged businesses in getting transportation-related contracts and subcontracts; develop support mechanisms, including management and technical services, that will enable small disadvantaged businesses to take advantage of those business opportunities; and to make arrangements to carry out the above purposes.

DATES: Complete Proposals must be electronically submitted to OSDBU via email on or before December 1, 2014, 6:00pm Eastern Standard Time (EST). Proposals received after the deadline will be considered non-responsive and will not be reviewed. The applicant is advised to request delivery receipt notification for email submissions. DOT plans to give notice of award for the competed region on or before December 19, 2014, by 6:00pm (EST).

ADDRESSES: Applications must be electronically submitted to OSDBU via email at *SBTRC@dot.gov* and the OSDBU Regional Assistance Division Manager, Michelle Harris, at *Michelle.Harris@dot.gov.*

FOR FURTHER INFORMATION: For further information concerning this notice, contact Mr. Mark Antoniewicz, Program Analyst, U.S. Department of Transportation, Office of Small and Disadvantaged Business Utilization, 1200 New Jersey Avenue SE., Washington, DC 20590. Telephone: (202) 366–1930. Email: *mark.antoniewicz@dot.gov.*

SUPPLEMENTARY INFORMATION:

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1. Introduction

1.1 Background

The DOT established OSDBU in accordance with Public Law 95–507, an amendment to the Small Business Act and the Small Business Investment Act of 1958. The mission of OSDBU at DOT is to ensure that the small and disadvantaged business policies and goals of the Secretary of Transportation are developed and implemented in a fair, efficient and effective manner to serve small and disadvantaged businesses throughout the country. The OSDBU also administers the provisions of Title 49, Section 332, the Minority Resource Center (MRC) which includes the duties of advocacy, outreach and financial services on behalf of small and disadvantaged business and those certified under CFR 49 parts 23 and or 26 as Disadvantaged Business Enterprises (DBE) and the development of programs to encourage, stimulate, promote and assist small businesses to

become better prepared to compete for, obtain and manage transportation-related contracts and subcontracts.

The Regional Assistance Division of OSDBU, through the SBTRC program, allows OSDBU to partner with local organizations to offer a comprehensive delivery system of business training, technical assistance and dissemination of information, targeted towards small business transportation enterprises in their regions.

1.2 Program Description and Goals

The national SBTRC program utilizes Cooperative Agreements with chambers of commerce, trade associations, educational institutions and business-centered community based organizations to establish SBTRCs to provide business training, technical assistance and information to DOT grantees and recipients, prime contractors and subcontractors. In order to be effective and serve their target audience, the SBTRCs must be active in the local transportation community in order to identify and communicate opportunities and provide the required technical assistance. SBTRCs must already have, or demonstrate the ability to, establish working relationships with the state and local transportation agencies and technical assistance agencies (i.e. The U.S. Department of Commerce's Minority Business Development Centers (MBDCs), Small Business Development Centers (SBDCs), and Procurement Technical Assistance Centers (PTACs), SCORE and State DOT highway supportive services contractors in their region. Utilizing these relationships and their own expertise, the SBTRCs are involved in activities such as information dissemination, small business counseling, and technical assistance with small businesses currently doing business with public and private entities in the transportation industry.

Effective outreach is critical to the success of the SBTRC program. In order for their outreach efforts to be effective, SBTRCs must be familiar with DOT's Operating Administrations, its funding sources, and how funding is awarded to DOT grantees, recipients, contractors, subcontractors, and its financial assistance programs. SBTRCs must provide outreach to the regional small business transportation community to disseminate information and distribute DOT-published marketing materials, such as Short Term Lending Program (STLP) Information, Bonding Education Program (BEP) information, SBTRC brochures and literature, DOT Procurement Forecasts; Contracting with DOT booklets, Women and Girls in Transportation Initiative (WITI) information, and any other materials or resources that DOT or OSDBU may develop for this purpose. To maximize outreach, the SBTRC may be called upon to participate in regional and national conferences and seminars. Quantities of DOT publications for on-hand inventory and dissemination at conferences and seminars will be available upon request from the OSDBU office.

1.3 Description of Competition

The purpose of this Request For Proposal (RFP) is to solicit proposals from transportation-related trade associations, chambers of commerce, community based entities, colleges and universities, community colleges, and any other qualifying transportation-related non-profit organizations with the desire and ability to partner with OSDBU to establish and maintain an SBTRC.

It is OSDBU's intent to award a Cooperative Agreement to one organization in the Capital Region, from herein referred to as ''region'', in this solicitation. However, if warranted, OSDBU reserves the option to make multiple awards to selected partners. OSDBU also reserves the right to modify states and areas, including counties, covered by the Capital Region SBTRC.

Proposals submitted for a region must contain a plan to service the states throughout the Capital Region (District of Columbia, Stafford County (VA), Fauquier County (VA), Prince William County (VA), Manassas County (VA), Loudoun County (VA), Fairfax County (VA), Charles County (MD), Prince Georges County (MD) and Montgomery County (MD), not just the state/territory, or immediate local geographical area where the SBTRC is headquartered. The SBTRC headquarters must be established in one of the designated states or counties within the Capital Region (District of Columbia, Stafford County (VA), Fauquier County (VA), Prince William County (VA), Manassas County (VA), Loudoun County (VA), Fairfax County (VA), Charles County (MD), Prince Georges County (MD) and Montgomery County (MD).

SBTRC Region Competed in This Solicitation:

Capital Region: District of Columbia, Stafford County (VA), Fauquier County, (VA), Prince William County (VA), Manassas County (VA), Loudoun County (VA), Fairfax County (VA), Charles County (MD), Prince Georges County (MD) and Montgomery County (MD).

Program requirements and selection criteria, set forth in Sections 2 and 4 respectively, indicate that the OSDBU intends for the SBTRC to be multidimensional; that is, the selected organization must have the capacity to effectively access and provide supportive services to the broad range of small businesses within the respective geographical region. To this end, the SBTRC must be able to demonstrate that they currently have established relationships within each state in the geographic region with whom they may coordinate and establish effective networks with DOT grant recipients and local/regional technical assistance agencies to maximize resources.

Cooperative agreement awards will be distributed to the region(s) as follows: Capital Region—Ceiling: $150,000 per year; Floor: $135,000 per year.

Cooperative agreement awards by region are based upon an analysis of DBEs, Certified Small Businesses, and US DOT transportation dollars in each region. It is OSDBU's intent to maximize the benefits received by the small business transportation community through the SBTRC. Funding will reimburse an on-site Project Director for 100% of salary plus fringe benefits, an on-site Executive Director up to 20% of salary plus fringe benefits, up to 100% of a Project Coordinator salary plus fringe benefits, the cost of designated SBTRC space, other direct costs, and all other general and administrative expenses. Selected SBTRC partners will be expected to provide in-kind administrative support. Submitted proposals must contain an alternative funding source with which the SBTRC will fund administrative support costs. Preference will be given to proposals containing in-kind contributions for the Project Director, the Executive Director, the Project Coordinator, cost of designated SBTRC space, other direct costs, and all other general and administrative expenses. The SBTRC will furnish all labor, facilities and equipment to perform the services described in this announcement.

1.4 Duration of Agreements

The cooperative agreement will be awarded for a period of 12 months (one year) with options for two (2) additional one year periods. OSDBU will notify the SBTRC of our intention to exercise an option year or not to exercise an option year 30 days in advance of expiration of the current year. Upon exercising the first year option year of the Cooperative Agreement, OSDBU will renew the SBTRC with a 5% funding increase. Upon exercising the second option year, OSDBU will renew the SBTRC with a 3% increase from the first option year.

Authority

DOT is authorized under 49 U.S.C. 332 (b) (4), (5) &(7) to design and carry out programs to assist small disadvantaged businesses in getting transportation-related contracts and subcontracts; develop support mechanisms, including management and technical services, that will enable small disadvantaged businesses to take advantage of those business opportunities; and to make arrangements to carry out the above purposes.

1.5 Eligibility Requirements

To be eligible, an organization must be an established, nonprofit, community-based organization, transportation-related trade association, chamber of commerce, college or university, community college, and any other qualifying transportation-related non-profit organization which has the documented experience and capacity necessary to successfully operate and administer a coordinated delivery system that provides access for small businesses to prepare and compete for transportation-related contracts. In addition, to be eligible, the applicant organization must:

(A) Be an established 501 C (3) or 501 C (6) tax-exempt organization and provide documentation as verification. No application will be accepted without proof of tax-exempt status;

(B) Have at least one year of documented and continuous experience prior to the date of application in providing advocacy, outreach, and technical assistance to small businesses within the region in which proposed services will be provided. Prior performance providing services to the transportation community is preferable, but not required; and

(C) Have an office physically located within the proposed city in the designated headquarters state in the region for which they are submitting the proposal that is readily accessible to the public.

2. Program Requirements

2.1 Recipient Responsibilities

(A) Assessments, Business Analyses

1. Conduct an assessment of small businesses in the SBTRC region to determine their training and technical assistance needs, and use information that is available at no cost to structure programs and services that will enable small businesses to become better prepared to compete for and receive transportation-related contract awards.

2. Contact other federal, state and local government agencies, such as the U.S. Small Business Administration (SBA), state and local highway agencies, state and local airport authorities, and transit authorities to identify relevant and current information that may support the assessment of the regional small business transportation community needs.

(B) General Management & Technical Training and Assistance

1. Utilize OSDBU's Intake Form to document each small business assisted by the SBTRC and type of service(s) provided. A complete list of businesses that have filled out the form shall be submitted as part of the SBTRC report, submitted via email to the Regional Assistance Division on a regular basis (using the SBTRC Report). This report will detail SBTRC activities and performance results. The data gathered must be supportive by the narrative (if asked).

2. Ensure that an array of information is made available for distribution to the small business transportation community that is designed to inform and educate the community on DOT/OSDBU services and opportunities.

3. Coordinate efforts with OSDBU in order to maintain an on-hand inventory of DOT/OSDBU informational materials for general dissemination and for distribution at transportation-related conferences and other events.

(C) Business Counseling

1. Collaborate with agencies, such as State, Regional, and Local Transportation Government Agencies, SBA, U.S. Department of Commerce's Minority Business Development Centers (MBDCs), Service Corps of Retired Executives (SCORE), Procurement Technical Assistance Centers (PTACs), and Small Business Development Centers (SBDCs), to offer a broad range of counseling services to transportation-related small business enterprises.

2. Create a technical assistance plan that will provide each counseled participant with the knowledge and skills necessary to improve the management of their own small business to expand their transportation-related contracts and subcontracts portfolio.

3. Provide a minimum of 20 hours of individual or group counseling sessions to small businesses per month. This counseling includes in-person meetings or over the phone, and does not include any time taken to do email correspondence.

(D) Planning Committee

1. Establish a Regional Planning Committee consisting of at least 10 members that includes representatives from the regional community and federal, state, and local agencies. The highway, airport, and transit authorities for the SBTRC's headquarters state must have representation on the planning committee. This committee shall be established no later than 60 days after the execution of the Cooperative agreement between the OSDBU and the selected SBRTC.

2. Provide a forum for the federal, state, and local agencies to disseminate information about upcoming DOT procurements and SBTRC activities.

3. Hold either monthly or quarterly meetings at a time and place agreed upon by SBTRC and planning committee members (conference calls and/or video conferences are acceptable).

4. Use the initial session hosted by the SBTRC to explain the mission of the committee and identify roles of the staff and the members of the group.

5. Responsibility for the agenda and direction of the Planning Committee should be handled by the SBTRC Project Director or his/her designee.

(E) Outreach Services/Conference Participation

1. Utilize the services of the System for Award Management (SAM) and other sources to construct a database of regional small businesses that currently or may in the future participate in DOT direct and DOT funded transportation related contracts, and make this database available to OSDBU, upon request.

2. Utilize the database of regional transportation-related small businesses to match opportunities identified through the planning committee forum, FedBiz Opps (a web-based system for posting solicitations and other Federal procurement-related documents on the Internet), and other sources to eligible small businesses and inform the small business community about those opportunities.

3. Develop a ''targeted'' database of firms (100–150) that have the capacity and capabilities, and are ready, willing and able to participate in DOT contracts and subcontracts immediately. This control group will receive ample resources from the SBTRC, i.e., access to working capital, bonding assistance, business counseling, management assistance and direct referrals to DOT agencies at the state and local levels, and to prime contractors as effective subcontractor firms.

4. Identify regional, state and local conferences where a significant number of small businesses, with transportation related capabilities, are expected to be

in attendance. Maintain and submit a list of those events to the Regional Assistance Division for review and posting on the OSDBU Web site on a regular basis. Clearly identify the events designated for SBTRC participation and include recommendations for OSDBU participation. This information can be submitted as part of the SBTRC Report.

5. Conduct outreach and disseminate information to small businesses at regional transportation-related conferences, seminars, and workshops. In the event that the SBTRC is requested to participate in an event, the OSDBU will send DOT materials, the OSDBU banner and other information that is deemed necessary for the event.

6. Submit a conference summary report within the 'Events' section of the SBTRC Report. The conference summary report should summarize the activity, contacts made, outreach results, and recommendations for continued or discontinued participation in future similar events sponsored by that organization.

7. Upon request by OSDBU, coordinate efforts with DOT's grantees and recipients at the state and/or local levels to sponsor or cosponsor an OSDBU transportation related conference in the region (commonly referred to as ''Small Business Summits''.

8. Participate in the SBTRC monthly teleconference call, hosted by the OSDBU Regional Assistance.

(F) Short Term Lending Program (STLP)

1. Work with STLP participating banks and if not available, other lending institutions to deliver a minimum of five (5) seminars/workshops per year on the STLP, and/or other financial assistance programs, to the transportation-related small business community. Seminars/workshops must cover the entire STLP/loan process, from completion of STLP/loan applications and preparation of the loan package.

2. Provide direct support, technical support, and advocacy services to potential STLP applicants to increase the probability of STLP loan approval and generate a minimum of four (4) completed STLP applications per year.

3. Provide direct support, technical support, and advocacy services to Small and Disadvantaged Businesses interested in obtaining a loan from another type of Government Lending Program. Government Lending Programs include Federal, State, and Local level programs. The SBTRC will be required to generate a minimum of three (3) completed Government Lending Program applications per year.

(G) Bonding Education Program (BEP)

Work with OSDBU, bonding industry partners, local small business transportation stakeholders, and local bond producers/agents in your region to deliver a minimum of two (2) complete Bonding Education Programs. The BEP consists of the following components: (1) The stakeholder's meeting; (2) the educational workshops component; (3) the bond readiness component; and (4) follow-on assistance to BEP participants via technical and procurement assistance based on the prescriptive plan determined by the BEP. For each BEP event, work with the local bond producers/agents in your region and the disadvantaged business participants to deliver a minimum of ten (10) disadvantaged business participants in the BEP with either access to bonding or an increase in bonding capacity. The programs will be funded separately and in addition to the amount listed in section 1.3 of this solicitation.

(H) Women and Girls in Transportation Initiative (WITI)

Pursuant to Executive Order 13506, and 49 U.S.C. 332(b)(4) & (7), the SBTRC shall administer the WITI in their geographical region. The SBTRC shall implement the DOT WITI program as defined by the DOT WITI Policy. The WITI program is designed to identify, educate, attract, and retain women and girls from a variety of disciplines in the transportation industry. The SBTRC shall also be responsible for outreach activities in the implementation of this program and advertising the WITI program to all colleges and universities and transportation entities in their region. The WITI program shall be developed in conjunction with the skill needs of the USDOT, state and local transportation agencies and appropriate private sector transportation-related participants including, S/WOBs/DBEs, and women organizations involved in transportation. Emphasis shall be placed on establishing partnerships with transportation-related businesses. The SBTRC will be required to host 1 WITI event and attend at least 5 events where WITI is presented and marketed.

2.2 Office of Small and Disadvantaged Business Utilization (OSDBU) Responsibilities

(A) Provide consultation and technical assistance in planning, implementing and evaluating activities under this announcement.

(B) Provide orientation and training to the applicant organization.

(C) Monitor SBTRC activities, cooperative agreement compliance, and overall SBTRC performance.

(D) Assist SBTRC to develop or strengthen its relationships with federal, state, and local transportation authorities, other technical assistance organizations, and DOT grantees.

(E) Facilitate the exchange and transfer of successful program activities and information among all SBTRC regions.

(F) Provide the SBTRC with DOT/OSDBU materials and other relevant transportation related information for dissemination.

(G) Maintain effective communication with the SBTRC and inform them of transportation news and contracting opportunities to share with small businesses in their region.

(H) Provide all required forms to be used by the SBTRC for reporting purposes under the program.

(I) Perform an annual performance evaluation of the SBTRC. Satisfactory performance is a condition of continued participation of the organization as an SBTRC and execution of all option years.

3. Submission of Proposals

3.1 Format for Proposals

Each proposal must be submitted to DOT's OSDBU in the format set forth in the application form attached as Appendix A to this announcement.

3.2 Address; Number of Copies; Deadlines for Submission

Any eligible organization, as defined in Section 1.6 of this announcement, will submit only one proposal per region for consideration by OSDBU. Applications must be double spaced, and printed in a font size not smaller than 12 points. Applications will not exceed 35 single-sided pages, not including any requested attachments. All pages should be numbered at the top of each page. All documentation, attachments, or other information pertinent to the application must be included in a single submission. Proposal packages must be submitted electronically to OSDBU at *SBTRC@dot.gov* and to the Regional Assistance Division Manager, Michelle Harris, at *Michelle.Harris@dot.gov.* The applicant is advised to turn on request delivery receipt notification for email submission. Proposals must be received by DOT/OSDBU no later than December 1, 2014, 6:00pm Eastern Standard Time (EST).

4. Selection Criteria

4.1 General Criteria

OSDBU will award the cooperative agreement on a best value basis, using

the following criteria to rate and rank applications:

Applications will be evaluated using a point system (maximum number of points = 100);

- Approach and strategy (25 points)
- Linkages (25 points)
- Organizational Capability (25 points)
- Staff Capabilities and Experience (15 points)
- Cost Proposal (10 points)

(A) Approach and Strategy (25 Points)

The applicant must describe their strategy to achieve the overall mission of the SBTRC as described in this solicitation and service the small business community in their entire geographic regional area. The applicant must also describe how the specific activities outlined in Section 2.1 will be implemented and executed in the organization's regional area. OSDBU will consider the extent to which the proposed objectives are specific, measurable, time-specific, and consistent with OSDBU goals and the applicant organization's overall mission. OSDBU will give priority consideration to applicants that demonstrate innovation and creativity in their approach to assist small businesses to become successful transportation contractors and increase their ability to access DOT contracting opportunities and financial assistance programs. Applicants must also submit the estimated direct costs, other than labor, to execute their proposed strategy. OSDBU will consider the quality of the applicant's plan for conducting program activities and the likelihood that the proposed methods will be successful in achieving proposed objectives at the proposed cost.

(B) Linkages (25 Points)

The applicant must describe their established relationships within their geographic region and demonstrate their ability to coordinate and establish effective networks with DOT grant recipients and local/regional technical assistance agencies to maximize resources. OSDBU will consider innovative aspects of the applicant's approach and strategy to build upon their existing relationships and established networks with existing resources in their geographical area. The applicant should describe their strategy to obtain support and collaboration on SBTRC activities from DOT grantees and recipients, transportation prime contractors and subcontractors, the SBA, U.S. Department of Commerce's Minority Business Development Centers (MBDCs), Service Corps of Retired Executives (SCORE), Procurement Technical Assistance Centers (PTACs), Small Business Development Centers (SBDCs), State DOTs, and State highway supportive services contractors. In rating this factor, OSDBU will consider the extent to which the applicant demonstrates ability to be multidimensional. The applicant must demonstrate that they have the ability to access a broad range of supportive services to effectively serve a broad range of transportation-related small businesses within their respective geographical region. Emphasis will also be placed on the extent to which the applicant identifies a clear outreach strategy related to the identified needs that can be successfully carried out within the period of this agreement and a plan for involving the Planning Committee in the execution of that strategy.

(C) Organizational Capability (25 Points)

The applicant must demonstrate that they have the organizational capability to meet the program requirements set forth in Section 2. The applicant organization must have sufficient resources and past performance experience to successfully provide outreach to the small business transportation resources in their geographical area and carry out the mission of the SBTRC. In rating this factor, OSDBU will consider the extent to which the applicant's organization has recent, relevant and successful experience in advocating for and addressing the needs of small businesses. Applicants will be given points for demonstrated past transportation-related performance. The applicant must also describe technical and administrative resources it plans to use in achieving proposed objectives. In their description, the applicant must describe their facilities, computer and technical facilities, ability to tap into volunteer staff time, and a plan for sufficient matching alternative financial resources to fund the general and administrative costs of the SBTRC. The applicant must also describe their administrative and financial management staff. It will be the responsibility of the successful candidate to not only provide the services outlined herein to small businesses in the transportation industry, but to also successfully manage and maintain their internal financial, payment, and invoicing process with their financial management offices. OSDBU will place an emphasis on capabilities of the applicant's financial management staff. Additionally, a site visit may be required prior to award for those candidates that are being strongly considered. If necessary, a member of the OSDBU team will contact those candidates to schedule the site visits prior to the award of the agreement.

(D) Staff Capability and Experience (15 Points)

The applicant organization must provide a list of proposed personnel for the project, with salaries, fringe benefit burden factors, educational levels and previous experience clearly delineated. The applicant's project team must be well-qualified, knowledgeable, and able to effectively serve the diverse and broad range of small businesses in their geographical region. The Executive Director and the Project Director shall be deemed key personnel. Detailed resumes must be submitted for all proposed key personnel and outside consultants and subcontractors. Proposed key personnel must have detailed demonstrated experience providing services similar in scope and nature to the proposed effort. The proposed Project Director will serve as the responsible individual for the program. 100% of the Project Director's time must be dedicated to the SBTRC. Both the Executive Director and the Project Director must be located on-site. In this element, OSDBU will consider the extent to which the applicant's proposed Staffing Plan; (a) Clearly meets the education and experience requirements to accomplish the objectives of the cooperative agreement; (b) delineates staff responsibilities and accountability for all work required and; (c) presents a clear and feasible ability to execute the applicant's proposed approach and strategy.

(E) Cost Proposal (10 Points)

Applicants must submit the total proposed cost of establishing and administering the SBTRC in the applicant's geographical region for a 12 month period, inclusive of costs funded through alternative matching resources. The applicant's budget must be adequate to support the proposed strategy and costs must be reasonable in relation to project objectives. The portion of the submitted budget funded by OSDBU cannot exceed the ceiling outlined in Section 1.3: Description of Competition of this RFP per fiscal year. Applicants are encouraged to provide in-kind costs and other innovative cost approaches.

4.2 Scoring of Applications

A review panel will score each application based upon the evaluation criteria listed above. Points will be

given for each evaluation criteria category, not to exceed the maximum number of points allowed for each category. Proposals which are deemed non-responsive, do not meet the established criteria, or incomplete at the time of submission will be disqualified.

OSDBU will perform a responsibility determination of the prospective awardee in the region, which may include a site visit, before awarding the cooperative agreement.

4.3 Conflicts of Interest

Applicants must submit signed statements by key personnel and all organization principals indicating that they, or members of their immediate families, do not have a personal, business or financial interest in any DOT-funded transportation project, nor any relationships with local or state transportation agencies that may have the appearance of a conflict of interest.

Appendix A—Format for Proposals for the Department of Transportation, Office of Small and Disadvantaged Business Utilization's Small Business Transportation Resource Center (SBTRC) Program

Submitted proposals for the DOT, Office of Small and Disadvantaged Business Utilization's Small Business Transportation Resource Center Program must contain the following 12 sections and be organized in the following order:

1. TABLE OF CONTENTS

Identify all parts, sections and attachments of the application.

2. APPLICATION SUMMARY

Provide a *summary overview* of the following:

- The applicant's proposed SBTRC region and city and key elements of the plan of action/strategy to achieve the SBTRC objectives.
- The applicant's relevant organizational experience and capabilities.

3. UNDERSTANDING OF THE WORK

Provide a narrative which contains specific project information as follows:

- The applicant will describe its understanding of the OSDBU's SBTRC program mission and the role of the applicant's proposed SBTRC in advancing the program goals.
- The applicant will describe specific outreach needs of transportation-related small businesses in the applicant's region and how the SBTRC will address the identified needs.

4. APPROACH AND STRATEGY

- Describe the applicant's plan of action/strategy for conducting the program in terms of the tasks to be performed.
- Describe the specific services or activities to be performed and how these services/activities will be implemented.
- Describe innovative and creative approaches to assist small businesses to become successful transportation contractors and increase their ability to access DOT contracting opportunities and financial assistance programs.
- Estimated direct costs, other than labor, to execute the proposed strategy.

5. LINKAGES

- Describe established relationships within the geographic region and demonstrate the ability to coordinate and establish effective networks with DOT grant recipients and local/regional technical assistance agencies.
- Describe the strategy to obtain support and collaboration on SBTRC activities from DOT grantees and recipients, transportation prime contractors and subcontractors, the SBA, U.S. Department of Commerce's Minority Business Development Centers (MBDCs), Service Corps of Retired Executives (SCORE), Procurement Technical Assistance Centers (PTACs), Small Business Development Centers (SBDCs), State DOTs, and State highway supportive services contractors.
- Describe the outreach strategy related to the identified needs that can be successfully carried out within the period of this agreement and a plan for involving the Planning Committee in the execution of that strategy.

6. ORGANIZATIONAL CAPABILITY

- Describe recent and relevant past successful performance in addressing the needs of small businesses, particularly with respect to transportation-related small businesses.
- Describe internal technical, financial management, and administrative resources.
- Propose a plan for sufficient matching alternative financial resources to fund the general and administrative costs of the SBTRC.

7. STAFF CAPABILITY AND EXPERIENCE

- List proposed key personnel, their salaries and proposed fringe benefit factors.
- Describe the education, qualifications and relevant experience of key personnel. Attach detailed resumes.
- Proposed staffing plan. Describe how personnel are to be organized for the program and how they will be used to accomplish program objectives. Outline staff responsibilities, accountability and a schedule for conducting program tasks.

8. COST PROPOSAL

- Outline the total proposed cost of establishing and administering the SBTRC in the applicant's geographical region for a 12 month period, inclusive of costs funded through alternative matching resources. Clearly identify the portion of the costs funded by OSDBU.
- Provide a brief narrative linking the cost proposal to the proposed strategy.

9. PROOF OF TAX EXEMPT STATUS

10. ASSURANCES SIGNATURE FORM

Complete the attached Standard Form 424B ASSURANCES—NON-CONSTRUCTION PROGRAMS identified as Attachment 1.

11. CERTIFICATION SIGNATURE FORMS

Complete form DOTF2307–1 DRUG-FREE WORKPLACE ACT CERTIFICATION FOR a GRANTEE OTHER THAN AN INDIVIDUAL identified as attachment 2 and Form DOTF2308–1 CERTIFICATION REGARDING LOBBYING FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS identified as Attachment 3.

SIGNED CONFLICT OF INTEREST STATEMENTS

The statements must say that they, or members of their immediate families, do not have a personal, business or financial interest in any DOT-funded transportation projects, nor any relationships with local or state transportation agencies that may have the appearance of a conflict of interest.

12. STANDARD FORM 424

Complete Standard Form 424 Application for Federal Assistance identified as Attachment 4.

Please be sure that all forms have been signed by an authorized official who can legally represent the organization.

Issued in Washington, DC, October 24, 2014.

Brandon Neal,

Director, Office of Small and Disadvantaged Business Utilization, Office of the Secretary, U.S. Department of Transportation.

[FR Doc. 2014–25979 Filed 10–31–14; 8:45 am]

BILLING CODE 4910–9X–P

DEPARTMENT OF TRANSPORTATION

Office of the Secretary of Transportation

Notice of Funding Availability for the Small Business Transportation Resource Center Program

AGENCY: Office of Small and Disadvantaged Business Utilization (OSDBU), Office of the Secretary of Transportation (OST), Department of Transportation (DOT).

ACTION: Notice of Funding Availability for the Northern Plains Region SBTRC.

SUMMARY: The Department of Transportation (DOT), Office of the Secretary (OST), Office of Small and Disadvantaged Business Utilization (OSDBU) announces the opportunity for: (1) Business centered community-based organizations; (2) transportation-related trade associations; (3) colleges and universities; (4) community colleges or; (5) chambers of commerce, registered with the Internal Revenue Service as 501 C(6) or 501 C(3) tax-exempt organizations, to compete for participation in OSDBU's Small Business Transportation Resource Center (SBTRC) program in the Northern Plains Region (Montana, North Dakota, Minnesota and Iowa).

OSDBU will enter into Cooperative Agreements with these organizations to provide outreach to the small business community in their designated region and provide financial and technical assistance, business training programs, business assessment, management training, counseling, marketing and outreach, and the dissemination of information, to encourage and assist small businesses to become better prepared to compete for, obtain, and manage DOT funded transportation-related contracts and subcontracts at the federal, state and local levels. Throughout this notice, the term ''small business'' will refer to: 8(a), small disadvantaged businesses (SDB), disadvantaged business enterprises (DBE), women owned small businesses (WOSB), HubZone, service disabled veteran owned businesses (SDVOB), and veteran owned small businesses (WOSB). Throughout this notice, ''transportation-related'' is defined as the maintenance, rehabilitation, restructuring, improvement, or revitalization of any of the nation's modes of transportation.

Funding Opportunity Number: USDOT–OST–OSDBU–SBTRC–2014–16.

Catalog of Federal Domestic Assistance (CFDA) Number: 20.910 Assistance to small and disadvantaged businesses.

Type of Award: Cooperative Agreement Grant.

Award Ceiling: $140,000.

Award Floor: $125,000.

Program Authority: DOT is authorized under 49 U.S.C. 332 (b) (4), (5) & (7) to design and carry out programs to assist small disadvantaged businesses in getting transportation-related contracts and subcontracts; develop support mechanisms, including management and technical services, that will enable small disadvantaged businesses to take advantage of those business opportunities; and to make arrangements to carry out the above purposes.

DATES: Complete Proposals must be electronically submitted to OSDBU via email on or before December 1, 2014, 6:00pm Eastern Standard Time (EST). Proposals received after the deadline will be considered non-responsive and will not be reviewed. The applicant is advised to request delivery receipt notification for email submissions. DOT plans to give notice of award for the competed region on or before December 19, 2014, by 6:00pm (EST).

ADDRESSES: Applications must be electronically submitted to OSDBU via email at *SBTRC@dot.gov* and the OSDBU Regional Assistance Division Manager, Michelle Harris, at *Michelle.Harris@dot.gov* (copied).

FOR FURTHER INFORMATION CONTACT: For further information concerning this notice, contact Mr. Mark Antoniewicz, Program Analyst, U.S. Department of Transportation, Office of Small and Disadvantaged Business Utilization, 1200 New Jersey Avenue SE., Washington, DC 20590. Telephone: (202) 366–1930. Email: *mark.antoniewicz@dot.gov.*

SUPPLEMENTARY INFORMATION:

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Full Text of Announcement

1. Introduction

1.1 Background

The DOT established OSDBU in accordance with Public Law 95–507, an amendment to the Small Business Act and the Small Business Investment Act of 1958.

The mission of OSDBU at DOT is to ensure that the small and disadvantaged business policies and goals of the Secretary of Transportation are developed and implemented in a fair, efficient and effective manner to serve small and disadvantaged businesses throughout the country. The OSDBU also administers the provisions of Title 49, Section 332, the Minority Resource Center (MRC) which includes the duties of advocacy, outreach and financial services on behalf of small and disadvantaged business and those certified under CFR 49 parts 23 and or 26 as Disadvantaged Business Enterprises (DBE) and the development of programs to encourage, stimulate, promote and assist small businesses to become better prepared to compete for, obtain and manage transportation-related contracts and subcontracts.

The Regional Assistance Division of OSDBU, through the SBTRC program, allows OSDBU to partner with local organizations to offer a comprehensive delivery system of business training, technical assistance and dissemination of information, targeted towards small business transportation enterprises in their regions.

1.2 Program Description and Goals

The national SBTRC program utilizes Cooperative Agreements with chambers of commerce, trade associations, educational institutions and business-centered community based organizations to establish SBTRCs to provide business training, technical assistance and information to DOT grantees and recipients, prime contractors and subcontractors. In order to be effective and serve their target audience, the SBTRCs must be active in the local transportation community in order to identify and communicate opportunities and provide the required technical assistance. SBTRCs must already have, or demonstrate the ability to, establish working relationships with the state and local transportation agencies and technical assistance agencies (i.e. The U.S. Department of Commerce's Minority Business Development Centers (MBDCs), Small Business Development Centers (SBDCs), and Procurement Technical Assistance Centers (PTACs), SCORE and State DOT highway supportive services contractors in their region. Utilizing these relationships and their own expertise, the SBTRCs are involved in activities such as information dissemination, small business counseling, and technical assistance with small businesses currently doing business with public and private entities in the transportation industry.

Effective outreach is critical to the success of the SBTRC program. In order for their outreach efforts to be effective, SBTRCs must be familiar with DOT's Operating Administrations, its funding sources, and how funding is awarded to DOT grantees, recipients, contractors, subcontractors, and its financial assistance programs. SBTRCs must provide outreach to the regional small business transportation community to disseminate information and distribute DOT-published marketing materials, such as Short Term Lending Program (STLP) Information, Bonding Education Program (BEP) information, SBTRC brochures and literature, DOT Procurement Forecasts; Contracting with DOT booklets, Women and Girls in Transportation Initiative (WITI) information, and any other materials or resources that DOT or OSDBU may develop for this purpose. To maximize outreach, the SBTRC may be called

upon to participate in regional and national conferences and seminars. Quantities of DOT publications for on-hand inventory and dissemination at conferences and seminars will be available upon request from the OSDBU office.

1.3 Description of Competition

The purpose of this Request For Proposal (RFP) is to solicit proposals from transportation-related trade associations, chambers of commerce, community based entities, colleges and universities, community colleges, and any other qualifying transportation-related non-profit organizations with the desire and ability to partner with OSDBU to establish and maintain an SBTRC.

It is OSDBU's intent to award a Cooperative Agreement to one organization in the Northern Plains Region, from herein referred to as ''region'', in this solicitation. However, if warranted, OSDBU reserves the option to make multiple awards to selected partners. OSDBU also reserves the right to modify states covered by the Northern Plains SBTRC.

Proposals submitted for a region must contain a plan to service the states throughout the Northern Plains Region (Montana, North Dakota, Minnesota and Iowa), not just the state or immediate local geographical area where the SBTRC is headquartered. The SBTRC headquarters must be established in one of the designated states within the Northern Plains Region (Montana, North Dakota, Minnesota and Iowa).

SBTRC Region Competed in This Solicitation:

Northern Plains Region (Montana, North Dakota, Minnesota and Iowa)

Program requirements and selection criteria, set forth in Sections 2 and 4 respectively, indicate that the OSDBU intends for the SBTRC to be multidimensional; that is, the selected organization must have the capacity to effectively access and provide supportive services to the broad range of small businesses within the respective geographical region. To this end, the SBTRC must be able to demonstrate that they currently have established relationships within each state in the geographic region with whom they may coordinate and establish effective networks with DOT grant recipients and local/regional technical assistance agencies to maximize resources.

Cooperative agreement awards will be distributed to the region(s) as follows:

Northern Plains Region

Ceiling: $140,000 per year

Floor: $125,000 per year

Cooperative agreement awards by region are based upon an analysis of DBEs, Certified Small Businesses, and US DOT transportation dollars in each region. It is OSDBU's intent to maximize the benefits received by the small business transportation community through the SBTRC. Funding will reimburse an on-site Project Director for *100%* of salary plus fringe benefits, an on-site Executive Director up to 20% of salary plus fringe benefits, up to 100% of a Project Coordinator salary plus fringe benefits, the cost of designated SBTRC space, other direct costs, and all other general and administrative expenses. Selected SBTRC partners will be expected to provide in-kind administrative support. Submitted proposals must contain an alternative funding source with which the SBTRC will fund administrative support costs. Preference will be given to proposals containing in-kind contributions for the Project Director, the Executive Director, the Project Coordinator, cost of designated SBTRC space, other direct costs, and all other general and administrative expenses. The SBTRC will furnish all labor, facilities and equipment to perform the services described in this announcement.

1.4 Duration of Agreements

The cooperative agreement will be awarded for a period of 12 months (one year) with options for two (2) additional one year periods. OSDBU will notify the SBTRC of our intention to exercise an option year or not to exercise an option year 30 days in advance of expiration of the current year. Upon exercising the first year option year of the Cooperative Agreement, OSDBU will renew the SBTRC with a 5% funding increase. Upon exercising the second option year, OSDBU will renew the SBTRC with a 3% increase from the first option year.

Authority

DOT is authorized under 49 U.S.C. 332 (b) (4), (5) &(7) to design and carry out programs to assist small disadvantaged businesses in getting transportation-related contracts and subcontracts; develop support mechanisms, including management and technical services, that will enable small disadvantaged businesses to take advantage of those business opportunities; and to make arrangements to carry out the above purposes.

1.5 Eligibility Requirements

To be eligible, an organization must be an established, nonprofit, community-based organization, transportation-related trade association, chamber of commerce, college or university, community college, and any other qualifying transportation-related non-profit organization which has the documented experience and capacity necessary to successfully operate and administer a coordinated delivery system that provides access for small businesses to prepare and compete for transportation-related contracts.

In addition, to be eligible, the applicant organization must:

(A) Be an established 501 C (3) or 501 C (6) tax-exempt organization and provide documentation as verification. No application will be accepted without proof of tax-exempt status;

(B) Have at least one year of documented and continuous experience prior to the date of application in providing advocacy, outreach, and technical assistance to small businesses within the region in which proposed services will be provided. Prior performance providing services to the transportation community is preferable, but not required; and

(C) Have an office physically located within the proposed city in the designated headquarters state in the region for which they are submitting the proposal that is readily accessible to the public.

2. Program Requirements

2.1 Recipient Responsibilities

(A) Assessments, Business Analyses

1. Conduct an assessment of small businesses in the SBTRC region to determine their training and technical assistance needs, and use information that is available at no cost to structure programs and services that will enable small businesses to become better prepared to compete for and receive transportation-related contract awards.

2. Contact other federal, state and local government agencies, such as the U.S. Small Business Administration (SBA), state and local highway agencies, state and local airport authorities, and transit authorities to identify relevant and current information that may support the assessment of the regional small business transportation community needs.

(B) General Management & Technical Training and Assistance

1. Utilize OSDBU's Intake Form to document each small business assisted by the SBTRC and type of service(s) provided. A complete list of businesses that have filled out the form shall be submitted as part of the SBTRC report, submitted via email to the Regional Assistance Division on a regular basis (using the SBTRC Report). This report

will detail SBTRC activities and performance results. The data gathered must be supportive by the narrative (if asked).

2. Ensure that an array of information is made available for distribution to the small business transportation community that is designed to inform and educate the community on DOT/OSDBU services and opportunities.

3. Coordinate efforts with OSDBU in order to maintain an on-hand inventory of DOT/OSDBU informational materials for general dissemination and for distribution at transportation-related conferences and other events.

(C) Business Counseling

1. Collaborate with agencies, such as State, Regional, and Local Transportation Government Agencies, SBA, U.S. Department of Commerce's Minority Business Development Centers (MBDCs), Service Corps of Retired Executives (SCORE), Procurement Technical Assistance Centers (PTACs), and Small Business Development Centers (SBDCs), to offer a broad range of counseling services to transportation-related small business enterprises.

2. Create a technical assistance plan that will provide each counseled participant with the knowledge and skills necessary to improve the management of their own small business to expand their transportation-related contracts and subcontracts portfolio.

3. Provide a minimum of *20 hours* of individual or group counseling sessions to small businesses per month. This counseling includes in-person meetings or over the phone, and does not include any time taken to do email correspondence.

(D) Planning Committee

1. Establish a Regional Planning Committee consisting of at least 10 members that includes representatives from the regional community and federal, state, and local agencies. The highway, airport, and transit authorities for the SBTRC's headquarters state must have representation on the planning committee. This committee shall be established no later than 60 days after the execution of the Cooperative agreement between the OSDBU and the selected SBRTC.

2. Provide a forum for the federal, state, and local agencies to disseminate information about upcoming DOT procurements and SBTRC activities.

3. Hold either monthly or quarterly meetings at a time and place agreed upon by SBTRC and planning committee members (conference calls and/or video conferences are acceptable).

4. Use the initial session hosted by the SBTRC to explain the mission of the committee and identify roles of the staff and the members of the group.

5. Responsibility for the agenda and direction of the Planning Committee should be handled by the SBTRC Project Director or his/her designee.

(E) Outreach Services/Conference Participation

1. Utilize the services of the System for Award Management (SAM) and other sources to construct a database of regional small businesses that currently or may in the future participate in DOT direct and DOT funded transportation related contracts, and make this database available to OSDBU, upon request.

2. Utilize the database of regional transportation-related small businesses to match opportunities identified through the planning committee forum, FedBiz Opps (a web-based system for posting solicitations and other Federal procurement-related documents on the Internet), and other sources to eligible small businesses and inform the small business community about those opportunities.

3. Develop a ''targeted'' database of firms (100–150) that have the capacity and capabilities, and are ready, willing and able to participate in DOT contracts and subcontracts immediately. This control group will receive ample resources from the SBTRC, i.e., access to working capital, bonding assistance, business counseling, management assistance and direct referrals to DOT agencies at the state and local levels, and to prime contractors as effective subcontractor firms.

4. Identify regional, state and local conferences where a significant number of small businesses, with transportation related capabilities, are expected to be in attendance. Maintain and submit a list of those events to the Regional Assistance Division for review and posting on the OSDBU Web site on a regular basis. Clearly identify the events designated for SBTRC participation and include recommendations for OSDBU participation. This information can be submitted as part of the SBTRC Report.

5. Conduct outreach and disseminate information to small businesses at regional transportation-related conferences, seminars, and workshops. In the event that the SBTRC is requested to participate in an event, the OSDBU will send DOT materials, the OSDBU banner and other information that is deemed necessary for the event.

6. Submit a conference summary report within the 'Events' section of the SBTRC Report. The conference summary report should summarize the activity, contacts made, outreach results, and recommendations for continued or discontinued participation in future similar events sponsored by that organization.

7. Upon request by OSDBU, coordinate efforts with DOT's grantees and recipients at the state and/or local levels to sponsor or cosponsor an OSDBU transportation related conference in the region (commonly referred to as ''Small Business Summits''.

8. Participate in the SBTRC monthly teleconference call, hosted by the OSDBU Regional Assistance.

(F) Short Term Lending Program (STLP)

1. Work with STLP participating banks and if not available, other lending institutions to deliver a minimum of five (5) seminars/workshops per year on the STLP, and/or other financial assistance programs, to the transportation-related small business community. Seminars/workshops must cover the entire STLP/loan process, from completion of STLP/loan applications and preparation of the loan package.

2. Provide direct support, technical support, and advocacy services to potential STLP applicants to increase the probability of STLP loan approval and generate a minimum of four (4) completed STLP applications per year.

3. Provide direct support, technical support, and advocacy services to Small and Disadvantaged Businesses interested in obtaining a loan from another type of Government Lending Program. Government Lending Programs include Federal, State, and Local level programs. The SBTRC will be required to generate a minimum of three (3) completed Government Lending Program applications per year.

(G) Bonding Education Program (BEP)

Work with OSDBU, bonding industry partners, local small business transportation stakeholders, and local bond producers/agents in your region to deliver a minimum of two (2) complete Bonding Education Programs. The BEP consists of the following components: (1) The stakeholder's meeting; (2) the educational workshops component; (3) the bond readiness component; and (4) follow-on assistance to BEP participants via technical and procurement assistance based on the prescriptive plan determined by the BEP. For each BEP event, work with the local bond producers/agents in your region and the

disadvantaged business participants to deliver a minimum of ten (10) disadvantaged business participants in the BEP with either access to bonding or an increase in bonding capacity. The programs will be funded separately and in addition to the amount listed in section 1.3 of this solicitation.

(H) Women and Girls in Transportation Initiative (WITI)

Pursuant to Executive Order 13506, and 49 U.S.C. 332(b)(4) & (7), the SBTRC shall administer the WITI in their geographical region. The SBTRC shall implement the DOT WITI program as defined by the DOT WITI Policy. The WITI program is designed to identify, educate, attract, and retain women and girls from a variety of disciplines in the transportation industry. The SBTRC shall also be responsible for outreach activities in the implementation of this program and advertising the WITI program to all colleges and universities and transportation entities in their region. The WITI program shall be developed in conjunction with the skill needs of the USDOT, state and local transportation agencies and appropriate private sector transportation-related participants including, S/WOBs/DBEs, and women organizations involved in transportation. Emphasis shall be placed on establishing partnerships with transportation-related businesses. The SBTRC will be required to host 1 WITI event and attend at least 5 events where WITI is presented and marketed.

2.2 Office of Small and Disadvantaged Business Utilization (OSDBU) Responsibilities

(A) Provide consultation and technical assistance in planning, implementing and evaluating activities under this announcement.

(B) Provide orientation and training to the applicant organization.

(C) Monitor SBTRC activities, cooperative agreement compliance, and overall SBTRC performance.

(D) Assist SBTRC to develop or strengthen its relationships with federal, state, and local transportation authorities, other technical assistance organizations, and DOT grantees.

(E) Facilitate the exchange and transfer of successful program activities and information among all SBTRC regions.

(F) Provide the SBTRC with DOT/OSDBU materials and other relevant transportation related information for dissemination.

(G) Maintain effective communication with the SBTRC and inform them of transportation news and contracting opportunities to share with small businesses in their region.

(H) Provide all required forms to be used by the SBTRC for reporting purposes under the program.

(I) Perform an annual performance evaluation of the SBTRC. Satisfactory performance is a condition of continued participation of the organization as an SBTRC and execution of all option years.

3. Submission of Proposals

3.1 Format for Proposals

Each proposal must be submitted to DOT's OSDBU in the format set forth in the application form attached as Appendix A to this announcement.

3.2 Address; Number of Copies; Deadlines for Submission

Any eligible organization, as defined in Section 1.6 of this announcement, will submit only one proposal per region for consideration by OSDBU.

Applications must be double spaced, and printed in a font size not smaller than 12 points. Applications will not exceed 35 single-sided pages, not including any requested attachments. All pages should be numbered at the top of each page. All documentation, attachments, or other information pertinent to the application must be included in a single submission. Proposal packages must be submitted electronically to OSDBU at *SBTRC@dot.gov* and to the Regional Assistance Division Manager, Michelle Harris, at *Michelle.Harris@dot.gov*.

The applicant is advised to turn on request delivery receipt notification for email submission. Proposals must be received by DOT/OSDBU no later than December 1, 2014, 6:00pm Eastern Standard Time (EST).

4. Selection Criteria

4.1 General Criteria

OSDBU will award the cooperative agreement on a best value basis, using the following criteria to rate and rank applications:

Applications will be evaluated using a point system (maximum number of points = 100);

- Approach and strategy (25 points)
- Linkages (25 points)
- Organizational Capability (25 points)
- Staff Capabilities and Experience (15 points)
- Cost Proposal (10 points)

(A) Approach and Strategy (25 Points)

The applicant must describe their strategy to achieve the overall mission of the SBTRC as described in this solicitation and service the small business community in their entire geographic regional area. The applicant must also describe how the specific activities outlined in Section 2.1 will be implemented and executed in the organization's regional area. OSDBU will consider the extent to which the proposed objectives are specific, measurable, time-specific, and consistent with OSDBU goals and the applicant organization's overall mission. OSDBU will give priority consideration to applicants that demonstrate innovation and creativity in their approach to assist small businesses to become successful transportation contractors and increase their ability to access DOT contracting opportunities and financial assistance programs. Applicants must also submit the estimated direct costs, other than labor, to execute their proposed strategy. OSDBU will consider the quality of the applicant's plan for conducting program activities and the likelihood that the proposed methods will be successful in achieving proposed objectives at the proposed cost.

(B) Linkages (25 Points)

The applicant must describe their established relationships within their geographic region and demonstrate their ability to coordinate and establish effective networks with DOT grant recipients and local/regional technical assistance agencies to maximize resources. OSDBU will consider innovative aspects of the applicant's approach and strategy to build upon their existing relationships and established networks with existing resources in their geographical area. The applicant should describe their strategy to obtain support and collaboration on SBTRC activities from DOT grantees and recipients, transportation prime contractors and subcontractors, the SBA, U.S. Department of Commerce's Minority Business Development Centers (MBDCs), Service Corps of Retired Executives (SCORE), Procurement Technical Assistance Centers (PTACs), Small Business Development Centers (SBDCs), State DOTs, and State highway supportive services contractors. In rating this factor, OSDBU will consider the extent to which the applicant demonstrates ability to be multidimensional. The applicant must demonstrate that they have the ability to access a broad range of supportive services to effectively serve a broad range of transportation-related small businesses within their respective geographical region. Emphasis will also be placed on the extent to which the applicant identifies a clear outreach

strategy related to the identified needs that can be successfully carried out within the period of this agreement and a plan for involving the Planning Committee in the execution of that strategy.

(C) Organizational Capability (25 Points)

The applicant must demonstrate that they have the organizational capability to meet the program requirements set forth in Section 2. The applicant organization must have sufficient resources and past performance experience to successfully provide outreach to the small business transportation resources in their geographical area and carry out the mission of the SBTRC. In rating this factor, OSDBU will consider the extent to which the applicant's organization has recent, relevant and successful experience in advocating for and addressing the needs of small businesses. Applicants will be given points for demonstrated past transportation-related performance. The applicant must also describe technical and administrative resources it plans to use in achieving proposed objectives. In their description, the applicant must describe their facilities, computer and technical facilities, ability to tap into volunteer staff time, and a plan for sufficient matching alternative financial resources to fund the general and administrative costs of the SBTRC. The applicant must also describe their administrative and financial management staff. It will be the responsibility of the successful candidate to not only provide the services outlined herein to small businesses in the transportation industry, but to also successfully manage and maintain their internal financial, payment, and invoicing process with their financial management offices. OSDBU will place an emphasis on capabilities of the applicant's financial management staff. Additionally, a site visit may be required prior to award for those candidates that are being strongly considered. If necessary, a member of the OSDBU team will contact those candidates to schedule the site visits prior to the award of the agreement.

(D) Staff Capability and Experience (15 Points)

The applicant organization must provide a list of proposed personnel for the project, with salaries, fringe benefit burden factors, educational levels and previous experience clearly delineated. The applicant's project team must be well-qualified, knowledgeable, and able to effectively serve the diverse and broad range of small businesses in their geographical region. The Executive Director and the Project Director shall be deemed key personnel. Detailed resumes must be submitted for all proposed key personnel and outside consultants and subcontractors. Proposed key personnel must have detailed demonstrated experience providing services similar in scope and nature to the proposed effort. The proposed Project Director will serve as the responsible individual for the program. 100% of the Project Director's time must be dedicated to the SBTRC. Both the Executive Director and the Project Director must be located on-site. In this element, OSDBU will consider the extent to which the applicant's proposed Staffing Plan; (a) clearly meets the education and experience requirements to accomplish the objectives of the cooperative agreement; (b) delineates staff responsibilities and accountability for all work required and; (c) presents a clear and feasible ability to execute the applicant's proposed approach and strategy.

(E) Cost Proposal (10 Points)

Applicants must submit the total proposed cost of establishing and administering the SBTRC in the applicant's geographical region for a 12 month period, inclusive of costs funded through alternative matching resources. The applicant's budget must be adequate to support the proposed strategy and costs must be reasonable in relation to project objectives. The portion of the submitted budget funded by OSDBU cannot exceed the ceiling outlined in Section 1.3: Description of Competition of this RFP per fiscal year. Applicants are encouraged to provide in-kind costs and other innovative cost approaches.

4.2 Scoring of Applications

A review panel will score each application based upon the evaluation criteria listed above. Points will be given for each evaluation criteria category, not to exceed the maximum number of points allowed for each category. Proposals which are deemed non-responsive, do not meet the established criteria, or incomplete at the time of submission will be disqualified.

OSDBU will perform a responsibility determination of the prospective awardee in the region, which may include a site visit, before awarding the cooperative agreement.

4.3 Conflicts of Interest

Applicants must submit signed statements by key personnel and all organization principals indicating that they, or members of their immediate families, do not have a personal, business or financial interest in any DOT-funded transportation project, nor any relationships with local or state transportation agencies that may have the appearance of a conflict of interest.

Appendix A

Format for Proposals for the Department of Transportation Office of Small and Disadvantaged Business Utilization's Small Business Transportation Resource Center (SBTRC) Program

Submitted proposals for the DOT, Office of Small and Disadvantaged Business Utilization's Small Business Transportation Resource Center Program must contain the following 12 sections and be organized in the following order:

1. Table of Contents

Identify all parts, sections and attachments of the application.

2. Application Summary

Provide a *summary overview* of the following:

- The applicant's proposed SBTRC region and city and key elements of the plan of action/strategy to achieve the SBTRC objectives.
- The applicant's relevant organizational experience and capabilities.

3. Understanding of the Work

Provide a narrative which contains specific project information as follows:

- The applicant will describe its understanding of the OSDBU's SBTRC program mission and the role of the applicant's proposed SBTRC in advancing the program goals.
- The applicant will describe specific outreach needs of transportation-related small businesses in the applicant's region and how the SBTRC will address the identified needs.

4. Approach and Strategy

- Describe the applicant's plan of action/strategy for conducting the program in terms of the tasks to be performed.
- Describe the specific services or activities to be performed and how these services/activities will be implemented.
- Describe innovative and creative approaches to assist small businesses to become successful transportation contractors and increase their ability to access DOT contracting opportunities and financial assistance programs.
- Estimated direct costs, other than labor, to execute the proposed strategy.

5. Linkages

- Describe established relationships within the geographic region and demonstrate the ability to coordinate and establish effective networks with DOT grant recipients and local/regional technical assistance agencies.
- Describe the strategy to obtain support and collaboration on SBTRC activities from DOT grantees and recipients, transportation prime contractors and subcontractors, the

SBA, U.S. Department of Commerce's Minority Business Development Centers (MBDCs), Service Corps of Retired Executives (SCORE), Procurement Technical Assistance Centers (PTACs), Small Business Development Centers (SBDCs), State DOTs, and State highway supportive services contractors.

• Describe the outreach strategy related to the identified needs that can be successfully carried out within the period of this agreement and a plan for involving the Planning Committee in the execution of that strategy.

6. Organizational Capability

• Describe recent and relevant past successful performance in addressing the needs of small businesses, particularly with respect to transportation-related small businesses.

• Describe internal technical, financial management, and administrative resources.

• Propose a plan for sufficient matching alternative financial resources to fund the general and administrative costs of the SBTRC.

7. Staff Capability and Experience

• List proposed key personnel, their salaries and proposed fringe benefit factors.

• Describe the education, qualifications and relevant experience of key personnel. Attach detailed resumes.

• Proposed staffing plan. Describe how personnel are to be organized for the program and how they will be used to accomplish program objectives. Outline staff responsibilities, accountability and a schedule for conducting program tasks.

8. Cost Proposal

• Outline the total proposed cost of establishing and administering the SBTRC in the applicant's geographical region for a 12 month period, inclusive of costs funded through alternative matching resources. Clearly identify the portion of the costs funded by OSDBU.

• Provide a brief narrative linking the cost proposal to the proposed strategy.

9. Proof of Tax Exempt Status

10. Assurances Signature Form

Complete the attached Standard Form 424B ASSURANCES–NON-CONSTRUCTION PROGRAMS identified as Attachment 1.

11. Certification Signature Forms

Complete form DOTF2307–1 DRUG-FREE WORKPLACE ACT CERTIFICATION FOR a GRANTEE OTHER THAN AN INDIVIDUAL identified as attachment 2 and Form DOTF2308–1 CERTIFICATION REGARDING LOBBYING FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS identified as Attachment 3.

Signed Conflict Of Interest Statements

The statements must say that they, or members of their immediate families, do not have a personal, business or financial interest in any DOT-funded transportation projects, nor any relationships with local or state transportation agencies that may have the appearance of a conflict of interest.

12. Standard Form 424

Complete Standard Form 424 Application for Federal Assistance identified as Attachment 4.

Please be sure that all forms have been signed by an authorized official who can legally represent the organization.

Issued in Washington, DC, October 24, 2014.

Brandon Neal,

Director, Office of Small and Disadvantaged Business Utilization, Office of the Secretary, U.S. Department of Transportation.

[FR Doc. 2014–25991 Filed 10–31–14; 8:45 am]

BILLING CODE 4910–9X–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[Summary Notice No. PE–2014–121]

Petition for Exemption; Summary of Petition Received

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of petition for exemption received.

SUMMARY: This notice contains a summary of a petition seeking relief from specified requirements of 14 CFR. The purpose of this notice is to improve the public's awareness of, and participation in, this aspect of FAA's regulatory activities. Neither publication of this notice nor the inclusion or omission of information in the summary is intended to affect the legal status of the petition or its final disposition.

DATES: Comments on this petition must identify the petition docket number and must be received on or before November 24, 2014.

ADDRESSES: You may send comments identified by Docket Number FAA–2014–0087 using any of the following methods:

• *Government-wide rulemaking Web site:* Go to *http://www.regulations.gov* and follow the instructions for sending your comments electronically.

• *Mail:* Send comments to the Docket Management Facility; U.S. Department of Transportation, 1200 New Jersey Avenue SE., West Building Ground Floor, Room W12–140, Washington, DC 20590.

• *Fax:* Fax comments to the Docket Management Facility at 202–493–2251.

• *Hand Delivery:* Bring comments to the Docket Management Facility in Room W12–140 of the West Building Ground Floor at 1200 New Jersey Avenue SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Privacy: We will post all comments we receive, without change, to *http://www.regulations.gov,* including any personal information you provide. Using the search function of our docket Web site, anyone can find and read the comments received into any of our dockets, including the name of the individual sending the comment (or signing the comment for an association, business, labor union, etc.). You may review DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (65 FR 19477–78).

Docket: To read background documents or comments received, go to *http://www.regulations.gov* at any time or to the Docket Management Facility in Room W12–140 of the West Building Ground Floor at 1200 New Jersey Avenue SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Nia Daniels, (202) 267–7626. 800 Independence Avenue SW., Washington, DC 20591.

This notice is published pursuant to 14 CFR 11.85.

Issued in Washington, DC, on October 28, 2014.

Lirio Liu,

Director, Office of Rulemaking.

Petition for Exemption

Docket No.: FAA–2014–0087.

Petitioner: Tatonduk Outfitters Limited dba Everts Air Cargo.

Section of 14 CFR Affected: 121.321.

Description of Relief Sought: Tatonduk Outfitters Limited dba Everts Air Cargo seeks relief so that its non-scheduled Curtiss Wright C–46 cargo fleet can continue to operate in icing conditions consistent with the approved flight manual. Everts Air Cargo's C–46 does not have the capability to comply with either §§ 121.321(a)(1) or (a)(2), and compliance with § 121.321(a)(3)(ii) would result in a violation of the aircraft's flight manual.

[FR Doc. 2014–26053 Filed 10–31–14; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[Summary Notice No. PE–2014–120]

Petition for Exemption; Summary of Petition Received

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of petition for exemption received.

SUMMARY: This notice contains a summary of a petition seeking relief from specified requirements of 14 CFR. The purpose of this notice is to improve the public's awareness of, and participation in, this aspect of FAA's regulatory activities. Neither publication of this notice nor the inclusion or omission of information in the summary is intended to affect the legal status of the petition or its final disposition.

DATES: Comments on this petition must identify the petition docket number and must be received on or before November 24, 2014.

ADDRESSES: You may send comments identified by Docket Number FAA–2014–0843 using any of the following methods:

- *Government-wide rulemaking Web site:* Go to *http://www.regulations.gov* and follow the instructions for sending your comments electronically.
- *Mail:* Send comments to the Docket Management Facility; U.S. Department of Transportation, 1200 New Jersey Avenue SE., West Building Ground Floor, Room W12–140, Washington, DC 20590.
- *Fax:* Fax comments to the Docket Management Facility at 202–493–2251.
- *Hand Delivery:* Bring comments to the Docket Management Facility in Room W12–140 of the West Building Ground Floor at 1200 New Jersey Avenue SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

Privacy: We will post all comments we receive, without change, to *http://www.regulations.gov,* including any personal information you provide. Using the search function of our docket Web site, anyone can find and read the comments received into any of our dockets, including the name of the individual sending the comment (or signing the comment for an association, business, labor union, etc.). You may review DOT's complete Privacy Act Statement in the **Federal Register** published on April 11, 2000 (65 FR 19477–78).

Docket: To read background documents or comments received, go to *http://www.regulations.gov* at any time or to the Docket Management Facility in Room W12–140 of the West Building Ground Floor at 1200 New Jersey Avenue SE., Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Nia Daniels, (202) 267–7626. 800 Independence Avenue SW., Washington, DC 20591.

This notice is published pursuant to 14 CFR 11.85.

Issued in Washington, DC, on October 28, 2014.

Lirio Liu,

Director, Office of Rulemaking.

Petition for Exemption

Docket No.: FAA–2014–0843.

Petitioner: Thunderbird Aviation, Inc.

Sections of 14 CFR Affected: 135.327 and 135.335.

Description of Relief Sought: Thunderbird Aviation, Inc. requests an exemption to conduct flight training in a King Air 200 (BE–200) Level C simulator while operating a King Air C90 aircraft.

[FR Doc. 2014–26054 Filed 10–31–14; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

[Docket No. PHMSA–2014–0135]

Pipeline Safety: National Pipeline Mapping System Public Meeting

AGENCY: Pipeline and Hazardous Materials Safety Administration, DOT.

ACTION: Notice of public meeting.

SUMMARY: The Pipeline and Hazardous Materials Safety Administration (PHMSA) is holding a public meeting to discuss a National Pipeline Mapping System Information Collection revision that PHMSA proposed in a **Federal Register** notice on July 30, 2014.

DATES: The public meeting will be held on Monday, November 17, 2014. The meeting will run from 9:30 a.m. until 4:00 p.m. Registration will begin at 9:00 a.m.

ADDRESSES: The meeting will be held at the Crystal City Marriott at Reagan National Airport, 1999 Jefferson Davis Highway, Arlington, VA, 22202–3526, phone: 703–413–5500.

Registration: Members of the public may attend this meeting. The meeting will not be webcast. To help assure that adequate space is provided, all attendees are encouraged to register for the meeting in advance. Registration can be completed online at *https://primis.phmsa.dot.gov/meetings/MtgHome.mtg?mtg=101&nocache=8420.*

Comments: Members of the public may also submit written comments either before or after the meeting. Comments on this public event should reference Docket No. PHMSA–2014–0092. Comments may be submitted in the following ways:

- *E-Gov Web site: http://www.regulations.gov.* This site allows the public to enter comments on any **Federal Register** notice issued by any agency. Follow the instructions for submitting comments.
- *Mail:* Docket Management System, U.S. Department of Transportation (DOT), 1200 New Jersey Avenue SE., Room W12–140, Washington, DC 20590.
- *Hand Delivery:* DOT Docket Management System, Room W12–140, on the ground floor of the West Building, 1200 New Jersey Avenue SE., Washington, DC between 9:00 a.m. and 5:00 p.m., Monday through Friday, except Federal holidays.

Comment Instructions: Identify the docket number at the beginning of your comments. If you submit your comments by mail, submit two copies. If you wish to receive confirmation that PHMSA has received your comments, include a self-addressed stamped postcard. Internet users may submit comments at *http://www.regulations.gov.*

Information On Services For Individuals With Disabilities: For information on facilities or services for individuals with disabilities, or to request special assistance at the meeting, please contact Amy Nelson at 202–493–0591 or by email at *amy.nelson@dot.gov.*

FOR FURTHER INFORMATION CONTACT: Amy Nelson, GIS Manager, Office of Pipeline Safety, by phone at 202–493–0591 or by email at *amy.nelson@dot.gov,* regarding the subject matter of this notice.

SUPPLEMENTARY INFORMATION:

On July 30, 2014, PHMSA issued a **Federal Register** notice (79 FR 44246) to solicit comments on several revisions to the Information Collection titled ''National Pipeline Mapping Program'' identified under OMB Control Number 2137–0596. The primary purpose of these revisions is to collect data that is more accurate and complete that will also help emergency responders and government officials create better emergency response plans. In response to a comment from the American Gas Association, PHMSA issued a follow up **Federal Register** notice on September 30, 2014 (79 FR 58863) to extend the comment period from September 29, 2014, to December 1, 2014. PHMSA has received several comments from operators and industry groups that have expressed concern about the cost and time that will be needed to submit the additional data elements that are in the Information Collection and how PHMSA plans to keep the new data elements secure. As a result, PHMSA is holding a public meeting to provide an overview of the data elements and discuss stakeholder concerns.

The details of this meeting, including its location, time, registration information, and agenda items, will be available on the meeting registration Web site at *https://primis.phmsa.dot.gov/meetings/MtgHome.mtg?mtg=101* as they are finalized.

Issued in Washington, DC, on October 28, 2014.

Alan K. Mayberry,

Deputy Associate Administrator for Policy and Programs.

[FR Doc. 2014–25998 Filed 10–31–14; 8:45 am]

BILLING CODE 4910–60–P

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

List of Delayed Applications

AGENCY: Office of Hazardous Materials Safety, Pipeline and Hazardous Materials Safety Administration (PHMSA), DOT.

ACTION: List of applications delayed more than 180 days.

SUMMARY: In accordance with the requirements of 49 U.S.C. 5117(c), PHMSA is publishing the following list of special permit applications that have been in process for 180 days or more. The reason(s) for delay and the expected completion date for action on each application is provided in association with each identified application.

FOR FURTHER INFORMATION CONTACT: Ryan Paquet, Director, Office of Hazardous Materials Special Permits and Approvals, Pipeline and Hazardous Materials Safety Administration, U.S. Department of Transportation, East Building, PHH–30, 1200 New Jersey Avenue Southeast, Washington, DC 20590–0001, (202) 366–4535.

Key to ''Reason for Delay''

1. Awaiting additional information from applicant
2. Extensive public comment under review
3. Application is technically complex and is of significant impact or precedent-setting and requires extensive analysis
4. Staff review delayed by other priority issues or volume of special permit applications

Meaning of Application Number Suffixes

N—New application
M—Modification request
R—Renewal Request
P—Party To Exemption Request

Issued in Washington, DC, on October 9, 2014.

Donald Burger,

Chief, General Approvals and Permits.

Application No.	Applicant	Reason for delay	Estimated date of completion
Modification to Special Permits			
15642–M	Praxair Distribution, Inc., Danbury, CT	4	10–31–2014
9847–M	FIBA Technologies, Inc., (FIBA), Millbury, MA	4	10–31–2014
15832–M	Baker Petrolite Corporation (BPC), Sugar Land, TX	4	10–31–2014
14506–M	SLR International Corporation, Bothell, WA	4	11–30–2014
11770–M	Gas Cylinder Technologies, Inc., Lakeshore, Ontario	4	10–31–2014
14617–M	Western International Gas & Cylinders, Inc., Bellville, TX	4	11–30–2014
15866–M	Saft America Inc., Jacksonville, FL	4	11–30–2014
13359–M	BASF Corporation, Florham Park, NJ	4	11–30–2014
9610–M	ATK Small Caliber Systems, Independence, MO	4	10–31–2014
New Special Permit Applications			
15767–N	Union Pacific Railroad Company, Omaha, NE	1	10–31–2014
15971–N	National Aeronautics and Space Administration (NASA), Houston, TX	4	10–31–2014
15955–N	Thompson Tank, Inc., Lakewood, CA	3	10–31–2014
16022–N	Zhejiang Juhua Equipment Manufacturing Co., Ltd., Quzhou, Zhejiang	4	10–31–2014
16001–N	VELTEK, Malvern, PA	4	10–31–2014
16039–N	UTLX Manufacturing LLC, Alexandria, LA	4	10–31–2014
16103–N	Insituform Technologies, LLC, Chesterfield, MO	4	11–30–2014
16061–N	Battery Solutions, LLC, Howell, MI	4	10–31–2014
16126–N	Raytheon Missile Systems, Tucson, AZ	4	11–30–2014
16118–N	Toyota Motor Sales, U.S.A., Inc., Torrance, CA	4	11–30–2014
16128–N	L–3/Mustang Technology, Plano, TX	4	11–30–2014
16121–N	U.S. Department of Defense (DOD), Scott AFB, IL	4	11–30–2014
15991–N	Dockweiler Neustadt-Glewe, Germany	4	10–31–2014
15973–N	Codman & Shurtleff, Inc., Raynham, MA	4	10–31–2014
Renewal Special Permits Applications			
11602–R	East Tennessee Iron & Metal, Inc., Rogersville, TN	4	10–31–2014
11860–R	GATX Corporation, Chicago, IL	4	10–31–2014
15580–R	Wisconsin Central Ltd., Homewood, IL	4	10–31–2014

[FR Doc. 2014–25165 Filed 10–31–14; 8:45 am]

BILLING CODE 4910–60–M

DEPARTMENT OF TRANSPORTATION

Pipeline and Hazardous Materials Safety Administration

Actions on Special Permit Applications

AGENCY: Office of Hazardous Materials Safety, Pipeline and Hazardous Materials Safety Administration (PHMSA), DOT.

ACTION: Notice of actions on special permit applications.

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 (49 CFR Part 107, Subpart B), notice is hereby given of the actions on special permits applications in (September to September 2014). The mode of transportation involved are identified 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 Application numbers prefixed by the letters EE represent applications for Emergency Special Permits. It should be noted that some of the sections cited were those in effect at the time certain special permits were issued.

Issued in Washington, DC, on October 7, 2014.

Donald Burger,

Chief, Special Permits and Approvals Branch.

S.P No.	Applicant	Regulation(s)	Nature of special permit thereof
		MODIFICATION SPECIAL PERMIT GRANTED	
15806–M	Precision Technik, Atlanta, GA	49 CFR, 173.3(d)(2)(ii)	To modify the special permit to authorize an increase in the minimum allowable working pressure.
13027–M	Hernco Fabrication & Services, Midland, TX.	49 CFR 173.202, 173.203, 173.241, 173.242, and 173.243.	To modify the special permit to authorize a new vent.
		NEW SPECIAL PERMIT GRANTED	
15977–N	Universal Lubricants, LLC, Wichita, KS.	49 CFR 173.28 (b)(7)(iii)(C)	To authorize the transportation in commerce of certain solvents in previously used steel drums without leakproof testing. (mode 1)
16011–N	Americase, Waxahache, TX ...	49 CFR 173.185	To authorize the manufacture, marking and sale of two specially designed packagings intended for the transport of prototype and damaged lithium cells, batteries and equipment containing damaged lithium cells and batteries by road, rail, vessel and cargo aircraft. (modes 1, 2, 3, 4)
16013–N	Chem Technologies, Ltd., Middlefield, OH.	49 CFR 172.101 Table, Column (7) and 173.241(e)(1).	To authorize the transportation in commerce of certain Class 4 and 5 hazardous materials in UN50G large packagings. (modes 1, 3, 4, 5)
16060–N	Daeryuk Can Manufacturing Co., Ltd, Youngin-Myeon, Asan-Si, Ch.	49 CFR 173.304a	To authorize the manufacture, marking, sale and use of non-DOT specification inside containers for transportation of Isobutane/Propane mixtures. (modes 1, 2, 3)
16108–N	Carleton Technologies Inc., Westminster, MD.	49 CFR 173.302a, 173.304a and 180.205.	To authorize the manufacture, marking, sale and use ocarbon and glass fiber reinforced, aluminum-lined composite cylinders for use in transporting certain Division 2.1 and 2.2 hazardous materials. (modes 1, 2, 3, 4, 5)
16146–N	U.S. Department of Defense (DOD), Scott AFB, IL.	49 CFR 171.22(e), 172.101 Hazardous Materials Table Column (98), International Civil Aviation Organization's Technical Instructions Part 3, Chapter 2, Table 3–1, Columns 12 and 13.	To authorize the transportation in commerce of certain Division 1.1, 1.2 and 1.3 explosives that are forbidden for transportation by cargo aircraft. (mode 4).
16165–N	HRD Aero Systems, Inc., Valencia, CA.	49 CFR 173.302a	To authorize the manufacture, marking and sale of a non-DOT specification pressure vessel comparable to a DOT–3HT cylinder for the transportation of compressed gas. (modes 1, 2, 4, 5)
16185–N	SMI Companies, Inc., Franklin, LA.	49 CFR 171.8	To authorize the manufacture, marking, sale and use of a non-DOT specification portable tank with a capacity of 150 liters similar to a UN Portable T20 Tank for the transportation of bromoacetone. (modes 1, 2)
16187–N	Sandia National Laboratories, Albuquerque, NM.	49 CFR 173.222(c)(1)	To authorize the transportation in commerce of 70 pounds of solid lithium with an argon blanket in a non-DOT specification pressure vessel by motor vehicle. (mode 1)
		EMERGENCY SPECIAL PERMIT GRANTED	
16035–M	LCF Systems, Inc., Scottsdale, AZ.	49 CFR 173.302a	To modify the special permit to authorize an additional year for shipments and increase the number of cylinders shipped. (modes 1, 3, 4)
11818–M	The Boeing Company, Chicago, IL.	49 CFR 172.101 Column 9(B), 173.301(f), 173.302a(a)(1), and 173.304a(a)(2).	To modify the special permit to authorize the package secured in a fully enclosed trailer in lieu of a strong outer package. (modes 1, 3, 4)

S.P No.	Applicant	Regulation(s)	Nature of special permit thereof
14924–M	Demex International Inc., Picayune, MS.	49 CFR 176.144(e), 176.145(b), 176.137(b)(7), 176.63(e), 176.83; 176.116(e); 176.120; 176.138(b); 176.164(e); 176.178(b).	To modify the special permit by adding an additional Division 1.1D material. (mode 3)
DENIED			
16211–N	Request by East Penn Manufacturing Company Inc. Lyon Station, PA September 10, 2014. To authorize the transportation in commerce of lead acid batteries that weigh up to 75 kg as materials of trade.		
15747–M	Request by UPS, Inc. Atlanta, GA September 18, 2014. To authorize alternative marking of trailer numbers.		
16244–N	Cobham, Westminster, MD	49 CFR Parts 106, 107, 171–180, ISO 11119–2.	Special Permit (SP) for the manufacturing, mark, sale and use of Carbon and Glass fiber reinforced, aluminum lined composite pressure vessels, rated up to 7500 psi service pressure. (modes 1, 2, 3, 4, 5)

[FR Doc. 2014–25168 Filed 10–31–14; 8:45 am]

BILLING CODE 4909–60–M

DEPARTMENT OF TRANSPORTATION

Saint Lawrence Seaway Development Corporation

Advisory Board; Notice of Meeting

Pursuant to Section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92–463; 5 U.S.C. App. I), notice is hereby given of a meeting of the Advisory Board of the Saint Lawrence Seaway Development Corporation (SLSDC), to be held from 9:00 a.m. to 11:00 a.m. (EDT) on Thursday, December 4, 2014 via conference call. The agenda for this meeting will be as follows: Opening Remarks; Consideration of Minutes of Past Meeting; Quarterly Report; Old and New Business; Closing Discussion; Adjournment.

Attendance at the meeting is open to the interested public but limited to the space available. With the approval of the Administrator, members of the public may present oral statements at the meeting. Persons wishing further information should contact, not later than Friday, November 28, 2014, Anita K. Blackman, Senior Advisor to the Administrator, Saint Lawrence Seaway Development Corporation, 1200 New Jersey Avenue SE., Washington, DC 20590; 202–366–0091.

Any member of the public may present a written statement to the Advisory Board at any time.

Issued at Washington, DC, on October 28, 2014.

Carrie Lavigne,

Chief Counsel.

[FR Doc. 2014–25993 Filed 10–31–14; 8:45 am]

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Part II

Bureau of Consumer Financial Protection

12 CFR Part 1026
Amendments to the 2013 Mortgage Rules Under the Truth in Lending Act (Regulation Z); Final Rule

BUREAU OF CONSUMER FINANCIAL PROTECTION

12 CFR Part 1026

[Docket No. CFPB–2014–0009]

RIN 3170–AA43

Amendments to the 2013 Mortgage Rules Under the Truth in Lending Act (Regulation Z)

AGENCY: Bureau of Consumer Financial Protection.

ACTION: Final rule; official interpretations.

SUMMARY: The Bureau of Consumer Financial Protection (Bureau) is amending certain mortgage rules issued in 2013. The final rule provides an alternative small servicer definition for nonprofit entities that meet certain requirements and amends the existing exemption from the ability-to-repay rule for nonprofit entities that meet certain requirements. The final rule also provides a cure mechanism for the points and fees limit that applies to qualified mortgages.

DATES: *Effective dates:* The final rule is effective on November 3, 2014, except amendatory instruction 5, which is effective August 1, 2015. For additional discussion regarding the effective date of the rule, see section VI of the **SUPPLEMENTARY INFORMATION** below.

Applicability dates: The amendments to § 1026.43 and commentary to § 1026.43 in Supplement I to part 1026, other than amendatory instruction 5, apply to transactions consummated on or after November 3, 2014.

FOR FURTHER INFORMATION CONTACT: Pedro De Oliveira, Counsel; William R. Corbett, Nicholas Hluchyj, and Priscilla Walton-Fein, Senior Counsels, Office of Regulations, at (202) 435–7700.

SUPPLEMENTARY INFORMATION:

I. Summary of the Final Rule

In January 2013, the Bureau issued several final rules concerning mortgage markets in the United States (2013 Title XIV Final Rules), pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act), Public Law 111–203, 124 Stat. 1376 (2010).[1] The Bureau clarified and revised those rules through notice and comment rulemaking during the summer and fall of 2013. The purpose of those updates was to address important questions raised by industry, consumer groups, and other stakeholders. On April 30, 2014, the Bureau proposed several additional amendments to the regulations adopted by the Bureau in the 2013 Title XIV Final Rules to revise regulatory provisions and official interpretations primarily relating to the Regulation Z ability-to-repay/qualified mortgage requirements and servicing rules, and sought comment on additional issues. The proposal was published in the **Federal Register** on May 6, 2014. *See* 79 FR 25730 (May 6, 2014).

Specifically, the Bureau proposed three amendments to Regulation Z:

- To provide an alternative definition of the term ''small servicer,'' which would apply to certain nonprofit entities that service for a fee loans on behalf of other nonprofit chapters of the same organization. A ''small servicer'' is exempt from certain requirements that apply to servicers under the Bureau's Regulations Z (12 CFR part 1026) and X (12 CFR part 1024). The Bureau proposed this change in Regulation Z, but the change would also affect several provisions of Regulation X, which cross-reference the Regulation Z small servicer definition.
- To amend the Regulation Z ability-to-repay requirements to provide that certain non-interest bearing, contingent subordinate liens originated by nonprofit creditors will not be counted towards the credit extension limit that applies to the nonprofit exemption from the ability-to-repay requirements.
- To provide a limited, post-consummation cure mechanism for loans that exceed the points and fees limit for qualified mortgages, but that meet the other requirements for being a qualified mortgage at consummation.

The Bureau is issuing a final rule with respect to these proposals. With respect to the proposals related to nonprofit servicers and the nonprofit exemption from the ability-to-repay rule, the Bureau is finalizing those provisions as proposed, with minor technical revisions to the nonprofit servicer provision. The Bureau is generally finalizing the points and fees cure provision as proposed but with certain modifications to address concerns raised by commenters.

The proposal sought comment on issues related to a possible cure for the debt-to-income ratio limit that applies to certain qualified mortgages and to the credit extension limit that applies to small creditor exemptions and special provisions in certain of the regulations adopted by the Bureau in the 2013 Title XIV Mortgage Rules. Those issues are not addressed in this final rule. The Bureau is considering comments submitted on those issues and whether to address those issues in a future rulemaking.

II. Background

In response to an unprecedented cycle of expansion and contraction in the mortgage market that sparked the most severe U.S. recession since the Great Depression, Congress passed the Dodd-Frank Act, which was signed into law on July 21, 2010. In the Dodd-Frank Act, Congress established the Bureau and generally consolidated the rulemaking authority for Federal consumer financial laws, including the Truth in Lending Act (TILA) and the Real Estate Settlement Procedures Act (RESPA), in the Bureau.[2] At the same time, Congress significantly amended the statutory requirements governing mortgage practices, with the intent to restrict the practices that contributed to and exacerbated the crisis.[3]

[1] Specifically, on January 10, 2013, the Bureau issued Escrow Requirements Under the Truth in Lending Act (Regulation Z), 78 FR 4725 (Jan. 22, 2013) (2013 Escrows Final Rule), High-Cost Mortgage and Homeownership Counseling Amendments to the Truth in Lending Act (Regulation Z) and Homeownership Counseling Amendments to the Real Estate Settlement Procedures Act (Regulation X), 78 FR 6855 (Jan. 31, 2013) (2013 HOEPA Final Rule), and Ability to Repay and Qualified Mortgage Standards Under the Truth in Lending Act (Regulation Z), 78 FR 6407 (Jan. 30, 2013) (January 2013 ATR Final Rule). The Bureau concurrently issued a proposal to amend the January 2013 ATR Final Rule, and a final rule related to the proposal was issued on May 29, 2013. *See* 78 FR 6621 (Jan. 30, 2013) (January 2013 ATR Proposal) and 78 FR 35429 (June 12, 2013) (May 2013 ATR Final Rule). On January 17, 2013, the Bureau issued the Mortgage Servicing Rules under the Real Estate Settlement Procedures Act (Regulation X), 78 FR 10695 (Feb. 14, 2013) and the Mortgage Servicing Rules under the Truth in Lending Act (Regulation Z), 78 FR 10901 (Feb. 14, 2013) (collectively, 2013 Mortgage Servicing Final Rules). On January 18, 2013, the Bureau issued the Disclosure and Delivery Requirements for Copies of Appraisals and Other Written Valuations Under the Equal Credit Opportunity Act (Regulation B), 78 FR 7215 (Jan. 31, 2013) (2013 ECOA Valuations Final Rule) and, jointly with other agencies, issued Appraisals for Higher-Priced Mortgage Loans (Regulation Z), 78 FR 10367 (Feb. 13, 2013) (2013 Interagency Appraisals Final Rule). On January 20, 2013, the Bureau issued the Loan Originator Compensation Requirements under the Truth in Lending Act (Regulation Z), 78 FR 11279 (Feb. 15, 2013) (2013 Loan Originator Final Rule).

[2] *See, e.g.*, sections 1011 and 1021 of the Dodd-Frank Act, 12 U.S.C. 5491 and 5511 (establishing and setting forth the purpose, objectives, and functions of the Bureau); section 1061 of the Dodd-Frank Act, 12 U.S.C. 5581 (consolidating certain rulemaking authority for Federal consumer financial laws in the Bureau); section 1100A of the Dodd-Frank Act (codified in scattered sections of 15 U.S.C.) (similarly consolidating certain rulemaking authority in the Bureau). *But see* Section 1029 of the Dodd-Frank Act, 12 U.S.C. 5519 (subject to certain exceptions, excluding from the Bureau's authority any rulemaking authority over a motor vehicle dealer that is predominantly engaged in the sale and servicing of motor vehicles, the leasing and servicing of motor vehicles, or both).

[3] *See* title XIV of the Dodd-Frank Act, Public Law 111–203, 124 Stat. 1376 (2010) (codified in scattered sections of 12 U.S.C., 15 U.S.C., and 42 U.S.C.).

Under the statute, most of these new requirements would have taken effect automatically on January 21, 2013 if the Bureau had not issued implementing regulations by that date.[4] To avoid uncertainty and potential disruption in the national mortgage market at a time of economic vulnerability, the Bureau issued several final rules in a span of less than two weeks in January 2013 to implement these new statutory provisions and provide for an orderly transition. Those rules included the January 2013 ATR Final Rule and the 2013 Mortgage Servicing Final Rules. Pursuant to the Dodd-Frank Act, which permitted a maximum of one year for implementation, the January 2013 ATR Final Rule and the 2013 Mortgage Servicing Final Rules had effective dates of January 10, 2014.

Concurrent with the January 2013 ATR Final Rule, on January 10, 2013, the Bureau issued proposed amendments to the rule (the January 2013 ATR Proposal), which the Bureau adopted on May 29, 2013 (the May 2013 ATR Final Rule). 78 FR 6621 (Jan. 30, 2013); 78 FR 35429 (June 12, 2013). The Bureau issued additional corrections and clarifications to the provisions adopted by the Bureau in the 2013 Mortgage Servicing Final Rules and the May 2013 ATR Final Rule in the summer and fall of 2013.[5] This final rule concerns additional revisions to the new rules. The purpose of these updates is to address important questions raised by industry, consumer groups, or other stakeholders.

III. Comments

On May 6, 2014, the Bureau published a proposal in the **Federal Register** to amend certain aspects of the Regulation Z ability-to-repay/qualified mortgage requirements and servicing rules. *See* 79 FR 25730 (May 6, 2014). The comment period closed on June 5, 2014.[6] In response to the proposal, the Bureau received more than 40 comments from consumer groups, creditors, industry trade associations, and others. As discussed in more detail below, the Bureau has considered these comments in adopting this final rule.

IV. Legal Authority

The Bureau is issuing this final rule pursuant to its authority under TILA, RESPA, and the Dodd-Frank Act. Section 1061 of the Dodd-Frank Act transferred to the Bureau the ''consumer financial protection functions'' previously vested in certain other Federal agencies, including the Board of Governors of the Federal Reserve System (Board). 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.'' Section 1061 of the Dodd-Frank Act also transferred to the Bureau all of the Department of Housing and Urban Development's (HUD's) consumer protection functions relating to RESPA. Title X of the Dodd-Frank Act, including section 1061 of the Dodd-Frank Act, along with TILA, RESPA, and certain subtitles and provisions of title XIV of the Dodd-Frank Act, are Federal consumer financial laws.[7]

A. TILA

Section 105(a) of TILA authorizes the Bureau to prescribe regulations to carry out the purposes of TILA. 15 U.S.C. 1604(a). Under section 105(a), such regulations may contain such additional requirements, classifications, differentiations, or other provisions, and may provide for such adjustments and exceptions for all or any class of transactions, as in the judgment of the Bureau are necessary or proper to effectuate the purposes of TILA, to prevent circumvention or evasion thereof, or to facilitate compliance therewith. A purpose of TILA is ''to assure a meaningful disclosure of credit terms so that the consumer will be able to compare more readily the various credit terms available to him and avoid the uninformed use of credit.'' TILA section 102(a), 15 U.S.C. 1601(a). In particular, it is a purpose of TILA section 129C, as added by the Dodd-Frank Act, to assure that consumers are offered and receive residential mortgage loans on terms that reasonably reflect their ability to repay the loans and that are understandable and not unfair, deceptive, or abusive. 15 U.S.C. 1639b(a)(2).

Section 105(f) of TILA authorizes the Bureau to exempt from all or part of TILA a class of transactions if the Bureau determines that TILA coverage does not provide a meaningful benefit to consumers in the form of useful information or protection. 15 U.S.C. 1604(f)(1). That determination must consider:

- The loan amount and whether TILA's provisions ''provide a benefit to the consumers who are parties to such transactions'';
- The extent to which TILA requirements ''complicate, hinder, or make more expensive the credit process for the class of transactions'';
- The borrowers' ''status,'' including their ''related financial arrangements,'' their financial sophistication relative to the type of transaction, and the importance to the borrowers of the credit, related supporting property, and TILA coverage;
- Whether the loan is secured by the consumer's principal residence; and
- Whether consumer protection would be undermined by such an exemption.

15 U.S.C. 1604(f)(2).

TILA section 129C(b)(3)(B)(i) provides the Bureau with authority to prescribe regulations that revise, add to, or subtract from the criteria that define a qualified mortgage upon a finding that such regulations: Are necessary or proper to ensure that responsible, affordable mortgage credit remains available to consumers in a manner consistent with the purposes of the ability-to-repay requirements; are necessary and appropriate to effectuate the purposes of the ability-to-repay and residential mortgage loan origination requirements; prevent circumvention or evasion thereof; or facilitate compliance with TILA sections 129B and 129C. 15 U.S.C. 1639c(b)(3)(B)(i). In addition, TILA section 129C(b)(3)(A) requires the Bureau to prescribe regulations to carry out such purposes. 15 U.S.C. 1639c(b)(3)(A).

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[4] *See* section 1400(c) of the Dodd-Frank Act, 15 U.S.C. 1601 note.

[5] 78 FR 44685 (July 24, 2013) (clarifying which mortgages to consider in determining small servicer status and the application of the small servicer exemption with regard to servicer/affiliate and master servicer/subservicer relationships); 78 FR 45842 (July 30, 2013); 78 FR 60381 (Oct. 1, 2013) (revising exceptions available to small creditors operating predominantly in ''rural'' or ''underserved'' areas); 78 FR 62993 (Oct. 23, 2013) (clarifying proper compliance regarding servicing requirements when a consumer is in bankruptcy or sends a cease communication request under the Fair Debt Collection Practice Act).

[6] The proposal also sought comment on additional issues relating to qualified mortgage debt-to-income ratio overages and the credit extension limit for the small creditor definition. The comment period for those aspects of the proposal closed on July 7, 2014. As noted above, the Bureau is not addressing those issues through this final rule.

[7] Dodd-Frank Act section 1002(14), 12 U.S.C. 5481(14) (defining ''Federal consumer financial law'' to include the ''enumerated consumer laws,'' the provisions of title X of the Dodd-Frank Act, and the laws for which authorities are transferred under title X subtitles F and H of the Dodd-Frank Act); Dodd-Frank Act section 1002(12), 12 U.S.C. 5481(12) (defining ''enumerated consumer laws'' to include TILA); Dodd-Frank section 1400(b), 12 U.S.C. 5481(12) note (defining ''enumerated consumer laws'' to include certain subtitles and provisions of Dodd-Frank Act title XIV); Dodd-Frank Act section 1061(b)(7), 12 U.S.C. 5581(b)(7) (transferring to the Bureau all of HUD's consumer protection functions relating to RESPA).

B. RESPA

Section 19(a) of RESPA authorizes the Bureau to prescribe such rules and regulations, to make such interpretations, and to grant such reasonable exemptions for classes of transactions, as may be necessary to achieve the purposes of RESPA, which include RESPA's consumer protection purposes. 12 U.S.C. 2617(a). In addition, section 6(j)(3) of RESPA authorizes the Bureau to establish any requirements necessary to carry out section 6 of RESPA, and section 6(k)(1)(E) of RESPA authorizes the Bureau to prescribe regulations that are appropriate to carry out RESPA's consumer protection purposes. 12 U.S.C. 2605(j)(3) and (k)(1)(E). The consumer protection purposes of RESPA include responding to borrower requests and complaints in a timely manner, maintaining and providing accurate information, helping borrowers avoid unwarranted or unnecessary costs and fees, and facilitating review for foreclosure avoidance options.

C. The Dodd-Frank Act

Section 1405(b) of the Dodd-Frank Act provides that, ''in order to improve consumer awareness and understanding of transactions involving residential mortgage loans through the use of disclosures,'' the Bureau may exempt from disclosure requirements, ''in whole or in part . . . any class of residential mortgage loans'' if the Bureau determines that such exemption ''is in the interest of consumers and in the public interest.'' 15 U.S.C. 1601 note.[8] Notably, the authority granted by section 1405(b) applies to ''disclosure requirements'' generally, and is not limited to a specific statute or statutes. Accordingly, Dodd-Frank Act section 1405(b) is a broad source of authority for exemptions from the disclosure requirements of TILA and RESPA.

Moreover, section 1022(b)(1) of the Dodd-Frank Act authorizes the Bureau to prescribe rules ''as may be necessary or appropriate to enable the Bureau to administer and carry out the purposes and objectives of the Federal consumer financial laws, and to prevent evasions thereof.'' 12 U.S.C. 5512(b)(1). Accordingly, the Bureau is exercising its authority under Dodd-Frank Act section 1022(b) to prescribe rules that carry out the purposes and objectives of TILA, RESPA, title X of the Dodd-Frank Act, and certain enumerated subtitles and provisions of title XIV of the Dodd-Frank Act, and to prevent evasion of those laws.

The Bureau is amending rules that implement certain Dodd-Frank Act provisions. In particular, the Bureau is amending provisions of Regulation Z (and, by reference, Regulation X) adopted by the Bureau in the 2013 Mortgage Servicing Final Rules (including July 2013 amendments thereto), the January 2013 ATR Final Rule, and the May 2013 ATR Final Rule.

V. Section-by-Section Analysis

Section 1026.41 Periodic Statements for Residential Mortgage Loans

41(e) Exemptions

41(e)(4) Small Servicers

The Bureau's Proposal

The Bureau proposed to revise the scope of the exemption for small servicers in § 1026.41(e)(4)(ii) and incorporated by cross-reference in certain provisions of Regulation X. The proposal would have added an alternative definition of small servicer in § 1026.41(e)(4)(ii)(C), which would apply to certain nonprofit entities that service for a fee only loans for which the servicer or an associated nonprofit entity is the creditor. The proposal also would have made conforming changes to § 1026.41(e)(4)(ii) and (iii) and associated commentary.

Currently, Regulation Z exempts small servicers from certain mortgage servicing requirements. Small servicers are defined in Regulation Z § 1026.41(e)(4)(ii), and Regulation X also relies on this same definition. Regulation Z exempts small servicers from the requirement to provide periodic statements for residential mortgage loans.[9] Regulation X exempts small servicers from: (1) Certain requirements relating to obtaining force-placed insurance; [10] (2) the provisions relating to general servicing policies, procedures, and requirements; [11] and (3) certain requirements and restrictions relating to communicating with borrowers about, and evaluation of loss mitigation applications.[12]

Current § 1026.41(e)(4)(ii) defines the term ''small servicer'' as a servicer that either: (A) Services, together with any affiliates, 5,000 or fewer mortgage loans, for all of which the servicer (or its affiliate) is the creditor or assignee; or (B) is a Housing Finance Agency, as defined in 24 CFR 266.5. ''Affiliate'' is defined in § 1026.32(b)(5) as any company that controls, is controlled by, or is under common control with another company, as set forth in the Bank Holding Company Act of 1956, 12 U.S.C. 1841 *et seq.* (BHCA).[13] Generally, under current § 1026.41(e)(4)(ii)(A), a servicer cannot be a small servicer if it services any loan for which the servicer or its affiliate is not the creditor or assignee. However, § 1026.41(e)(4)(iii) provides exceptions, which include mortgage loans that are voluntarily serviced by the servicer for a creditor or assignee that is not an affiliate of the servicer and for which the servicer does not receive any compensation or fees.[14]

Prior to issuing the proposal related to this final rule, the Bureau learned that certain nonprofit entities may, for a fee, service loans for another nonprofit entity that is part of the same larger network of nonprofits. These nonprofits are separately incorporated but operate under mutual contractual obligations to serve the same charitable mission, and use a common name, trademark, or servicemark. Such entities likely do not meet the definition of ''affiliate'' under the BHCA due to the limits imposed on nonprofits with respect to ownership and control. Accordingly, these nonprofits likely do not qualify for the small servicer exemption because they service, for a fee, loans on behalf of an entity that is not an affiliate as defined under the BHCA (and because the

[8] ''Residential mortgage loan'' is generally defined as any consumer credit transaction (other than open-end credit plans) that is secured by a mortgage (or equivalent security interest) on ''a dwelling or on residential real property that includes a dwelling'' (except, in certain instances, timeshare plans). 15 U.S.C. 1602(cc)(5).

[9] 12 CFR 1026.41(e) (requiring delivery each billing cycle of a periodic statement, with specific content and form). For loans serviced by a small servicer, a creditor or assignee is also exempt from the Regulation Z periodic statement requirements. 12 CFR 1026.41(e)(4)(i).

[10] 12 CFR 1024.17(k)(5) (prohibiting purchase of force-placed insurance in certain circumstances).

[11] 12 CFR 1024.30(b)(1) (exempting small servicers from §§ 1024.38 through 41, except as otherwise provided under § 1024.41(j), as discussed in note 12, infra). Sections 1024.38 through 40, respectively, impose general servicing policies, procedures, and requirements; early intervention requirements for delinquent borrowers; and policies and procedures to maintain continuity of contact with delinquent borrowers).

[12] *See* 12 CFR 1024.41 (loss mitigation procedures). Though exempt from most of the rule, small servicers are subject to the prohibition of foreclosure referral before the loan obligation is more than 120 days delinquent and may not make the first notice or filing for foreclosure if a borrower is performing pursuant to the terms of an agreement on a loss mitigation option. 12 CFR 1024.41(j).

[13] Under the BHCA, a company has ''control'' over another company if it (i) ''directly or indirectly . . . owns, controls, or has power to vote 25 per centum or more of any class of voting securities'' of the other company; (ii) ''controls . . . the election of a majority of the directors or trustees'' of the other company; or (iii) ''directly or indirectly exercises a controlling influence over the management or policies'' of the other company (based on a determination by the Board). 12 U.S.C. 1841(a)(2).

[14] Section 1026.41(e)(4)(ii) also excludes from consideration reverse mortgage transactions and mortgage loans secured by consumers' interests in timeshare plans for purposes of determining whether a servicer qualifies as a small servicer.

servicer is neither the creditor for, nor an assignee of, those loans). Groups of nonprofit entities that are associated with one another in the described manner may consolidate servicing activities to achieve economies of scale necessary to service loans cost-effectively, and such cost savings may reduce the cost of credit or enable the nonprofit to extend a greater number of loans overall. However, because of their corporate structures, such groups of nonprofit entities may be unable to qualify for the small servicer exemption, unlike their for-profit counterparts.

To address these concerns, the Bureau proposed to revise the scope of the small servicer exemption in Regulation Z § 1026.41 that is also applicable to certain provisions of Regulation X. The Bureau believed that the ability of such nonprofit entities to consolidate servicing activities may be beneficial to consumers—to the extent servicing cost savings are passed on to consumers or lead to increased credit availability—and may outweigh the consumer protections provided by the servicing rules to those consumers affected by the proposal. The Bureau was concerned that, if nonprofit servicers are subject to all of the servicing rules, low- and moderate-income consumers may face increased costs or reduced access to credit. Although the servicing rules provide important protections for consumers, the Bureau was concerned that these protections may not outweigh the risk of reduction in credit access for low- and moderate-income consumers served by nonprofit entities that would qualify for the proposed § 1026.41(e)(4)(ii)(C) exemption. Furthermore, the Bureau believed these nonprofit entities, because of their scale and community-focused lending programs, have other incentives to provide high levels of customer contact and information—incentives that warrant exempting those servicers from complying with the periodic statement requirements under Regulation Z and certain requirements of Regulation X discussed above.

Accordingly, the proposal would have added an alternative definition of small servicer that would apply to nonprofit entities that service loans on behalf of other nonprofits within a common network or group of nonprofit entities. Specifically, proposed § 1026.41(e)(4)(ii)(C) would have provided that a small servicer is a nonprofit entity that services 5,000 or fewer mortgage loans, including any mortgage loans serviced on behalf of associated nonprofit entities, for all of which the servicer or an associated nonprofit entity is the creditor. Proposed § 1026.41(e)(4)(ii)(C)(*1*) would have defined the term ''nonprofit entity,'' for purposes of proposed § 1026.41(e)(4)(ii)(C), to mean an entity having a tax exemption ruling or determination letter from the Internal Revenue Service (IRS) under section 501(c)(3) of the Internal Revenue Code of 1986 (IRC). *See* 26 U.S.C. 501(c)(3); 26 CFR 501(c)(3)–1. Proposed § 1026.41(e)(4)(ii)(C)(*2*) would have defined ''associated nonprofit entities'' to mean nonprofit entities that by agreement operate using a common name, trademark, or servicemark to further and support a common charitable mission or purpose.

The Bureau also proposed technical changes to § 1026.41(e)(4)(iii), which would have addressed the timing of the small servicer determination and also excludes certain loans from being counted toward the 5,000-loan limitation. The proposed changes would have added language to the existing timing requirement to limit its application to the small servicer determination for purposes of § 1026.41(e)(4)(ii)(A) and inserted a separate timing requirement for purposes of determining whether a nonprofit servicer is a small servicer pursuant to § 1026.41(e)(4)(ii)(C). Specifically, that requirement would have provided that the servicer is evaluated based on the mortgage loans serviced by the servicer as of January 1 and for the remainder of the calendar year.

In addition, the Bureau proposed technical changes to comment 41(e)(4)(ii)–2 and proposed to add comment 41(e)(4)(ii)–4 to parallel existing comment 41(e)(4)(ii)–2 (that would have addressed the requirements to be a small servicer under the existing definition in § 1026.41(e)(4)(ii)(A)). Specifically, new comment 41(e)(4)(ii)–4 would have clarified that there would be two elements to satisfying the nonprofit small servicer definition in proposed § 1026.41(e)(4)(ii)(C). First, the comment would have clarified that a nonprofit entity must service 5,000 or fewer mortgage loans, including any mortgage loans serviced on behalf of associated nonprofit entities. For each associated nonprofit entity, the small servicer determination would be made separately without consideration of the number of loans serviced by another associated nonprofit entity. Second, the comment would have explained that the nonprofit entity would have to service only mortgage loans for which the servicer (or an associated nonprofit entity) is the creditor. To be the creditor, the servicer (or an associated nonprofit entity) would have to be the entity to which the mortgage loan obligation was initially payable (that is, the originator of the mortgage loan). The comment would have explained that a nonprofit entity would not be a small servicer under § 1026.41(e)(4)(ii)(C) if it services any mortgage loans for which the servicer or an associated nonprofit entity is not the creditor (that is, for which the servicer or an associated nonprofit entity was not the originator). The comment would have provided two examples to demonstrate the application of the small servicer definition under § 1026.41(e)(4)(ii)(C).

The Bureau also proposed, along with some other clarifying and technical changes, to revise existing comment 41(e)(4)(iii)–3 to explain that mortgage loans that are not considered pursuant to § 1026.41(e)(4)(iii) for purposes of the small servicer determination under § 1026.41(e)(4)(ii)(A) are also not considered for determining whether a servicer (together with any affiliates) services 5,000 or fewer mortgage loans or for determining whether a servicer is servicing only mortgage loans that it (or an affiliate) owns or originated. Finally, the Bureau proposed a new comment 41(e)(4)(iii)–4 to explain that mortgage loans that are not considered pursuant to § 1026.41(e)(4)(iii) for purposes of the small servicer determination under § 1026.41(e)(4)(ii)(C) also would not be considered for determining whether a nonprofit entity services 5,000 or fewer mortgage loans, including any mortgage loans serviced on behalf of associated nonprofit entities, or for determining whether a nonprofit entity is servicing only mortgage loans that it or an associated nonprofit entity originated. The comment would have provided examples to illustrate the rule.

For the reasons discussed below, the Bureau is adopting § 1026.41(e)(4)(ii)(C) and (iii) and the accompanying commentary as proposed, with minor technical revisions.

Comments

The Bureau received comments on the proposed amendment to the small servicer definition from a nonprofit servicer, consumer groups, credit union trade associations, and a mortgage trade association. Commenters generally favored the proposed provision, but they suggested certain revisions to the proposed nonprofit small servicer definition and expressed concerns about possible evasion.

In the proposal, the Bureau sought comment on whether the definition of a nonprofit entity should contain additional criteria regarding the nonprofit's activities or the loan's features or purposes. Consumer group

commenters expressed concern that the proposed definition of nonprofit entity might allow evasion. These groups urged the Bureau to add language and clarification to avoid abuse by dishonest nonprofits. These commenters stated that some entities may cease to comply with section 501(c)(3) of the IRC, but could still have a tax exemption ruling or determination letter from the IRS until the IRS formally revoked its status. The commenters stated that a nonprofit would remain eligible for the exemption despite blatant evidence that the entity was not a bona fide nonprofit. These commenters urged the Bureau to require the nonprofit entity to be a bona fide nonprofit operating in compliance with IRC section 501(c)(3).

Consumer group commenters also expressed concern with proposed comment 41(e)(4)(ii)–4, which would provide that each associated nonprofit entity may service no more than 5,000 loans under the nonprofit small servicer definition. These commenters requested that the Bureau publicly state that it would monitor use of the exemption to prevent abuse by servicers that service more than 5,000 loans.

Credit union trade associations generally supported expansion of the small servicer exemption. However, they requested the exemption be expanded further to exempt credit unions. They noted that Federal and State chartered credit unions are typically designated as tax-exempt under IRC sections 501(c)(1) and (14), respectively. In support of such an expansion, one credit union trade association noted that some credit unions that would otherwise qualify for the existing small servicer definition under § 1024.41(e)(4)(ii)(A) are disqualified because of ownership stakes in credit union service organizations (CUSOs).

Final Rule

For the reasons set forth below, the Bureau is adopting as proposed § 1026.41(e)(4)(ii) and (iii) and associated commentary. The Bureau finds that the potential benefits to consumers that may result from nonprofit entities consolidating servicing activities outweigh the consumer protections provided by the servicing rules to the affected consumers. The Bureau believes that the entities that qualify for the exemption under the nonprofit small servicer definition have other incentives to provide high levels of customer contact and information, which lends further support to the exemption.

The Bureau considered comments requesting the addition of a bona fide qualifier to the nonprofit small servicer definition but has not adopted this approach in the final rule. A bona fide requirement is unnecessary because the nonprofit small servicer definition is more limited than the existing small servicer definition and is narrowly tailored to prevent evasion. Specifically, the nonprofit small servicer definition would require that a nonprofit entity service only loans for which it or an associated nonprofit entity is the creditor. This is in contrast to the existing small servicer exemption under § 1026.41(e)(4)(ii)(A), which applies to entities that service loans for which it or an affiliate is the creditor *or assignee.* To satisfy the nonprofit small servicer definition, an associated nonprofit entity must be the creditor on the loan. In addition, to meet the nonprofit small servicer definition, the ''associated nonprofit entities,'' as defined in § 1026.41(e)(4)(ii)(C)(*2*), must by agreement operate using a common name, trademark, or servicemark to further and support a common charitable mission or purpose. As such, nonprofit entities that operate in a manner that is inconsistent with the group's common charitable purpose—or a group of associated nonprofits that operates without a charitable purpose—would not satisfy the nonprofit small servicer definition. Although the final rule does not include a bona fide nonprofit qualifier, the Bureau will monitor use of the nonprofit small servicer exemptions and consider any changes to the definition, as appropriate.

The Bureau has not expanded the nonprofit small servicer definition to cover credit unions designated as tax-exempt under IRC sections 501(c)(1) and (14), as requested by some credit union and credit union trade association commenters.[15] The Bureau believes that credit unions and their affiliates are likely to have greater capacity to comply with the full mortgage servicing rules than those nonprofit entities that are covered by the nonprofit small servicer definition. The commenters did not provide any data to support an expansion of the exemption to credit unions.

Legal Authority

The Bureau is adopting an exemption from the periodic statement requirement under TILA section 128(f) for certain small servicers pursuant to its authority under TILA section 105(a) and (f) and Dodd-Frank Act section 1405(b).

For the reasons discussed above, the Bureau finds that the exemption is necessary and proper under TILA section 105(a) to facilitate TILA compliance. The purpose of the periodic statement requirement is to ensure that consumers receive ongoing customer contact and account information. As discussed above, the Bureau finds that nonprofit entities that qualify for the exemption have incentives to provide ongoing consumer contact and account information that would exist absent a regulatory requirement to do so. The Bureau also finds that such nonprofits may consolidate servicing functions in an associated nonprofit entity to provide more cost-effectively this high level of customer contact and otherwise to comply with applicable regulatory requirements. As noted, the Bureau is concerned that the current rule may discourage consolidation of servicing functions. As a result, the current rule may result in nonprofits being unable to provide high-contact servicing or to comply with other applicable regulatory requirements due to the costs that would be imposed on each individual servicer. Accordingly, the Bureau finds that the nonprofit small servicer definition facilitates compliance with TILA by allowing nonprofit small servicers to consolidate servicing functions, without losing status as a small servicer, to service loans more cost-effectively in compliance with applicable regulatory requirements.

In addition, consistent with TILA section 105(f) and in light of the factors in that provision, the Bureau finds that requiring nonprofit entities servicing 5,000 or fewer loans (including those serviced on behalf of associated nonprofits, for all of which that servicer or an associated nonprofit is the creditor) to comply with the periodic statement requirement in TILA section 128(f) would not provide a meaningful benefit to consumers in the form of useful information or protection. The Bureau finds that these nonprofit servicers have incentives to provide consumers with necessary information, and that requiring provision of periodic statements would impose significant costs and burden. Specifically, the

[15] The Bureau previously considered, but declined to adopt, a broad exemption for credit unions in adopting the original small servicer definition in § 1026.41(e)(4)(ii)(A) in the 2013 Final Mortgage Servicing Rule. *See* 78 FR 10901, 10976 (Feb. 14, 2013). Subsequently, in clarifying the small servicer definition in the July 2013 Mortgage Servicing Final Rule, the Bureau considered concerns that affiliate relationships between certain credit unions and credit union service organizations (CUSOs) may prevent the credit unions and CUSOs from qualifying for the small servicer exemption, but declined to adopt such an exemption because the comments were beyond the scope of the rulemaking. *See* 78 FR 44685, 44694 (July 24, 2013). The Bureau finds that a broad exemption for credit unions is outside the scope of this rulemaking as well.

Bureau finds that the nonprofit small servicer definition will not complicate, hinder, or make more expensive the credit process—and is proper without regard to the amount of the loan, to the status of the consumer (including related financial arrangements, financial sophistication, and the importance to the consumer of the loan or related supporting property), or to whether the loan is secured by the principal residence of the consumer. In addition, consistent with Dodd-Frank Act section 1405(b), for the reasons discussed above, the Bureau finds that exempting nonprofit small servicers from the requirements of TILA section 128(f) is in the interest of consumers and in the public interest.

As noted above, Regulation X cross-references the definition of small servicer in § 1026.41(e)(4) for the purpose of exempting small servicers from several mortgage servicing requirements. Accordingly, in amending the small servicer definition in Regulation Z, the Bureau is also effectively amending the current Regulation X exemptions for small servicers. For this purpose, the Bureau is relying on the same authorities on which it relied in promulgating the current Regulation X small servicer exemptions. Specifically, the Bureau is exempting nonprofit small servicers from the requirements of Regulation X §§ 1024.38 through 41, except as otherwise provided in § 1024.41(j), *see* § 1024.30(b)(1), as well as certain requirements of § 1024.17(k)(5), pursuant to its authority under section 19(a) of RESPA to grant such reasonable exemptions for classes of transactions as may be necessary to achieve the consumer protection purposes of RESPA. The consumer protection purposes of RESPA include helping borrowers avoid unwarranted or unnecessary costs and fees. The Bureau finds that the nonprofit small servicer definition would ensure that consumers avoid unwarranted and unnecessary costs and fees by encouraging nonprofit small servicers to consolidate servicing functions.

In addition, the Bureau relies on its authority pursuant to section 1022(b) of the Dodd-Frank Act to prescribe regulations necessary or appropriate to carry out the purposes and objectives of Federal consumer financial law, including the purposes and objectives of title X of the Dodd-Frank Act. Specifically, the Bureau finds that the nonprofit small servicer definition is necessary and appropriate to carry out the purpose under section 1021(a) of the Dodd-Frank Act of ensuring that all consumers have access to markets for consumer financial products and services that are fair, transparent, and competitive, and the objective under section 1021(b) of the Dodd-Frank Act of ensuring that markets for consumer financial products and services operate transparently and efficiently to facilitate access and innovation.

With respect to §§ 1024.17(k)(5), 39, and 41 (except as otherwise provided in § 1024.41(j)), the Bureau is also adopting the nonprofit small servicer definition pursuant to its authority in section 6(j)(3) of RESPA to set forth requirements necessary to carry out section 6 of RESPA and in section 6(k)(1)(E) of RESPA to set forth obligations appropriate to carry out the consumer protection purposes of RESPA.

Section 1026.43 Minimum Standards for Transactions Secured by a Dwelling

43(a) Scope

43(a)(3)

The Bureau's Proposal

The Bureau proposed to amend the nonprofit small creditor exemption from the ability-to-repay rule that is set forth in § 1026.43(a)(3)(v)(D). To qualify for this exemption, a creditor must have extended credit secured by a dwelling no more than 200 times during the calendar year preceding receipt of the consumer's application and meet certain additional requirements. The proposal would have excluded certain subordinate-lien transactions from the 200-credit extension limit. For the reasons set forth below and in the proposal, the Bureau is finalizing this provision as proposed.

Currently, § 1026.43(a)(3)(v)(D) provides an exemption from the ability-to-repay rule if the creditor and the loan meet certain criteria. First, the creditor must have a tax exemption ruling or determination letter from the IRS under section 501(c)(3) of the IRC. Second, the creditor may not have extended credit secured by a dwelling more than 200 times in the calendar year preceding receipt of the consumer's application. Third, the creditor, in the calendar year preceding receipt of the consumer's application, must have extended credit only to consumers whose income did not exceed the low- and moderate-income household limit established by HUD. Fourth, the extension of credit must be to a consumer with income that does not exceed HUD's low- and moderate-income household limit. Fifth, the creditor must have determined, in accordance with written procedures, that the consumer has a reasonable ability to repay the extension of credit.

As noted in the proposal, the Bureau has heard concerns from some nonprofit creditors about the treatment of certain subordinate-lien programs under the nonprofit exemption from the ability-to-repay requirements. These creditors expressed concern that they may be forced to curtail their subordinate-lien programs or more generally limit their lending activities to avoid exceeding the 200-credit extension limit. In particular, these entities indicated concern with the treatment of subordinate-lien transactions that charge no interest and for which repayment is generally either forgivable or of a contingent nature.

In light of these concerns, the Bureau proposed to amend § 1026.43(a)(3)(v)(D)(*1*) to exclude certain subordinate liens from the 200-credit extension limit determination. Specifically, the Bureau proposed to add § 1026.43(a)(3)(vii), which would have provided that consumer credit transactions that meet the following criteria would not be considered in determining whether a creditor meets the credit extension limit in § 1026.43(a)(3)(v)(D)(*1*): (1) The transaction is secured by a subordinate lien; (2) the transaction is for the purpose of downpayment, closing costs, or other similar home buyer assistance, such as principal or interest subsidies, property rehabilitation assistance, energy efficiency assistance, or foreclosure avoidance or prevention; (3) the credit contract does not require payment of interest; (4) the credit contract provides that the repayment of the amount of credit extended is (a) forgiven incrementally or in whole, at a date certain, and subject only to specified ownership and occupancy conditions, such as a requirement that the consumer maintain the property as the consumer's principal dwelling for five years, (b) deferred for a minimum of 20 years after consummation of the transaction, (c) deferred until sale of the property securing the transaction, or (d) deferred until the property securing the transaction is no longer the principal dwelling of the consumer; (5) the total of costs payable by the consumer in connection with the transaction at consummation is less than 1 percent of the amount of credit extended and includes no charges other than fees for recordation of security instruments, deeds, and similar documents, a bona fide and reasonable application fee, and a bona fide and reasonable fee for housing counseling services; and (6) in connection with the transaction, the creditor complies with all other applicable requirements of Regulation Z.

Proposed comment 43(a)(3)(vii)–1 would have clarified that the terms of the credit contract must satisfy the conditions that the transaction not require the payment of interest under § 1026.43(a)(3)(vii)(C) and that repayment of the amount of credit extended be forgiven or deferred in accordance with § 1026.43(a)(3)(vii)(D). The comment would have further clarified that the other requirements of § 1026.43(a)(3)(vii) need not be reflected in the credit contract, but the creditor must retain evidence of compliance with those provisions, as required by the record retention provisions of § 1026.25(a). In particular, the creditor must have information reflecting that the total of closing costs imposed in connection with the transaction are less than 1 percent of the amount of credit extended and includes no charges other than recordation, application, and housing counseling fees, in accordance with § 1026.43(a)(3)(vii)(E). Unless an itemization of the amount financed sufficiently details this requirement, the creditor must establish compliance with § 1026.43(a)(3)(vii)(E) by some other written document and retain it in accordance with § 1026.25(a).

Proposed § 1026.43(a)(3)(vii) and the accompanying comment would have largely mirrored a provision and accompanying comment that was adopted as part of the Bureau's rule integrating the pre-consummation disclosure requirements of TILA and RESPA (2013 TILA–RESPA Final Rule), effective August 1, 2015. *See* 78 FR 79729 (Dec. 31, 2013). That provision, which was adopted in both Regulation X, at § 1024.5(d) (by cross-reference), and Regulation Z, at § 1026.3(h), provides a partial exemption from the disclosure requirements for loans that meet criteria that largely mirror those in proposed § 1026.43(a)(3)(vii). As noted in the proposal, that exemption was intended to describe criteria associated with certain housing assistance loan programs for low- and moderate-income persons. The Bureau believed the same criteria for the partial exemption from the 2013 TILA–RESPA Final Rule would describe the class of transactions that might appropriately be excluded from the 200-credit extension limit in the ability-to-repay exemption for nonprofits and that defining a single class of transactions for purposes of § 1024.5(d), § 1026.3(h), and § 1026.43(a)(3)(vii) might facilitate compliance for creditors.

Comments

The Bureau received comments on the proposed revisions to the nonprofit creditor exemption from consumer groups, credit union trade associations, and one nonprofit creditor. Commenters generally favored the proposed provision but raised concerns about the scope and interpretation of the provisions.

The nonprofit creditor commenter generally supported the proposal but requested certain revisions and clarifications. First, the commenter expressed concern with the requirement in proposed § 1026.43(a)(3)(vii)(D) that, to be excluded from the 200-credit extension limit, the credit contract provide that repayment be forgiven or deferred. Specifically, that commenter expressed concern that a subordinate lien that defers repayment, but for less than 20 years, does not meet the criteria for the exclusion from the credit extension limit under proposed § 1026.43(a)(3)(vii)(D)(*2*). The commenter did not indicate whether its exemption status or the status of any other nonprofit creditor might be jeopardized if this provision were finalized, nor did it provide a specific justification for loosening the deferment period. Second, the nonprofit creditor requested that the repayment criteria be revised or commentary added to clarify that the provisions in the credit contract may provide for repayment where a borrower defaults on or refinances an accompanying first-lien mortgage without jeopardizing the loan's exemption status. Third, the nonprofit creditor commenter expressed concerns that the 200-credit extension limit discourages expansion and consolidation among nonprofit creditors. The commenter stated that the existing extension limit complicates mortgage sale transactions to its banking partners, but did not suggest any specific number of credit extensions that would be an appropriate limit for the nonprofit creditor exemption.

Consumer group commenters generally supported adoption of the proposal but two consumer group commenters suggested that the Bureau should occasionally examine subordinate liens to ensure that any fees charged are bona fide. Credit union trade association commenters suggested that the Bureau expand the nonprofit exemption to include both Federal and State credit unions.

Final Rule

For the reasons discussed in the proposal, and in light of the comments received, the Bureau is adopting the revision to § 1026.43(a)(3)(v)(D), the addition of § 1026.43(a)(3)(vii), and comment 43(a)(3)(vii)–1 as proposed.

The Bureau considered whether to relax the deferment period required by § 1026.43(a)(3)(vii)(D)(*2*) but has not adopted such a change in the final rule. The Bureau believes that relaxing the deferment period may create a risk of consumer harm with respect to the excluded subordinate liens. As noted in the proposal, the exclusion is narrowly tailored to accommodate subordinate-liens that both reduce a consumer's monthly mortgage obligations and allow the consumer to control whether and when repayment is triggered, for at least 20 years. Reducing that period where the consumer controls repayment increases risks to consumers. The 20-year deferment requirement also serves to discourage use of the exclusion as a means of evasion of the ability-to-repay rule. Moreover, the nonprofit commenter did not assert that the 20-year deferment period required by § 1026.43(a)(3)(vii)(D)(*2*) would presently or foreseeably jeopardize its exemption status (or the exemption status of any other nonprofit creditor). Finally, as noted above, § 1026.43(a)(3)(vii) largely mirrors a provision that was adopted as part of the Bureau's 2013 TILA–RESPA Final Rule. The Bureau does not, at this time, believe there is a basis for amending the exclusion from that rule and is concerned that maintaining two separate exclusion regimes would create undue regulatory burden.

In addition, the Bureau considered whether the rule or commentary should specify that the credit contract may provide for repayment where a consumer defaults on or refinances an accompanying first-lien mortgage. However, the Bureau does not believe that such a provision is necessary. The exclusion criteria do not bar such provisions, nor would such provisions be inconsistent with the proposed criteria. The Bureau is concerned that revising § 1026.43(a)(3)(vii) or adding commentary expressly to permit such standard contract terms could call into question the effect of other standard contract terms providing for acceleration, such as for nonpayment of property taxes, on a loan's status under the exclusion. As a result, addressing these provisions might necessitate amending the commentary to cover a much more exhaustive list of what is prohibited or permitted.

The Bureau also considered the request that it increase or remove the 200-credit extension limit from the § 1026.43(a)(3)(v)(D) nonprofit exemption altogether. The Bureau has determined that it would be inappropriate to do so because it believes that nonprofit creditors that originate more than 200 dwelling-secured transactions in a year

(excluding the transactions described in § 1026.43(a)(3)(vii)) generally have the resources necessary to comply with the TILA ability-to-repay requirements. In the absence of information that suggests that the rationale behind the extension limit is no longer appropriate, the Bureau has not increased the extension limit.

As noted above, consumer group commenters suggested that subordinate liens should be examined occasionally to determine whether any charges imposed are bona fide. The Bureau intends to monitor the mortgage market to ensure that the nonprofit creditor exemption does not become a means for evasion of the ability-to-repay requirements.

As also noted above, some commenters suggested that the nonprofit creditor exemption be expanded to cover State and Federal credit unions. The Bureau notes that, in adopting the nonprofit creditor exemption in the May 2013 ATR Final Rule, the Bureau considered, but declined to adopt, an exemption for entities that are designated nonprofit organizations under sections 501(c)(1) and (14) of the IRC. *See* 78 FR 35429, 35468 (June 12, 2013). Commenters did not present any information that would suggest that the Bureau should reconsider its decision in the May 2013 ATR Final Rule. Thus the Bureau lacks a sufficient basis to adopt an expanded exemption as requested by the credit union trade associations.

Legal Authority

The current § 1026.43(a)(3)(v)(D) exemption from the ability-to-repay requirements was adopted pursuant to the Bureau's authority under section 105(a) and (f) of TILA. Pursuant to section 105(a) of TILA, the Bureau generally may prescribe regulations that provide for such adjustments and exceptions for all or any class of transactions that the Bureau judges are necessary or proper to effectuate, among other things, the purposes of TILA. For the reasons discussed above, the Bureau concludes that the amendment to the § 1026.43(a)(3)(v)(D) exemption from the TILA ability-to-repay requirements is necessary and proper to effectuate the purposes of TILA, which include the purposes of TILA section 129C. The Bureau concludes that the amendment to the exemption ensures that consumers are offered and receive residential mortgage loans on terms that reasonably reflect their ability to repay by helping to ensure the viability of the mortgage market for low- and moderate-income consumers. The Bureau believes that the mortgage loans originated by nonprofit creditors identified in § 1026.43(e)(4)(v)(D) generally account for a consumer's ability to repay. Without the amendment to the exemption, the Bureau concludes that low- and moderate-income consumers might be at risk of being denied access to the responsible and affordable credit offered by these creditors, which is contrary to the purposes of TILA. The amendment to the exemption is consistent with the purposes of TILA by ensuring that consumers are able to obtain responsible, affordable credit from the nonprofit creditors discussed above.

The Bureau has also considered the factors in TILA section 105(f) and concludes that, for the reasons discussed above, the amendment to the exemption is appropriate under that provision. For the reasons discussed above, the Bureau concludes that the amendment to § 1026.43(a)(3)(v)(D) would exempt extensions of credit for which coverage under the ability-to-repay requirements does not provide a meaningful benefit to consumers (in the form of useful information or protection) in light of the protection that the Bureau believes the credit extended by these creditors already provides to consumers. The Bureau concludes that the amendment to the § 1026.43(a)(3)(v)(D) exemption is appropriate for all affected consumers, regardless of their other financial arrangements and financial sophistication and the importance of the loan and supporting property to them. Similarly, the Bureau concludes that the amendment to the § 1026.43(a)(3)(v)(D) exemption is appropriate for all affected loans covered under the exemption, regardless of the amount of the loan and whether the loan is secured by the principal residence of the consumer. Furthermore, the Bureau concludes that, on balance, the amendment to the § 1026.43(a)(3)(v)(D) exemption will simplify the credit process without undermining the goal of consumer protection, denying important benefits to consumers, or increasing the expense of (or otherwise hindering) the credit process.

43(e) Qualified Mortgages

43(e)(3) Limits on Points and Fees for Qualified Mortgages

The Bureau's Proposal

The Bureau proposed to permit a creditor or assignee to cure an excess over the qualified mortgage points and fees limit under defined conditions. Those conditions included that the creditor originated the loan in good faith as a qualified mortgage, that the creditor or assignee refunds the overage within 120 days of consummation, and that the creditor or assignee maintains and follows policies and procedures for post-consummation review of loans and refunding to consumers of such points and fees overages. For the reasons discussed below, the Bureau is finalizing the proposed cure provision but is making certain adjustments to address concerns raised by commenters.

Section 1411 of the Dodd-Frank Act added TILA section 129C(a) to require a creditor making a residential mortgage loan to make a reasonable and good faith determination (based on verified and documented information) that, at the time the loan is consummated, the consumer has a reasonable ability to repay the loan. 15 U.S.C. 1639c(a). TILA section 129C(b) further: Provides that the ability-to-repay requirements are presumed to be met if the loan is a qualified mortgage; sets certain product-feature and underwriting requirements for qualified mortgages (including limits on points and fees); and gives the Bureau authority to revise, add to, or subtract from these requirements.[16] Section 1026.43(e)(3), which implements the statutory points and fees limits for qualified mortgages, provides that the up-front points and fees charged in connection with a qualified mortgage must not exceed 3 percent of the total loan amount, with higher thresholds specified for various categories of loans below $100,000. Pursuant to § 1026.32(b)(1), points and fees are the ''fees or charges that are known at or before consummation.'' The current rule does not provide a mechanism for curing points and fees overages that are discovered after consummation.

As noted in the proposal, the Bureau understands that some creditors seeking to originate and some secondary market participants seeking to purchase qualified mortgages may establish buffers, set at a level below the applicable points and fees limit in § 1026.43(e)(3)(i), to avoid inadvertently exceeding those limits. Creditors may simply refuse to extend mortgage credit to consumers whose loans would exceed the buffer threshold (even though such loans, if under the applicable Regulation Z points and fees limit, would otherwise be qualified mortgages), due to the creditors' concerns about the potential liability attending loans originated under the

[16] *See* TILA section 129C(b)(3)(B)(i). TILA section 129C(b)(2)(D) requires the Bureau to prescribe rules adjusting the 3-percent points and fees limit to ''permit lenders that extend smaller loans to meet the requirements of the presumption of compliance.''

general ability-to-repay standard, the ability to sell those loans into the secondary market, or the risk of repurchase demands from the secondary market if the applicable qualified mortgage points and fees limit is later found to have been exceeded. Alternatively, creditors may charge more for loans exceeding the buffer threshold (even if those loans are under the applicable Regulation Z points and fees limit for qualified mortgages). The proposal noted the Bureau's concerns that access to credit might be negatively affected where such buffers are established.

Because of these concerns about access to credit, the Bureau proposed § 1026.43(e)(3)(iii), which would have provided that, if the creditor or assignee determines after consummation that the total points and fees payable in connection with a loan exceed the applicable limit under § 1026.43(e)(3)(i), the loan is not precluded from being a qualified mortgage, provided: (1) The creditor originated the loan in good faith as a qualified mortgage and the loan otherwise meets the requirements for a qualified mortgage in § 1026.43(e)(2), (e)(4), (e)(5), (e)(6), or (f), as applicable; (2) within 120 days after consummation, the creditor or assignee refunds to the consumer the dollar amount by which the transaction's points and fees exceeded the applicable limit under § 1026.43(e)(3)(i); and (3) the creditor or assignee, as applicable, maintains and follows policies and procedures for post-consummation review of loans and refunding to consumers amounts that exceed the applicable limit under § 1026.43(e)(3)(i).

In conformance with proposed § 1026.43(e)(3)(iii), the Bureau also proposed to amend § 1026.43(e)(3)(i) to add the introductory phrase ''[e]xcept as provided in paragraph (e)(3)(iii) of this section.'' That conforming change would have specified that the cure provision in § 1026.43(e)(3)(iii) is an exception to the general rule that a covered transaction is not a qualified mortgage if the transaction's total points and fees exceed the applicable limit set forth in § 1026.43(e)(3)(i). Proposed comment 43(e)(3)(iii)–1 would have provided examples of evidence that a creditor originated a loan in good faith as a qualified mortgage and examples of evidence that a loan was not originated in good faith as a qualified mortgage. Proposed comment 43(e)(3)(iii)–2 would have provided guidance on the policies and procedures requirement. In addition to these specific proposals, the Bureau requested comment on whether a post-consummation points and fees cure should be permitted, and whether different, additional, or fewer conditions should be imposed upon its availability.

Comments

Industry commenters, including trade associations, large and small creditors, and secondary market purchasers, unanimously supported permitting a cure for points and fees overages. Industry commenters noted that the complex nature of the points and fees calculation and the potential liability associated with non-qualified mortgages have caused some creditors to impose operational buffers on points and fees that are well under the limits in the rule. These commenters also noted that it is not uncommon for investors and originators to disagree on the interpretation of parts of the points and fees calculation, which may impede the sale of some loans in the secondary market. One large industry trade association cited the definition of ''bona fide discount point,'' which depends in part on whether ''the interest rate without any discount'' exceeds a certain threshold, as an area of industry uncertainty in the points and fees calculation that could lead to different interpretations.

Industry commenters stated that creditors that are uncertain of the qualified mortgage status of loans near the applicable points and fees limit may overprice the risk of the loan, passing on the costs of legal uncertainty to the consumer. Those commenters stated that, as a result, consumers receive loans on less favorable terms than they would otherwise receive or may be ineligible for credit. These commenters stated that the points and fees cure would provide creditors the opportunity to achieve precise compliance after consummation, which in turn would allow creditors to approve more loans, or provide loans at a lower cost to, consumers at the boundaries of the points and fees limits under the rule.

Industry commenters also generally stated that the proposed cure provision would incentivize robust post-consummation quality control and audit procedures in a way that would benefit both creditors and consumers. Creditors would benefit by being afforded the opportunity to achieve precise compliance and allow loans to flow smoothly into the secondary market, while consumers would benefit by receiving cure payments. A nonprofit commenter that promotes asset-building policies for low- and middle-income families also supported the proposed points and fees cure. This commenter noted that, for smaller loans subject to the tiered points and fees limits, any change in total costs agreed to at or near consummation may cause the loan to cross from one limit tier to another.

Some consumer group commenters, including two large national consumer groups, strongly opposed the proposed cure provision. These commenters generally stated that the proposal would do more harm to consumers than good and was unnecessary, contrary to Congressional intent, and without evidentiary foundation. Consumer group commenters that generally opposed the cure provision stated that it could incentivize inaccurate pre-consummation points and fees calculations. For example, these commenters warned that loan originators and processors could face pressure to close loans and to overlook problems before closing in the belief that they can be cured post-consummation. To these commenters, the cure would encourage the lending industry to be less vigilant, less accurate and, for some, less honest, in marketing, disclosures, and underwriting practices. Consumer group commenters also objected to the proposal's provision allowing a cure by refunding nothing more than the overage to the consumer.

Some consumer group commenters argued that the cure is unnecessary because of the regulations' limited impact on access to credit. Two large national consumer group commenters stated that the qualified mortgage points and fees limits are not actually restricting access to credit or increasing the cost of credit. Those commenters cited a lack of data to support the Bureau's assertions about the effect of the points and fees limits on access to credit. The commenters stated that, if it had such data, the Bureau should adjust the qualified mortgage standards rather than permit a cure. The commenters argued that the mortgage industry restricts or expands access to credit based on perceptions of credit risk and profitability and not on the impact of consumer protection rules.

The commenters asserted that, although current concerns are about access to credit, creditors will loosen their standards in order to increase their market share—just as they did before the recent financial crisis. Some consumer group commenters also noted that the Dodd-Frank Act was adopted to prevent the type of irresponsible lending that led to the financial crisis, and that each exception the Bureau adds to the qualified mortgage rule weakens the restraints the Dodd-Frank Act imposed. These commenters argued that the cure will harm consumers by depriving them of otherwise available legal remedies.

Consumer group commenters also stated that the secondary market had already taken action to address repurchase concerns. The commenters noted that, to the extent that credit is tight due to the risk of repurchase demands from the secondary market, the government-sponsored enterprises (GSEs) have announced a set of revised quality review policies and a right to fix documentation problems that will reduce creditors' exposure to repurchase demands. Other consumer group commenters, including a large national nonprofit, generally supported the cure but urged the Bureau to include greater protections for consumers in the final rule. Similarly, the consumer groups that generally opposed the cure commented that, if the Bureau adopts a points and fees cure provision, it should provide greater consumer protections. These commenters made several suggestions to increase consumer protections in the final rule, including: A sunset date for the right to cure; cutting off the right to cure upon notice from the consumer of an overage and other similar events; and requiring creditors or assignees to provide a cure payment that is more than the overage itself. These suggestions are discussed more fully, below.

Final Rule

For the reasons discussed below, the Bureau is adopting the cure provision for points and fees overages in § 1026.43(e)(3)(iii) and (iv). The Bureau is finalizing the cure provision substantially as proposed but with some modifications based on comments received. The final cure provision provides bright-line rules to incentivize creditors to ease current points and fees buffers (and, in turn, increase access to responsible, affordable mortgage credit) while, at the same time, limiting the ability and incentives for creditors to engage in careless pre-consummation points and fees calculations or otherwise misuse the cure. In addition to certain clarifying changes, the final rule makes the following adjustments from the proposal:

- Sunsets the cure after January 10, 2021;
- Eliminates the condition that the creditor originate the loan in ''good faith'' as a qualified mortgage (discussed below in the section-by-section analysis of § 1026.43(e)(3)(iii)(A));
- Increases the cure period from 120 days to 210 days after consummation (discussed below in the section-by-section analysis of § 1026.43(e)(3)(iii)(B));
- Cuts off the ability to cure upon one or more of the following occurrences: The consumer's institution of a legal action in connection with the loan; the creditor, assignee, or servicer's receipt of the consumer's written notice that the loan's points and fees exceeded the qualified mortgage limit; or the consumer becoming 60 days past due on the legal obligation (discussed below in the section-by-section analysis of § 1026.43(e)(3)(iii)(B)); and
- Requires the creditor or assignee to also pay interest to the consumer on the dollar amount by which the points and fees exceed the qualified mortgage limit, for the period from consummation until the cure payment is made to the consumer (discussed below in the section-by-section analysis of § 1026.43(e)(3)(iv)).

The cure will only be available for transactions consummated on or after the effective date of this final rule and on or before the sunset date.

The Bureau concludes that the cure provision will ease current market uncertainties and, as a result, may increase consumers' access to affordable credit in the near term. As explained in the proposal, the calculation of points and fees is complex and can involve the exercise of judgment that may lead to inadvertent errors with respect to charges imposed at or before consummation. Where a creditor originated a loan with the expectation of qualified mortgage status, the Bureau believes the consumer likely received the benefit of qualified mortgage treatment by receiving lower overall pricing. For this reason, the Bureau concludes that a cure provision, if appropriately limited, could reflect the expectations of both consumers and creditors at consummation and could increase access to credit for consumers seeking loans at the margins of the points and fees limits. A limited cure provision should also promote consistent pricing within the qualified mortgage range by decreasing the market's perceived need for higher pricing at the margins of the points and fees limits. The cure provision should also promote stability in the market by limiting the need for repurchase demands that may otherwise be triggered without the cure. In addition, the Bureau notes that the cure provision will encourage some creditors to undertake or strengthen rigorous post-consummation review of loans and consequently result in consumers receiving cure payments that would not have been received absent a cure provision.

At the same time, and as stated in the proposal, the Bureau expects that, over time, creditors will develop greater confidence in compliance systems and also with originating loans that are not qualified mortgages under the general ability-to-repay standard. As this occurs, creditors should be able to relax internal buffers on points and fees that are predicated on the qualified mortgage threshold and to provide consistent pricing for qualified mortgages that are at the margin of the points and fees limits. Additionally, the risk of repurchase demands based on points and fees overages should decrease with experience. For these reasons, the cure provision finalized in § 1026.43(e)(3) contains a sunset date of January 10, 2021. This sunset date is also the general sunset date for the temporary qualified mortgage definition for loans eligible for purchase or guarantee by the GSEs or certain Federal agencies pursuant to § 1026.43(e)(4). As creditors' confidence increases and market conditions stabilize, creditors should become less reliant on points and fees buffers. The Bureau concludes that this sunset will provide sufficient time for creditors to develop confidence in compliance systems for regulatory requirements and for economic and market conditions to stabilize.

As noted above, consumer group commenters argued that the cure provision could encourage the lending industry to be negligent or reckless. The Bureau notes that the final cure provision has been carefully calibrated to incentivize creditors to ease current buffers (which should in turn increase access to responsible, affordable mortgage credit), while limiting the ability and incentives for creditors to abuse the cure. The Bureau acknowledges that a cure provision could allow some creditors to conduct inaccurate pre-consummation points and fees calculations and that the cure provision would operate to limit legal remedies for some consumers who might later bring ability-to-repay claims. However, the Bureau concludes that the safeguards described more fully below, such as limiting the cure period to a short and finite period after consummation, cutting off the ability to cure upon the occurrence of certain events (including the consumer filing a lawsuit in connection with the loan), and requiring creditors to pay interest on the points and fees overages, will appropriately limit the incentives and opportunity for misuse of the cure. Market forces (such as repurchase demands), concerns about litigation risk, and the costs of administering a post-consummation cure, will also limit the extent to which creditors may be incentivized to misuse the cure provision.

The Bureau also believes that, in most cases, the cure provision will align the loan terms with the expectations of the creditor and the consumer: The creditor likely believed the loan was a qualified mortgage when it originated the loan and, assuming buffers that affect pricing at the margins are removed, the consumer likely received more affordable qualified mortgage pricing because of the creditor's belief that the loan was a qualified mortgage. If a cure is effectuated, the consumer will also receive a monetary cure payment for the points and fees overage. For these reasons, the Bureau concludes that allowing a points and fees cure as structured in this final rule will benefit consumers.

Legal Authority

The Bureau is adopting the points and fees cure provision in § 1026.43(e)(3) pursuant to its authority under TILA section 129C(b)(3)(B)(i) to promulgate regulations that revise, add to, or subtract from the criteria that define a qualified mortgage. In addition, because revised § 1026.43(e)(3) permits creditors to cure non-compliance with the general qualified mortgage points and fees limits up to 210 days after consummation, the Bureau also adopts revised § 1026.43(e)(3) pursuant to its authority under section 105(a) and (f) of TILA. Each of these authorities is discussed in turn below.

For the reasons discussed herein, the Bureau concludes that revised § 1026.43(e)(3) is warranted under TILA section 129C(b)(3)(B)(i) because the limited post-consummation cure provision is necessary and proper to ensure that responsible, affordable mortgage credit remains available to consumers in a manner consistent with the purposes of section 129C of TILA, and also necessary and appropriate to facilitate compliance with section 129C of TILA. For example, the Bureau concludes that the limited post-consummation cure provision will facilitate compliance with TILA section 129C by encouraging rigorous, post-consummation quality control loan reviews that will, over time, improve the origination process.

Pursuant to section 105(a) of TILA, the Bureau generally may prescribe regulations that provide for such adjustments and exceptions for all or any class of transactions that the Bureau judges are necessary or proper to effectuate the purposes of TILA. For the reasons discussed below, the Bureau concludes that exempting the class of qualified mortgages that involve a post-consummation points and fees cure from the statutory requirement that the creditor make a good faith determination that the consumer has the ability to repay ''at the time the loan is consummated'' is necessary and proper to effectuate the purposes of TILA. The Bureau concludes that a limited post-consummation cure of points and fees overages will preserve access to credit to the extent it encourages creditors to extend credit to consumers seeking loans with points and fees up to the applicable limit under the rule. Without a points and fees cure provision, the Bureau believes that some consumers might be at risk of being denied access to responsible, affordable credit to the extent some creditors will not make loans near the points and fees limits due to concerns about inadvertently exceeding that limit, or will make more expensive loans near the limit. This would be contrary to the purposes of TILA, which include ensuring that responsible, affordable mortgage credit remains available to consumers. *See* 15 U.S.C. 1639b(a)(1). The Bureau also concludes that a limited post-consummation cure provision will facilitate compliance with TILA section 129C by encouraging rigorous, post-consummation quality control loan reviews that will, over time, improve the origination process.

The Bureau has considered the factors in TILA section 105(f) and concludes that a limited points and fees cure provision is appropriate under that provision. The Bureau concludes that the exemption, as limited by the final rule, is appropriate for all affected consumers, specifically, those seeking loans at the margins of the points and fees limits whose access to credit may be affected adversely without the exemption. Similarly, the Bureau concludes that the exemption is appropriate for all affected loans covered under the exemption, regardless of the amount of the loan and whether the loan is secured by the principal residence of the consumer. Furthermore, the Bureau concludes that, on balance, the exemption will not undermine the goal of consumer protection or increase the complexity or expense of (or otherwise hinder) the credit process. While the exemption may result in consumers in affected transactions losing some of TILA's benefits, potentially including some aspects of a foreclosure legal defense, the Bureau concludes such potential losses are outweighed by the potentially increased access to responsible, affordable credit, an important benefit to consumers. The Bureau concludes that is the case for all affected consumers, regardless of their other financial arrangements, their financial sophistication, and the importance of the loan and supporting property to them.

43(e)(3)(iii)

43(e)(3)(iii)(A)

The Bureau's Proposal

As noted above, proposed § 1026.43(e)(3)(iii)(A) would have required, as a condition of curing a points and fees overage, that the loan was originated in good faith as a qualified mortgage and the loan otherwise meets the requirements of § 1026.43(e)(2), (e)(4), (e)(5), (e)(6), or (f) (*i.e.,* the requirements to be a qualified mortgage), as applicable. The Bureau also proposed comment 43(e)(3)(iii)–1, which would have provided examples of evidence that a loan was originated in good faith as a qualified mortgage, and examples of circumstances that would evidence that a loan was not originated in good faith as a qualified mortgage. The Bureau proposed to limit the cure provision to loans originated in good faith as a qualified mortgage to ensure that the cure provision is available only in cases of inadvertent errors in the origination process and to prevent creditors from misusing the cure provision by intentionally exceeding the points and fees limits. However, the Bureau sought comment on whether the good faith element of proposed § 1026.43(e)(3)(iii)(A) is necessary in light of the other proposed limitations on the cure provision. The Bureau also sought comment on the proposed examples in comment 43(e)(3)(iii)–1.

For the reasons discussed below, the final rule does not contain an express requirement that the loan was originated in good faith as a qualified mortgage. Rather, as finalized, § 1026.43(e)(3)(iii)(A) requires, as a condition of curing a points and fees overage, that the loan otherwise meets the criteria for a qualified mortgage in § 1026.43(e)(2), (e)(4), (e)(5), (e)(6), or (f), as applicable.

Comments

Industry commenters argued for removal of the ''good faith'' requirement for exercising a points and fees cure. These commenters argued that a good faith standard is too subjective and likely to create grounds for expensive litigation. They also stated it is unnecessary because of other limitations on the cure provision, among other reasons.

First, industry commenters stated that the subjective nature of good faith would have the unintended consequence of limiting industry's use

of the points and fees cure. They noted that the good faith requirement cannot be satisfied by objectively reviewing a loan file post-consummation. One GSE commenter noted that the good faith requirement would require an assignee to maintain copies of the creditor's business records, which may present evidentiary issues if introduced in court by an assignee in future litigation.

Second, industry commenters argued that the good faith requirement could lead to expensive litigation. For example, one large industry trade association argued that, even if a creditor had acted in good faith, because good faith may be a jury question, it would be difficult to get claims dismissed. The commenter argued that the same is true with respect to the two examples of good faith in the proposed commentary. Whether a creditor had appropriate policies and procedures, or whether a loan was priced as a qualified mortgage, may be a jury question, thus prospective litigation costs (and other risks) would militate against reducing current buffers.

Third, industry commenters argued that the good faith requirement is unnecessary to discourage bad behavior by a creditor. These commenters stated that assignees' contractual remedies provide sufficient incentives for good behavior by creditors. They also argued that the good faith requirement is unnecessary in light of the cure provision's other requirements, including that the loan otherwise comply with all applicable qualified mortgage provisions. These commenters also noted the availability of other methods of ensuring the cure provision is not abused, such as bringing actions for unfair or deceptive acts or practices.

Fourth, industry commenters requested that, if the good faith requirement is retained, the commentary should provide more definitive statements as to what constitutes good faith. For example, one GSE commenter stated that avoiding subjective terms such as ''consistent'' or ''contemporaneously'' would be useful. Similarly, one large bank trade association argued that stating that a particular factor ''is'' evidence of good faith rather than merely saying it ''may be'' evidence of good faith would provide greater clarity and certainty that the good faith standard was met. A GSE commenter also noted that it is unclear what percentage of loans originated by the creditor should be reviewed to determine consistency (*i.e.,* whether review of all loans is required or whether some lower percentage is sufficient). Two State industry trade associations stated that the term ''contemporaneously'' would not take into account the different types of loans and loan features that affect pricing more than proximity in time.

The consumer group commenters who generally opposed a points and fees cure stated that if the final rule permits a cure it must require good faith both in the loan's origination as a qualified mortgage and in exercising the cure itself. These commenters stated that, without a good faith requirement for the cure, creditors and assignees could selectively cure loans only when they feared a challenge to the creditor's compliance with the ability-to-repay rule or when the creditor wanted to sell a loan on the secondary market. These commenters argued that the final rule should make clear that curing some loans selectively, or otherwise using the cure provision to cut off a consumer's attempt to seek a remedy, indicates the mortgage holder is attempting to evade compliance, rather than making a good faith attempt to comply, with the qualified mortgage rule.

Consumer group commenters also noted that allowing creditors to exercise the right to cure for loans that were not originated in good faith as qualified mortgages would defeat the consumer protection purpose of the ability-to-repay rule. Several such commenters suggested that the magnitude of the points and fees error is relevant to determining whether the loan was originated in good faith as a qualified mortgage; the larger the amount of the overage, the less likely it is that the loan was originated in good faith as a qualified mortgage loan. Consumer group commenters were also concerned that, absent a good faith requirement, the cure would become a license for careless underwriting.

Final Rule

Section 1026.43(e)(3)(iii)(A) of the final rule provides that, as a condition of exercising the cure, the loan must meet the requirements of § 1026.43(e)(2), (e)(4), (e)(5), (e)(6), or (f), as applicable. The final rule does not expressly require that the loan was originated in good faith as a qualified mortgage. As noted above, the Bureau largely expects creditors and assignees to use the cure provision in cases of inadvertent errors in the origination process. In addition, the Bureau concludes that meeting the other requirements to be a qualified mortgage is a sufficient proxy for the loan being originated with the expectation of qualified mortgage status, and eliminating the good faith requirement provides a bright-line rule that gives certainty to creditors and assignees. The final rule contains additional mechanisms to prevent creditors from misusing the cure provision, such as cutting off the ability to cure before the consumer becomes seriously delinquent on payments; upon the institution of an action by the consumer related to the loan; or upon notice of the points and fees overage from the consumer. The Bureau is not finalizing comment 43(e)(3)(iii)–1 as proposed, because it is not adopting the good faith requirement as part of the cure provision.

As discussed, the Bureau intends the cure to provide certainty to the market until it has gained experience with the qualified mortgage rules and points and fees calculations in particular. Good faith—or its absence—may be clear in some situations, but in other situations it may only be determined based on an analysis of the facts and circumstances of the particular case. The Bureau recognizes that such case-by-case determinations would not provide the certainty that the cure provision is intended to provide. This uncertainty could deter creditors and assignees from relying on the cure provision and, instead, incentivize creditors to maintain current points and fees buffers. To the extent creditors do not rely on the cure provision, its intended purpose of increasing access to credit or decreasing the cost of credit would not be realized. Moreover, the Bureau expects that secondary market forces may impose many of the same restraints as the good faith requirement would have imposed.

Consumer group commenters argued that, without the good faith requirement, the cure provision could lead to careless or willful pre-consummation points and fees overages. However, the Bureau believes that if the loan must meet all other qualified mortgage requirements at consummation, the final rule should largely prevent creditors from engaging in careless calculations and limit use of the cure to loans that were originated with the expectation of qualified mortgage status. The Bureau further concludes that concerns about litigation risk, repurchase demands, and the administrative costs associated with curing points and fees overages will discourage creditors from conducting inaccurate pre-consummation calculations or intentionally exceeding the applicable points and fees limit for qualified mortgages.

In addition, and as explained more fully below in the section-by-section analysis of § 1026.43(e)(3)(iii)(B), the Bureau is adopting other safeguards to ensure that creditors and assignees have the proper incentives not to engage in

careless or willful pre-consummation overages. These safeguards include cutting off the right to cure when the consumer files a lawsuit in connection with the loan, when the consumer gives written notice of the points and fees overage, or when the consumer becomes 60 days past due on the legal obligation. Additionally, the final rule requires that the cure payment to consumers include interest in addition to the overage amount, to guard against abuse of the cure provision. *See* the section-by-section analysis of § 1026.43(e)(iv). Finally, the Bureau notes that a repeated pattern of inappropriate underwriting could be viewed as a potential violation of other Federal consumer protection laws. The Bureau intends to monitor the use of the cure provision for potential abuses and will consider changes to the rule to prevent abuses, as appropriate.

The Bureau considered but is not adopting an approach that takes into account the magnitude of the points and fees overage because the Bureau does not believe the magnitude of an overage alone indicates an intent to abuse the cure provision. Moreover, the Bureau believes creditors are sufficiently motivated to avoid large points and fees overages because they generally seek to avoid HOEPA's 5 percent points and fees threshold. *See* § 1026.32(a)(1)(ii). As noted, this final rule contains more targeted safeguards to prevent abuse of the cure provision.

The Bureau also considered comments from consumer groups who urged that the rule require the cure to be executed in good faith and who expressed concern that the cure provision could allow creditors and assignees to selectively cure overages only after problems develop with the loan. These comments are addressed in the section-by-section analysis of § 1026.43(e)(3)(iii)(C), below.

43(e)(3)(iii)(B)

The Bureau's Proposal

As noted above, proposed § 1026.43(e)(3)(iii)(B) would have required the creditor or assignee, within 120 days after consummation, to refund the overage amount (*i.e.,* the dollar amount by which the transaction's points and fees at consummation exceeded the applicable limit under paragraph § 1026.43(e)(3)(i)) to effect a points and fees cure. The proposal solicited comment on whether the rule should provide a longer or shorter cure period and, if a longer period, whether additional cure limitations should apply beyond those in the proposal. For example, the Bureau solicited comment on whether a cure should be permitted where a consumer has already instituted an action or provided the creditor or assignee with written notice of the error. For the reasons discussed below, the Bureau is adopting § 1026.43(e)(3)(iii)(B) with modifications that extend the cure period to 210 days after consummation and automatically terminate the cure period upon certain events.

Comments

Although one large creditor and one trade association supported the proposed 120-day cure period, most industry commenters argued in favor of extending that period. Several trade associations recommended increasing the number of days after consummation, including one State trade association that favored a period up to one year after consummation. Most of those commenters supported a cure period of at least 180 days after consummation to allow many creditors to maintain existing systems for review.

To supplement the proposed 120-day cure period, a large creditor, a GSE, and two trade associations recommended also permitting cure within a certain period (*e.g.,* 60, 120, or 270 days) after the purchase of the loan on the secondary market. Those commenters generally argued that the proposed cure period is too short to allow assignees opportunities for loan compliance review; for example, the GSE commenter, which favored a period extending 270 days after loan purchase, stated that its average time between consummation and a completed loan review in 2013 was approximately nine months—and that this timeframe might increase due to additional testing related to the January 2013 and May 2013 ATR Final Rules.

Industry commenters also supported extending the cure period from the time the error is discovered. Two GSEs recommended 120 days after discovery, while three trade associations endorsed a cure period of 60 days after discovery, not to exceed one year from consummation. The GSEs noted that TILA section 130(b) and current § 1026.31(h) of Regulation Z already have cure periods that extend from the time that an error is discovered. One of the GSEs also advocated allowing a loan to be cured so long as the creditor or assignee provides notice to the consumer within the cure period, with the actual cure payment coming within a reasonable time (*e.g.,* 30 days) after that notice. One trade association suggested that, to encourage more cure payments to consumers, a cure should be permitted even if the overage is discovered after the standard cure period, so long as the consumer has not already instituted a legal action and the creditor or assignee makes a larger cure payment.

Some commenters also suggested different forms of payment, which could have some implications for the timing of the cure payment. A GSE commenter advocated for having the cure payment made to the consumer through a check or an automated clearing house (ACH) transfer to the consumer's checking or savings account. A regional trade association commenter urged that consumers and creditors should have an option to directly apply the cure payment to the relevant loan obligation.

Consumer group commenters supported the proposal to limit the cure period to a fixed period after consummation. Those commenters favored the proposal over a time period based on discovery of the overage, citing drawn-out uncertainty and additional litigation that a discovery-based period would cause. The consumer group commenters stated that a cure period running from discovery of the error, rather than from consummation, would allow creditors or assignees to intentionally cure only loans in which problems have arisen by claiming that the overage had been discovered only then.

Because the cure affords creditors and assignees qualified mortgage protection where there was a defect in the points and fees calculation at the time of consummation, consumer group commenters also stated that the cure period should automatically terminate upon certain events (''cut-off events'') to preserve consumers' potential ability-to-repay claims. These commenters noted that TILA's cure provision has similar cut-off events.[17] Consumer group commenters recommended that the cut-off events should include a consumer defaulting on the loan. The commenters viewed a default within the first few months after consummation as strong evidence that the loan may have violated ability-to-repay underwriting requirements. Consumer group commenters also advocated other cut-off events, broadly including various means for consumers to assert legal remedies regarding the loan, *e.g.,* filing a lawsuit, exercising a right of rescission, and complaining to a regulator. Consumer group commenters specifically recommended that cut-off events include a consumer or regulator notifying a creditor or assignee of a points and fees error; the commenters

[17] The general TILA section 130(b) cure provision applies to TILA violations. Given that TILA does not require all loans to be qualified mortgages, TILA section 130(b) is not directly applicable to the qualified mortgage points and fees limit.

noted that, if a consumer or regulator discovers the error before the creditor or assignee cures, that is a possible indication that the creditor or assignee lacks robust loan review procedures or is attempting to exploit the cure provision in bad faith.

The Bureau also received some comments from industry groups regarding cut-off events. A GSE commenter argued that, for consumers struggling to make payments on their loans, cut-off events may deprive them of an opportunity to review their loans for points and fees overages and potentially receive a cure payment that could assist them in making loan payments. A trade association argued that cutting off the cure upon the consumer's notice of a points and fees error would encourage every consumer to send such notices automatically for every loan to strengthen their litigation claims.

Final Rule

The Bureau is adopting § 1026.43(e)(3)(iii)(B) with modifications extending the cure period to 210 days after consummation and automatically terminating the cure period upon certain enumerated events. As finalized, § 1026.43(e)(3)(iii)(B) provides that the cure is only available if the creditor or assignee makes the cure payment described in § 1026.43(e)(3)(iv) to the consumer within 210 days after consummation and prior to the occurrence of any of the following events: (1) The consumer's institution of an action in connection with the loan; (2) the creditor, assignee, or servicer receiving the consumer's written notice that the transaction's total points and fees exceed the applicable limit under § 1026.43(e)(3)(i); or (3) the consumer becoming 60 days past due on the legal obligation. The cure payment amount under the final rule is discussed below in the section-by-section analysis of § 1026.43(e)(3)(iv).

The Bureau concludes that limiting the cure to a short and specific period after consummation, and automatically terminating that cure period upon certain events, will provide certainty to the market and increase access to credit, while also curbing the potential for abuses of the cure provision. For example, the limited cure period will discourage creditors from intentionally or recklessly originating loans with high points and fees and then waiting as long as possible to see if certain loans become riskier—with the expectation that, if they do, the creditor will use the cure provision selectively to help avoid legal liability on those loans. With a limited cure period, such a scenario becomes riskier and less attractive to creditors. At the same time, the Bureau recognizes that, if the cure period is too limited, creditors and assignees will be deterred from relying on the cure provision in lieu of maintaining current buffers near the qualified mortgage points and fees limits, which would hinder the intended effect of increasing access to affordable credit.

The Bureau concludes that a cure period limited to 210 days after consummation will address the concerns of many industry commenters. Prior to the proposal, the Bureau's initial outreach to industry stakeholders suggested that a 120-day period after consummation would be consistent with industry's existing systems for quality control review. However, as discussed above, most industry commenters that suggested a specific cure time period stated that 180 days after consummation would be more consistent with current practices for post-consummation review. It is not clear whether all such commenters considered the administrative time required to process a cure payment once a points and fees overage has been identified, or whether those commenters were instead focused solely on current timelines for completing post-consummation loan audits. One GSE commenter suggested that 30 days is a reasonable amount of time for creditors or assignees to process and execute a cure payment to the consumer.

The Bureau is finalizing a cure period of 210 days after consummation, which generally provides 180 days for post-consummation points and fees reviews and an additional 30 days to process and provide cure payments to consumers. The Bureau is not adopting a cure period that could extend beyond 210 days after consummation because, as explained above, an extended cure period would increase the potential for abusing the cure. Moreover, a cure period running from a loan's purchase or an overage's discovery would provide less encouragement for rigorous and prompt loan review and would likely delay cure payments to consumers.

The Bureau is also adopting new comment 43(e)(3)(iii)–1 to provide additional clarification regarding the 210-day cure period. The comment provides that the creditor or assignee, as applicable, complies with § 1026.43(e)(3)(iii)(B) if it makes the cure payment described in § 1026.43(e)(3)(iv) to the consumer within 210 days after consummation and prior to the occurrence of any of the cut-off events described in § 1026.43(e)(3)(iii)(B)(*1*) through (*3*). A creditor or assignee, as applicable, does not comply with § 1026.43(e)(3)(iii)(B) if the cure payment is made to the consumer more than 210 days after consummation or after the occurrence of any of the events in § 1026.43(e)(3)(iii)(B)(*1*) through (*3*). In response to public comments suggesting different forms of payment, comment 43(e)(3)(iii)–1 also provides that the cure payment may be made by any means mutually agreeable to the consumer and the creditor or assignee, as applicable, or by check. This provision in comment 43(e)(3)(iii)–1 clarifies that the consumer and creditor or assignee (as applicable) may agree to any method of making the cure payment to the consumer. For example, as discussed below in the section-by-section analysis of § 1026.43(e)(3)(iv), the consumer and the creditor or assignee may agree to apply the cure payment towards the loan's unpaid principal balance. This provision in comment 43(e)(3)(iii)–1 also clarifies that the creditor or assignee (as applicable) may make the cure payment to the consumer by check without the agreement of the consumer. As such, comment 43(e)(3)(iii)–1 further provides that, if the cure payment is made by check, the creditor or assignee complies with § 1026.43(e)(3)(iii)(B) if the check is delivered or placed in the mail to the consumer within 210 days after consummation.

The Bureau further concludes that the cure period should terminate automatically upon certain enumerated cut-off events, particularly given the expanded cure period provided in the final rule. Specifically, those cut-off events are: (1) The consumer's institution of any action in connection with the loan; (2) the creditor, assignee, or servicer receiving the consumer's written notice that the transaction's total points and fees exceed the applicable limit under § 1026.43(e)(3)(i); or (3) the consumer becoming 60 days past due on the terms of the legal obligation. As discussed below, the Bureau concludes that these limitations will help protect consumers, curb potential abuse of the cure provision, and incentivize the creditor or assignee to detect and make cure payments as early as possible. At the same time, the Bureau expects that the enumerated cut-off events will not substantially hinder the cure provision's intended effect of increasing access to affordable credit. The Bureau anticipates that the cut-off events will occur relatively infrequently and should not unduly deter creditors and assignees from relying on the cure provision.

Institution of any action. The Bureau concludes that creditors and assignees should not be permitted to cure defects

in points and fees calculations after the consumer's institution of a legal action in connection with the loan. The Bureau is concerned that allowing a points and fees cure after the action is instituted would permit creditors and assignees to misuse the cure provision. The Bureau concludes that cut-off events should not be limited to actions related to the ability-to-repay rules. Any litigation by the consumer so early in the loan's term is a signal of potential problems and suggests that the consumer likely values the right to litigate more than the limited cure payment, regardless of whether the claim is based specifically on the ability-to-repay rules or sounds in another legal theory. Moreover, consumers in litigation are well-positioned to negotiate compensation in settlement of the litigation, and so are unlikely to be harmed by cutting off the cure.[18] Accordingly, § 1026.43(e)(3)(iii)(B)(*1*) cuts off the ability to cure upon the consumer's institution of any action in connection with the loan.

The Bureau declines to cut off the ability to cure upon a regulator's institution of an action in connection with the loan. While such an action so early in the loan's term may also be a signal of potential problems with the loan, a regulator instituting an action does not indicate whether an individual consumer values a potential litigation claim more than the limited cure payment. Legal action by a regulator may be connected to a vast number of loans for which the regulator is unable to determine whether each consumer would prefer to receive a cure payment.

Written notice of overage. The Bureau also concludes that creditors and assignees should not be permitted to cure defects in points and fees calculations after a consumer provides notice of a points and fees overage to the creditor, assignee, or servicer. The Bureau is concerned that cutting off the cure period only when a consumer files legal action would encourage disputes to be taken to court prematurely. Such an approach would be inefficient and would increase costs for both consumers and creditors.

Unlike the cut-off event related to the institution of legal action described above, the notice cut-off event is triggered only where the consumer specifically gives notice that points and fees exceed the applicable limit, and not by notice of any defect with the loan more generally. The Bureau concludes this approach is appropriate to prevent consumers from inadvertently cutting off the ability to cure (and therefore potentially forfeiting cure payments) and also to provide a bright-line rule. The Bureau assumes that most consumers who have identified points and fees overages and are concerned about preserving their ability-to-repay litigation rights will be represented by counsel and will be able to make tactical decisions about forgoing a cure payment to strengthen their ability-to-repay claims.[19] These consumers may prefer to delay litigation if, for example, they are seeking a loan modification and are unsure if legal action will ultimately be necessary or if they believe additional investigation is necessary before bringing suit. Accordingly, § 1026.43(e)(3)(iii)(B)(*2*) cuts off the ability to cure upon the creditor, assignee, or servicer receiving written notice from the consumer that the transaction's total points and fees exceed the applicable limit under § 1026.43(e)(3)(i). Given that many consumers communicate with their servicers regarding their loans, § 1026.43(e)(3)(iii)(B)(*2*) specifically provides that notice of an overage to the servicer, in addition to the creditor and assignee, cuts off the ability to cure. For the reasons discussed above regarding cutting off the cure upon initiation of an action, the Bureau also concludes that notice of a points and fees overage from a regulator (rather than the consumer) should not cut off the cure period.

A trade association commenter argued that a cut-off event based on an overage notice would incentivize all consumers to send such overage notices for every loan. The Bureau notes, however, that the notice cut-off event in the final rule is a concept similar to that in TILA section 130(b), and the Bureau is unaware of evidence that TILA section 130(b) has led to significant problems.

60 days past due. The Bureau concludes that consumers who are 60 days behind on their loans should generally be able to preserve potential ability-to-repay claims. Consumer group commenters broadly recommended that a consumer's default should cut off the cure period, but they did not elaborate on the types of default or periods of delinquency. The Bureau believes that, if cut-off events are too broad, creditors and assignees will be deterred from relying on the cure provision in lieu of maintaining current buffers near the qualified mortgage points and fees limits. The Bureau concludes that including any and all consumer defaults as cut-off events does not strike an appropriate balance between promoting affordable credit with the cure and protecting litigation rights for consumers most likely to benefit from them.

A widely-used threshold for defining ''serious'' delinquencies is 90 days.[20] The Bureau believes that a loan becoming seriously delinquent within the first 210 days after consummation raises concerns that the loan violates ability-to-repay requirements. *See, e.g.,* comment 43(c)(1)–1.ii.B.*1* (''the consumer's default on the loan a short time after consummation'' may be evidence that a creditor's ability-to-repay determination was not reasonable or in good faith). For this reason, the cure is not permitted for seriously delinquent loans. Further, the Bureau is concerned that permitting cure of a points and fees overage when a loan is already near the point of serious delinquency could incentivize abuse of the cure provision. Therefore, § 1026.43(e)(iii)(3)(B)(*3*) cuts off the ability to cure upon a payment becoming 60 days past due.

The Bureau is also adopting new comment 43(e)(3)(iii)–2 to provide additional clarification regarding the 60 days past due threshold. The comment provides that, for purposes of § 1026.43(e)(3)(iii)(B)(*3*), ''past due'' means the failure to make a periodic payment (in one full payment or in two or more partial payments) sufficient to cover principal, interest, and, if applicable, escrow under the terms of the legal obligation. Other amounts, such as any late fees, are not considered for this purpose. For purposes of § 1026.43(e)(3)(iii)(B)(*3*), a periodic payment is 30 days past due when it is not paid on or before the due date of the following scheduled periodic payment and is 60 days past due when, after already becoming 30 days past due, it is not paid on or before the due date of the next scheduled periodic payment. For purposes of § 1026.43(e)(3)(iii)(B)(*3*), the creditor or assignee may treat a received payment as applying to the oldest outstanding periodic payment.

The commentary provides an example to illustrate the meaning of 60 days past due for purposes of

[18] While the institution of any action by the consumer in connection with the loan will cut off the ability to cure a points and fees overage and thus prevents the loan from being a qualified mortgage, nothing in this rule precludes the negotiated settlement of claims otherwise permitted by law.

[19] As noted above, nothing in this rule precludes the negotiated settlement of claims otherwise permitted by law. *See supra* note 18.

[20] *See, e.g.,* Freddie Mac, *January 2014 U.S. Economic & Housing Market Outlook —Taking the Temperature of the Markets* 1 (Jan. 16, 2014), available at *http://www.freddiemac.com/finance/pdf/Jan_2014_public_outlook.pdf;* Fannie Mae, *Monthly Summary* 4 tbl. 9 (June 2014), *available at http://www.fanniemae.com/resources/file/ir/pdf/monthly-summary/063014.pdf.*

§ 1026.43(e)(3)(iii)(B)(*3*). The example assumes a loan is consummated on October 15, 2015, that the consumer's periodic payment is due on the 1st of each month, and that the consumer timely made the first periodic payment due on December 1, 2015. For purposes of § 1026.43(e)(3)(iii)(B)(*3*), the consumer is 30 days past due if the consumer fails to make a payment (sufficient to cover the scheduled January 1, 2016 periodic payment of principal, interest, and, if applicable, escrow) on or before February 1, 2016. For purposes of § 1026.43(e)(3)(iii)(B)(*3*), the consumer is 60 days past due if the consumer then also fails to make a payment (sufficient to cover the scheduled January 1, 2016 periodic payment of principal, interest, and, if applicable, escrow) on or before March 1, 2016. For purposes of § 1026.43(e)(3)(iii)(B)(*3*), the consumer is not 60 days past due if the consumer makes a payment (sufficient to cover the scheduled January 1, 2016 periodic payment of principal, interest, and, if applicable, escrow) on or before March 1, 2016. This is consistent with the general industry accounting practice of crediting a received payment by applying it to the oldest outstanding periodic payment.[21]

43(e)(3)(iii)(C)

The Bureau's Proposal

Proposed § 1026.43(e)(3)(iii)(C) and proposed comment 43(e)(3)(iii)–2 would have provided that, as a condition of curing a points and fees overage, the creditor or assignee must maintain and follow policies and procedures for post-consummation review of loans and for refunding to consumers amounts that exceed the applicable limit under § 1026.43(e)(3)(i).

For the reasons set forth below, the Bureau is finalizing § 1026.43(e)(3)(iii)(C), with certain clarifying changes. The Bureau is not finalizing the substance of proposed comment 43(e)(3)(iii)–2 but is finalizing new comment 43(e)(3)(iii)–3 to provide additional guidance on the post-consummation policies and procedures requirement in § 1026.43(e)(3)(iii)(C).

[21] *See, e.g.,* Fannie Mae, *Security Instruments, https://www.fanniemae.com/singlefamily/security-instruments* (last visited October 15, 2014) (security instruments for various states but with a uniform covenant that payments shall be applied to each periodic payment in the order in which it became due, such as Fannie Mae & Freddie Mac, *California Single Family Uniform Instrument* 4, *available at https://www.fanniemae.com/content/legal_form/3005w.doc;* Fannie Mae & Freddie Mac, *New York Single Family Uniform Instrument* 5, *available at https://www.fanniemae.com/content/legal_form/3033w.doc).*

Comments

A State industry trade association and a nonprofit organization supported the post-consummation policies and procedures requirement as appropriate. However, several industry commenters expressed doubts about the requirement.

Some industry commenters were not certain of the scope of the proposed requirement. For example, one national industry association asked whether a post-consummation review of all loans was required and noted that the cost of such a requirement would be prohibitive. A large creditor noted that the proposed cure period of 120 days would not provide sufficient time for post-consummation reviews of a significant number of loans.

Other industry commenters, including a large creditor and an association of large creditors, argued that the post-consummation policies and procedures requirement introduced a subjective element into the cure procedure and that the resulting uncertainty would make the cure provision less usable by creditors. A GSE commenter stated that, in addition to being subjective, the requirement is not necessary. This commenter argued that the mere existence of a limited cure period would provide a powerful incentive for creditors to maintain and follow post-consummation review policies and procedures.

While consumer group commenters generally did not focus on the post-consummation policies and procedures requirement, they addressed related issues by insisting that the cure itself must be made in good faith. As noted in the section-by-section analysis of § 1026.43(e)(3)(iii)(A), above, these commenters stated that, without a good faith requirement for the cure, creditors and assignees could selectively cure loans only when they feared a challenge to the creditor's compliance with the ability-to-repay rule or when the creditor wanted to sell a loan on the secondary market. These commenters argued that the final rule should make clear that curing some loans selectively indicates the mortgage holder is attempting to exploit the cure in bad faith rather than making a good faith attempt to comply with the ability-to-repay rule.

Final Rule

The Bureau is finalizing § 1026.43(e)(3)(iii)(C) generally as proposed, but with changes to provide greater clarity in response to issues raised by commenters and for consistency with other provisions of this final rule. As finalized, § 1026.43(e)(3)(iii)(C) provides that, as a condition of the cure, the creditor or assignee, as applicable, must maintain and follow policies and procedures for post-consummation review of points and fees and for making cure payments to consumers in accordance with § 1026.43(e)(3)(iii)(B) and (iv). The final commentary has been modified from the proposal to reflect and provide guidance on the final rule.

Final § 1026.43(e)(3)(iii)(C) differs from the proposal in two ways. First, the final rule requires policies and procedures ''for post-consummation review of points and fees'' instead of ''post-consummation review of loans.'' The final rule makes clear that, for purposes of exercising the cure, the required post-consummation review may focus only on points and fees and is not required to be a full loan review. Second, final § 1026.43(e)(3)(iii)(C) refers to policies and procedures for ''making payments to consumers in accordance with [§ 1026.43(e)(3)(iii)(B) and (e)(3)(iv)]'' rather than ''refunding to consumers amounts that exceed the applicable limit under [§ 1026.43(e)(3)(i)],'' for consistency with the expanded cure payment described below in the section-by-section analysis of § 1026.43(e)(iv).

To address further some of the concerns on which the comments requested clarification, comment 43(e)(3)(iii)–3 provides that the policies and procedures described in § 1026.43(e)(3)(iii)(C) need not require post-consummation review of all loans originated by the creditor or acquired by the assignee, as applicable, nor must such policies and procedures require a creditor or assignee to apply § 1026.43(e)(3)(iii) and (iv) for all loans that are found to exceed the applicable points and fees limit. The Bureau did not intend the post-consummation review requirement, as proposed, to require review of all loans, and the Bureau is making these clarifying changes to address concerns raised by commenters. As noted by industry commenters, a rule that requires review of all loans within a short time after consummation could be impracticable. Similarly, the Bureau did not intend proposed § 1026.43(e)(3)(iii)(C) to require the creditor or assignee to make cure payments for all loans that are found to exceed the applicable points and fees limit.

The Bureau has considered commenters' concerns that the policies and procedures requirement is subjective and unnecessary or that the rule must require that the cure be exercised in good faith. The final rule includes clarifying changes to

§ 1026.43(e)(3)(iii)(C) and the addition of comment 43(e)(3)(iii)–3. The Bureau, however, does not believe that the requirement for policies and procedures is unnecessary or that the rule should explicitly require that the cure itself be made in good faith. Rather, the Bureau believes that the post-consummation policies and procedures requirement will serve a purpose similar to a good faith requirement while maintaining more of a ''bright-line'' focus, will help deter abusive practices by creditors, and will better allow regulators to monitor the use of the cure.

43(e)(3)(iv)

The Bureau's Proposal

Proposed § 1026.43(e)(3)(iii)(B) would have required the creditor or assignee to refund only the overage amount, *i.e.,* the dollar amount by which the transaction's points and fees exceeded the applicable limit under § 1026.43(e)(3)(i). The proposal solicited comment on whether other forms of cure compensation may be appropriate. For the reasons discussed below, the Bureau is adopting the cure payment provision in proposed § 1026.43(e)(3)(iii)(B) in new § 1026.43(e)(3)(iv), with modifications to require payment of interest from the time of consummation to the time of cure and to clarify that a cure payment in an amount greater than required also satisfies the cure's requirements.

Comments

Several creditors and industry trade associations stated that the cure provision should not require any cure payment beyond a refund of the overage amount. On the other hand, consumer groups generally commented that the cure provision should avoid unjustly enriching creditors or assignees and address all negative consequences to consumers such that consumers are made entirely whole.

A GSE commenter noted that requiring interest as an additional component of the cure payment would be an incentive to the creditor or assignee to detect and cure any overage as early as possible. The GSE also noted that including interest in the cure payment would come closer to making consumers whole.

Some commenters stated that creditors should be required to restructure loans if consumers financed their points and fees. Consumer group commenters expressed concern that, where consumers used loan proceeds to pay for points and fees overages, absent the overages those consumers might have borrowed smaller loan amounts with smaller monthly payments. Thus, consumer group commenters recommended that the cure provision require the creditor or assignee to apply the cure payment to the loan balance and to restructure the loan's payments and amortization schedule accordingly. Alternatively, one consumer group commenter urged a bright-line rule that would permit a cure only where the overage was not paid using loan proceeds and did not otherwise affect the terms of the loan contract.

Consumer group commenters, as well as an association of State regulators, were also concerned with overage situations where consumers paid discount points that did not reduce their interest rates as promised. In such circumstances, consumer group commenters stated that consumers should have a choice of cure compensation, including restructuring one or more loan contract terms (*e.g.,* interest rate, payment amortization schedule), in lieu of the present value of the discount point discrepancy.

In contrast, several creditors and industry trade associations noted that a loan restructuring would be unduly complex and disruptive to the loan securitization process. A large creditor argued that a loan restructuring is unnecessary because the consumer may opt to make a prepayment with the cure payment to reduce the loan balance. That commenter further noted that the net present value of cash in the hands of the borrower may potentially outweigh future loan payments.

To clarify a potential ambiguity about whether the cure payment must be the exact amount of the overage, a GSE commenter recommended that the Bureau explicitly state that the cure provision allows the creditor or assignee to provide cure payments that are greater than the amount required by the rule. Regarding another potential ambiguity, a mortgage company commenter sought guidance as to what impacts, if any, this cure provision and the RESPA settlement charges cure provision have on one another.

Final Rule

The Bureau is adopting the cure payment provision in proposed § 1026.43(e)(3)(iii)(B) in new § 1026.43(e)(3)(iv), with modifications to require payment of interest on the points and fees overage amount from the time of consummation to the time of cure. The final rule also clarifies that a cure payment in an amount greater than required also satisfies the cure's requirements. Specifically, § 1026.43(e)(3)(iv) provides that, for purposes of § 1026.43(e)(3)(iii)(B), the creditor or assignee must make a cure payment in an amount that is not less than the sum of the following: (1) The dollar amount by which the transaction's total points and fees exceeds the applicable limit under § 1026.43(e)(3)(i); and (2) interest on the dollar amount described in § 1026.43(e)(3)(iv)(A), calculated using the contract interest rate applicable during the period from consummation until the cure payment is made to the consumer.

The Bureau concludes that requiring interest on the overage amount as part of the cure payment will be an incentive to creditors and assignees to detect and cure overages as early as possible and that such a requirement will go towards making consumers whole. The interest will compensate consumers for their inability to use (*e.g.,* make loan payments with) the overage funds until the time of cure. Thus, the Bureau is requiring that interest be calculated at the contract rate.

Loan restructuring. For purposes of this cure provision, the Bureau is not requiring loan restructuring. First, it is speculative to assume that, but for a points and fees overage, consumers might have borrowed a smaller overall loan amount. In many cases it is also possible that, without the overage, consumers would have opted to make a smaller down-payment while borrowing the same loan amount or simply would have paid less in upfront costs. Moreover, often only some of the total points and fees will be financed while some will be paid without using loan proceeds. In such situations it will be unclear whether or not an overage should be treated as having inflated the loan amount.

Second, the Bureau concludes that, even without a loan restructuring, the consumer will not be forced to pay more interest over the life of the loan. Although the Bureau recognizes that restructuring the loan payment amortization schedule would give the consumer a lower monthly interest payment, the consumer may opt to make a prepayment with the cure payment to reduce the loan balance and thereby reduce overall interest payments by paying off the loan faster. The Bureau concludes that the overall financial impact on the consumer is the same under either approach. Final comment 43(e)(3)(iii)–1 states that the cure payment may be delivered to the consumer ''by any means mutually agreeable to the consumer and the creditor or assignee,'' which means that the consumer and the creditor or assignee may agree to apply the cure payment towards the loan's unpaid

principal balance (with or without reamortization) or the consumer may simply opt to make a prepayment once the cure payment is received from the creditor or assignee.

Third, a loan restructuring would be disruptive to the loan securitization process, making the cure less practicable and thus potentially harming consumers' access to affordable credit.

Prepayment penalties. For purposes of this cure provision, the Bureau also is not requiring that the cure payment include any prepayment penalty associated with applying the cure payment towards the loan balance. Section 1026.32(b)(1)(v) already includes the ''maximum prepayment penalty'' as part of the definition of ''points and fees.'' [22] The Bureau concludes that including such amounts in the cure payment would be impractical because creditors and assignees may not know until after the cure payment is provided to the consumer whether the consumer will apply the cure payment towards the unpaid principal balance. As a practical matter, the Bureau believes that few creditors will impose such prepayment penalties, particularly since such penalties would be counted towards the points and fees limit.

Other costs. The final rule does not require a cure payment for other costs (beyond the points and fees overage plus interest) because the Bureau believes that such a requirement would hinder the cure provision's intended effect of increasing access to affordable credit. The Bureau believes that attributing other costs (such as mortgage insurance premiums) to an overage is speculative and is inconsistent with the bright-line nature of qualified mortgages. The Bureau recognizes that the final rule will not make consumers entirely whole in every circumstance but concludes that requiring and specifying how cure payments must be made for other costs would, on balance, encourage creditors to retain points and fees buffers and thus reduce access to credit.

For example, the cure provision does not require a cure payment for mortgage insurance costs paid by the consumer that arguably were increased as a result of a points and fees overage. The Bureau understands that mortgage insurance premiums are typically calculated as a percentage of the loan amount—and that percentage itself typically varies based on loan-to-value (LTV) ratios, such that some loan size increases could move a consumer from a lower-cost rate tier to a higher one. Assuming that creditors or assignees, at the time of cure, are aware of the various tiers of mortgage insurance rates in effect at consummation, the Bureau considered whether cure payments for points and fees overages should include the present value of the portion of previously-paid and future mortgage insurance payments that could be attributed to the overages (assuming that consumers would have had smaller loan amounts but for the points and fees overages).

As noted above, for purposes of the points and fees cure provision, the final rule does not assume that consumers would have had a smaller loan amount but for a points and fees overage. In many if not all cases it is uncertain whether, but for the overage, the consumer would have opted to make a smaller down-payment while borrowing the same loan amount. Moreover, in many cases only some of the total points and fees will be financed while some will be paid without using loan proceeds. In such situations it will be unclear whether an overage should be treated as having increased the loan amount.

In the final rule, the Bureau is also balancing the additional complexity of determining all potential costs that might have been caused by a points and fees overage against the expectation that most consumers will have already received pricing benefits associated with qualified mortgages (as the creditor likely expected the loan to be a qualified mortgage). By not requiring cure payments for mortgage insurance or other costs that vary based on loan size, the cure provision will be less complicated, less risky, and otherwise less costly for creditors and assignees to use, which will encourage more easing of points and fees buffers by creditors, with attendant increases to credit access and lower credit costs for consumers.[23] The final rule also helps avoid disincentives for creditors to ease points and fees buffers on loans with mortgage insurance—loans that are essential for many consumers with otherwise limited access to credit.

Discount points. The Bureau acknowledges commenter concerns about abuses surrounding the payment of ''discount points'' that did not reduce the consumer's interest rate as promised, as occurred during the period leading up to the financial crisis. Nothing in the final rule specifically addresses that practice. The Bureau believes that such a practice raises broader legal issues, including fraud and deception, which are beyond the scope of this specific cure provision. Further, the Bureau believes that payment of ''discount points'' that do not reduce the consumer's interest rate as promised would raise compliance issues regardless of whether the applicable points and fees limit was exceeded. The Bureau will monitor the market for potential abuses, in particular those involving the payment of discount points that do not actually reduce the consumer's interest rate as promised, and will consider adjustments to the rule or other actions, if appropriate.

Relationship to RESPA tolerance cure. Under Regulation X § 1024.7(i), if any charges at settlement exceed the charges listed on the good faith estimate of settlement costs by more than the amounts permitted under § 1024.7(e), the loan originator may cure the tolerance violation by reimbursing the amount by which the tolerance was exceeded at settlement or within 30 calendar days after settlement. Some settlement charges that could give rise to tolerance violations under Regulation X may also be points and fees as defined in § 1026.32(b)(1) of Regulation Z. To clarify the relationship between the Regulation X tolerance cure provision and the points and fees cure, comment 43(e)(3)(iv)–2 states that the amount paid to the consumer pursuant to § 1026.43(e)(3)(iv) may be offset by the amount paid to the consumer pursuant to 12 CFR 1024.7(i), to the extent that the amount paid to the consumer pursuant to 12 CFR 1024.7(i) is being applied to fees or charges included in points and fees pursuant to § 1026.32(b)(1). However, a creditor or assignee has not satisfied § 1026.43(e)(3)(iii) unless the total amount described in § 1026.43(e)(3)(iv), including any offset due to a payment made pursuant to 12 CFR 1024.7(i), is paid to the consumer within 210 days after consummation and prior to the occurrence of any of the events in § 1026.43(e)(3)(iii)(B)(*1*) through (*3*).[24]

As previously noted, the 2013 TILA–RESPA Final Rule will take effect on August 1, 2015. Among other things, the 2013 TILA–RESPA Final Rule implements in new § 1026.19(f)(2)(v) a tolerance cure provision similar to

[22] Section 1026.43(g)(2) limits prepayment penalties within a loan's first two years to no more than 2 percent of the amount prepaid.

[23] While this § 1026.43 cure provision does not require a cure payment beyond the points and fees overage plus interest, nothing in this rule should be read to limit the restitution that may be required for violations of other sections of Regulation Z or other applicable law.

[24] Likewise, for the Regulation X tolerance cure to be effective, it must be accomplished in accordance with the applicable Regulation X timing requirements.

current Regulation X § 1024.7(i) that will apply, in place of Regulation X § 1024.7(i), to transactions covered by the 2013 TILA–RESPA Final Rule. Accordingly, on August 1, 2015, comment 43(e)(3)(iv)–2, described above, will be replaced by a new comment 43(e)(3)(iv)–2. That comment will provide that the amount paid to the consumer pursuant to § 1026.43(e)(3)(iv) may be offset by the amount paid to the consumer pursuant to 12 CFR 1024.7(i) or § 1026.19(f)(2)(v), to the extent that the amount paid pursuant to 12 CFR 1024.7(i) or § 1026.19(f)(2)(v) is being applied to fees or charges included in points and fees pursuant to § 1026.32(b)(1). However, a creditor or assignee has not satisfied § 1026.43(e)(3)(iii) unless the total amount described in § 1026.43(e)(3)(iv), including any offset due to a payment made pursuant to 12 CFR 1024.7(i) or § 1026.19(f)(2)(v), is paid to the consumer within 210 days after consummation and prior to the occurrence of any of the events in § 1026.43(e)(3)(iii)(B)(*1*) through (*3*).

VI. Effective Dates

The final rule is effective on November 3, 2014, except amendatory instruction 5, which is effective August 1, 2015 (for consistency with the 2013 TILA–RESPA Final Rule). The amendments to § 1026.43 and commentary to § 1026.43 in Supplement I to part 1026, other than amendatory instruction 5, apply to transactions consummated on or after November 3, 2014.

The Bureau proposed an effective date of thirty days after publication of a final rule in the **Federal Register**. The proposed changes would have expanded exemptions and provided relief from regulatory requirements; therefore the Bureau believed an effective date of 30 days after publication might be appropriate. The Bureau sought comment on whether the proposed effective date is appropriate, or whether the Bureau should adopt an alternative effective date.

One commenter representing community banks generally supported the proposed effective date. One mortgage company commenter requested clarification as to whether the rule would apply to new applications or loans consummated after the effective date. One trade association representing national mortgage lenders, servicers, and service providers recommended the proposed points and fees cure take effect immediately. Two commenters, an association of community mortgage bankers and lenders and a GSE, argued that the proposed points and fees cure should be applied to transactions consummated prior to the effective date. The GSE commenter argued that an effective date of 30 days after publication in the **Federal Register** would create two classes of qualified mortgages originated during 2014: Those that had the opportunity to cure and those that did not. That commenter argued that all loans consummated prior to the effective date of the new rule should be eligible for cure up to 120 days after the effective date of the rule.

As noted, the final rule (other than amendatory instruction 5) is effective upon publication in the **Federal Register**. Under section 553(d) of the Administrative Procedure Act (APA), the required publication or service of a substantive rule shall be made not less than 30 days before its effective date except for certain instances, including when a substantive rule grants or recognizes an exemption or relieves a restriction. 5 U.S.C. 553(d). There are three main provisions in this final rule, each of which either expands an existing exemption or relieves a restriction. The first provision extends the small servicer exemption from certain provisions of the 2013 Mortgage Servicing Final Rules to nonprofit servicers that service 5,000 or fewer loans on behalf of themselves and associated nonprofits, all of which were originated by the nonprofit or an associated nonprofit. The second provision expands the existing nonprofit exemption from the ability-to-repay rule by excluding certain non-interest bearing, contingent subordinate liens that meet the requirements of § 1026.43(a)(3)(v)(D) from the 200-credit extension limit calculation for purposes of qualifying for exemption. The third provision affords creditors an option, in limited circumstances, to cure mistakes in cases where a loan exceeded the applicable points and fees limit for qualified mortgages at consummation. As each of the provisions in this rule expands an existing exemption or relieves a restriction, the Bureau is publishing this final rule less than 30 days before its effective date (other than with respect to amendatory instruction 5).

The Bureau considered comments requesting that loans consummated prior to the effective date be eligible for the points and fees cure, but believes that those provisions of the final rule should apply only to transactions consummated on or after the effective date (other than amendatory instruction 5, which does not take effect until August 1, 2015). As discussed above, the purpose of the cure is to ensure that the Bureau's rules do not cause a restriction in access to credit while the market adjusts to the ability-to-repay and qualified mortgage rules. The Bureau understands that some creditors are refusing to make, or are making more expensive, loans with points and fees that are close to the limit for qualified mortgages, which raises concerns about access to credit. The cure is intended to encourage creditors to remove any such buffers. The Bureau believes that loans consummated after the rule takes effect could benefit from relaxed points and fees buffers. The Bureau does not, however, believe that those provisions of the rule should apply to loans consummated prior to the effective date because doing so would not further the goal of increasing access to credit.

VII. Dodd-Frank Act Section 1022(b)(2) Analysis

A. Overview

In developing the final rule, the Bureau has considered potential benefits, costs, and impacts.[25] The Bureau has consulted, or offered to consult with, the prudential regulators, the Securities and Exchange Commission, the Department of Housing and Urban Development, the Federal Housing Finance Agency, the Federal Trade Commission, the U.S. Department of Veterans Affairs, the U.S. Department of Agriculture, and the Department of the Treasury, including regarding consistency with any prudential, market, or systemic objectives administered by such agencies.

There are three main provisions in this final rule. The first provision extends the small servicer exemption from certain provisions of the 2013 Mortgage Servicing Final Rules to nonprofit servicers that service 5,000 or fewer loans on behalf of themselves and associated nonprofits, all of which were originated by the nonprofit or an associated nonprofit. The second provision excludes certain non-interest bearing, contingent subordinate liens that meet the requirements of § 1026.43(a)(3)(v)(D) (''contingent subordinate liens'') from the 200-credit extension limit calculation for purposes of qualifying for the nonprofit exemption from the ability-to-repay requirements. The third provision

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

affords creditors an option, in limited circumstances, to cure certain mistakes in cases where the loan met all of the requirements to be a qualified mortgage except that the loan actually exceeded the applicable points and fees limit for qualified mortgages at consummation (''points and fees cure'').

The Bureau has chosen to evaluate the benefits, costs, and impacts of these provisions against the current state of the world. That is, the Bureau's analysis below considers the benefits, costs, and impacts of the three provisions relative to the current regulatory regime, as set forth primarily in the January 2013 ATR Final Rule, the May 2013 ATR Final Rule, and the 2013 Mortgage Servicing Final Rules.[26] The baseline considers economic attributes of the relevant market and the existing regulatory structure.

The main benefit of each of these provisions to consumers is a potential increase in access to credit and a potential decrease in the cost of credit. It is possible that, but for these provisions, (1) financial institutions would stop or curtail originating or servicing in particular market segments or would increase the cost of credit or servicing in those market segments in numbers sufficient to have an adverse impact on those market segments, (2) the financial institutions that would remain in those market segments would not provide a sufficient quantum of mortgage loan origination or servicing at the non-increased price, and (3) there would not be significant new entry into the market segments left by the departing institutions. If, but for these provisions, all three of these scenarios would be realized, then the three provisions will increase access to credit. The Bureau does not possess any data, aside from anecdotal comments, to refute or confirm any of these scenarios for any of the exemptions. However, the Bureau notes that, at least in some market segments, these three scenarios could be realized by just one creditor or servicer stopping or curtailing originating or servicing or increasing the cost of credit. This would occur, for example, if that creditor or servicer is the only one willing to extend credit or provide servicing to this market segment (for example, to low- and moderate-income consumers), no other creditor or servicer would enter the market even if the incumbent exits, and the incumbent faces higher costs that would lead it either to increase the cost of credit or to curtail access to credit.

The main cost to consumers of the small nonprofit servicer and small nonprofit originator provisions is that, for some transactions, creditors or servicers will not have to provide consumers some of the protections provided by the ability-to-repay and mortgage servicing rules. The main cost of the points and fees cure provision to consumers is that a creditor could reimburse a consumer for a points and fees overage after consummation—with the creditor thereby obtaining the safe harbor or rebuttable presumption of TILA ability-to-repay compliance afforded by a qualified mortgage, and the consumer having less ability to challenge the mortgage on ability-to-repay grounds. As noted above, the Bureau does not possess data to provide a precise estimate of the number of transactions affected. However, the Bureau believes that the number will be relatively small.

The main benefit of each of these provisions to covered persons is that the affected covered persons do not have to incur certain expenses associated with the ability-to-repay and mortgage servicing rules, or will not be forced either to exit the market or to curtail origination or servicing activities to maintain certain regulatory exemptions. Given the currently available data, it is impossible for the Bureau to estimate the number of transactions affected with any useful degree of precision; that is also the case for estimating the amount of monetary benefits for such covered persons.

There is no major cost of these proposed provisions to covered persons—each of the provisions is an option that a financial institution is free to undertake or not to undertake. The only potential costs for covered persons is that financial institutions that would have complied with the ability-to-repay and mortgage servicing rules with or without the provisions may lose profits to the institutions that are able to continue operating in a market segment by virtue of one of the provisions. However, these losses are likely to be small and are difficult to estimate.

B. Potential Benefits and Costs to Consumers and Covered Persons Small Servicer Exemption Extension for Servicing Associated Nonprofits' Loans

The Bureau's 2013 Mortgage Servicing Final Rules were designed to address the market failure of consumers not choosing their servicers and of servicers not having sufficient incentives to invest in quality control and consumer satisfaction. The demand for larger loan servicers' services comes from originators, not from consumers. Smaller servicers, however, have an additional incentive to provide ''high-touch'' servicing that focuses on ensuring consumer satisfaction. 78 FR 10695, 10845–46 (Feb. 14, 2013); 78 FR 10901, 10980–82 (Feb. 14, 2013).

The Bureau's 2013 Mortgage Servicing Final Rules provide many benefits to consumers: For example, detailed periodic statements. These benefits tend to present potential costs to servicers: For example, changing their software systems to include additional information on the periodic statements to consumers. These benefits and costs are further described in the ''Dodd-Frank Act Section 1022(b)(2) Analysis'' sections of the 2013 Mortgage Servicing Final Rules. 78 FR 10695, 10842–61 (Feb. 14, 2013); 78 FR 10901, 10978–94 (published concurrently).

Smaller servicers are generally community banks and credit unions that have a built-in incentive to manage their reputation with consumers carefully because they are servicing loans in communities in which they also originate loans. This incentive is reinforced if they are servicing only loans that they originate. Prior to this final rule, § 1026.41(e)(4)(ii) provided that a small servicer is a servicer that either (1) services, together with any affiliates, 5,000 or fewer mortgage loans for all of which the servicer (or an affiliate) is the creditor or assignee; or (2) is a Housing Finance Agency, as defined in 24 CFR 266.5. The definition of the term ''affiliate'' is the definition provided in the Bank Holding Company Act (BHCA). The rationale for the small servicer exemption is provided in the Bureau's 2013 Mortgage Servicing Final Rules. 78 FR 10695, 10845–46 (Feb. 14, 2013); 78 FR 10901, 10980–82 (published concurrently).

The final rule adds new § 1026.41(e)(4)(ii)(C), which allows a nonprofit servicer to service loans on behalf of ''associated nonprofit entities'' that do not meet the BHCA ''affiliate'' definition and still qualify as a ''small servicer,'' as long as certain other conditions are met (for example, it has no more than 5,000 loans in its servicing portfolio). The Bureau believes these nonprofit servicers typically follow the same ''high-touch'' servicing model followed by the small servicers described in the Dodd-Frank Act Section 1022(b)(2) Analysis in the 2013 Mortgage Servicing Final Rules. While these nonprofit servicers are not motivated by the profit incentive that motivates community banks and small credit unions, they nonetheless have a reputation incentive and a mission

[26] The Bureau has discretion in future rulemakings to choose the relevant provisions to discuss and to choose the most appropriate baseline for that particular rulemaking.

incentive to provide ''high-touch'' servicing, neither of which is diminished when they service associated nonprofits' loans. Because it is limited to entities sharing a common name, trademark, or servicemark, § 1026.41(e)(4)(ii)(C) further ensures that the reputation incentive remains intact. In addition, the 5,000-loan servicing portfolio limit ensures that nonprofit servicers are still sufficiently small to provide ''high-touch'' servicing. Another rationale for the revision of the exemption is that it creates a more level playing field for nonprofits. Prior to this final rule, for-profit affiliates could take advantage of economies of scale to service their loans together, but related nonprofits could not because they typically are not ''affiliates'' as defined by the BHCA.

Overall, the primary benefit to consumers of the amendment to the small servicer definition is a potential increase in access to credit and a potential decrease in the cost of credit. The primary cost to consumers is losing some of the protections of the Bureau's 2013 Mortgage Servicing Final Rules. The primary benefit to covered persons is exemption from certain provisions of those rules, and the attendant cost savings of not having to comply with those provisions while still being able to achieve a certain degree of scale by taking on servicing for associated nonprofits. *See also* 78 FR 10695, 10842–61 (Feb. 14, 2013); 78 FR 10901, 10978–94 (Feb. 14, 2013). There are no significant costs to covered persons.

Finally, the Bureau does not possess any data that would enable it to report the number of transactions affected. Nevertheless, from anecdotal evidence and taking into account the size of the nonprofit servicers that are the most likely to take advantage of this exemption, it is unlikely that there will be a significant number of loans affected each year. Several nonprofit servicers might be affected.

Ability-To-Repay Exemption for Contingent Subordinate Liens

The Bureau's ability-to-repay rule was designed to address the market failure of mortgage loan originators not internalizing the effects of consumers not being able to repay their loans, with negative effects both on the consumers themselves and on the consumers' neighbors, whose houses drop in value due to foreclosures nearby.

The May 2013 ATR Final Rule added a nonprofit exemption from the ability-to-repay requirements. The rationale of that exemption is preserving low- and moderate-income consumers' access to credit available from nonprofit organizations, which might have stopped or curtailed originating loans but for this exemption. The main benefit of the exemption for consumers is a potential expansion of access to credit and a potential decrease in the cost of credit; the main cost for consumers is not receiving protections provided by the ability-to-repay rule. The May 2013 ATR Final Rule exempted only nonprofit creditors that originated 200 or fewer dwelling-secured transactions a year, based on the Bureau's belief that these institutions do internalize the effects of consumers not being able to repay their loans and that the loan limitation is necessary to prevent the exemption from being exploited by unscrupulous creditors seeking to harm consumers.

Section 1026.43(a)(3)(vii) of this final rule excludes contingent subordinate liens from the 200-credit extension limit for purposes of the May 2013 ATR Final Rule's nonprofit exemption. Given the numerous limitations on contingent subordinate liens, including but not limited to the 1-percent cap on upfront costs payable by the consumer, and given the 200-credit extension limit for other loans, the Bureau believes that the potential for creditors to improperly exploit the amended rule is low. The Bureau also believes that this exemption will allow a greater number of nonprofit creditors to originate more loans than under the current rule, or to remain in the low- and moderate-income consumer market without passing through cost increases to consumers.

Overall, the primary benefit to consumers of the exclusion is a potential increase in access to credit and a potential decrease in the cost of credit. The primary cost to consumers is losing some of the protections provided by the Bureau's ability-to-repay rule. The primary benefit to covered persons is exemption from that same rule. *See* 78 FR 6407, 6555–75 (Jan. 30, 2013) (specifically, the ''Dodd-Frank Act Section 1022(b)(2) Analysis'' section in the January 2013 ATR Final Rule); 78 FR 35429, 35492–97 (June 12, 2013) (similar section in the May 2013 ATR Final Rule). There are no significant costs to covered persons.

Finally, the Bureau does not possess any data that would enable it to report the number of transactions affected. Nevertheless, from anecdotal evidence and taking into account the size of the nonprofit creditors that are most likely to take advantage of this exemption, it is unlikely that there will be a significant number of loans affected each year, and it is possible that virtually no loans will be affected in the near future. Several nonprofit creditors might be affected, but it is possible that no nonprofit creditors will be affected in the near future.

Cure for Points and Fees Over the Qualified Mortgage Threshold

To originate a qualified mortgage, a creditor must satisfy various conditions, including the condition of charging at most 3 percent of the total loan amount in points and fees, with higher thresholds for loan amounts lower than $100,000, and not including up to two bona-fide discount points. However, origination processes are not perfect, and creditors might be concerned about potential errors that result in a loan exceeding the applicable points and fees limit discovered upon further, post-consummation review.

The three most likely responses by a creditor concerned about such errors would be to originate loans with points and fees well below the applicable limit, to insert additional quality control in its origination process, and to charge a premium for the risk of a loan being deemed not to be a qualified mortgage, especially on loans with points and fees not well below the applicable limit. Such creditors might adopt any one, or any combination of two or more, of these responses. The first solution is not what the Bureau, or presumably Congress, intended; otherwise the statutory limit would have been set lower than 3 percent. The second solution could result in more than the economically efficient amount of effort expended on quality control. The savings from forgoing additional quality control might be passed through to consumers, to the extent that costs saved are marginal (as opposed to fixed) and the markets are sufficiently competitive. The third solution is, effectively, a less stark version of the first solution, with loans close to the applicable points and fees limit still being originated, albeit at higher prices simply due to being close to the limit. Like the first potential solution, this would be an unintended and undesirable consequence of the rule.

The final rule provides a limited post-consummation cure provision that creditors or assignees may exercise when they discover errors in points and fees calculations that resulted in loans exceeding the applicable points and fees limit. The primary potential drawback of allowing creditors and assignees to cure such errors is the risk of inappropriate exploitation. However, the conditions the Bureau has placed on the cure mechanism—such as limiting the cure period to 210 days after consummation and cutting off the creditor's and assignee's ability to cure

when the consumer files an action in connection with the loan or provides written notice of the overage to the creditor, assignee, or servicer, or when the consumer becomes 60 days past due on the legal obligation—help to guard against abuse of this mechanism and thus ensure that consumers are unlikely to experience negative side-effects.

One such potential exploitation scenario involves a creditor originating risky loans with high points and fees while hoping to avoid a massive wave of foreclosures. In this case, the possibility of cure could be thought of as an option that the creditor could exercise to strengthen its position for foreclosure litigation, but only if the creditor foresees the wave of foreclosures and effects a cure of the points and fees overage before the consumer becomes 60 days past due on the legal obligation, files a lawsuit, or provides written notice of the points and fees overage. The elements of § 1026.43(e)(3)(iii) requiring that the overage be cured within 210 days after consummation and before certain cut-off events should discourage this type of exploitation. Another exploitation scenario is a creditor that only cures overages on loans that go into foreclosure; however, this possibility is limited by the past-due cut-off and the 210-day cure window.

The Bureau proposed a requirement that, to cure a points and fees overage, the loan must have been originated in good faith as a qualified mortgage. The Bureau is not adopting this requirement in the final rule. The Bureau also proposed a 120-day cure period, and it is finalizing a 210-day cure period instead. While both of these requirements would have provided additional protections against inappropriate exploitation by creditors, the Bureau believes that these two requirements would be sufficiently burdensome for creditors that significantly fewer creditors would utilize the cure provision. The Bureau believes the 210-day window, combined with the creditors being able to exercise the cure only before the occurrence of certain cut-off events, provides sufficient disincentives against inappropriate exploitation.

The primary benefit to consumers of the cure provision is a potential increase in access to credit and a potential decrease of the cost of credit. Another potential benefit is that, when a creditor discovers a points and fees overage, the creditor may reimburse the consumer for the overage and interest on the overage from the time of consummation until the cure is effectuated. However, this is a benefit only for consumers who place greater value on being reimbursed than on preserving a potential ability-to-repay claim. The primary cost to consumers is that, without the consumer's consent, a creditor could reimburse the consumer for a points and fees overage after consummation—with the creditor thereby obtaining the qualified mortgage presumption of TILA ability-to-repay compliance. However, the Bureau believes that the safeguards included in the rule will mitigate this potential concern as creditors are unlikely to be able to exploit the rule inappropriately and thereby deprive consumers of the protections provided by the ability-to-pay rule.

The primary benefit to covered persons is being able to originate qualified mortgages without engaging in inefficient additional quality control processes, with the attendant reduction in legal risk. Some larger creditors might have sufficiently robust compliance procedures that largely prevent inadvertent points and fees overages. These creditors might lose some market share to creditors for whom this provision will be more useful. The Bureau cannot meaningfully estimate the magnitude of this effect.

The Bureau believes that the benefits of this provision are likely to decrease over time, as creditors familiarize themselves with points and fees calculations necessary for origination of qualified mortgages and institute even better and more efficient quality control processes. All creditors could then originate loans with points and fees close to or at the applicable limit, without charging either an extra risk premium or having to incur significant quality control costs. However, some exploitation incentives and costs to consumers may remain. Therefore, the Bureau is finalizing the cure provision with a sunset date of January 10, 2021.

Finally, the Bureau does not possess any data that would enable it to report the number of transactions affected. For some creditors, the provision might save additional verification and quality control in the loan origination process for every qualified mortgage transaction that they originate [27] and/or allow them to originate loans with points and fees close to or at the applicable points and fees limit at lower prices that do not reflect the risk of the loan unexpectedly turning out not to be a qualified mortgage.

Several consumer groups commented that there is no evidence to support the assertion that the points and fees cure provision adopted by this final rule will provide consumer benefits. As noted above, the Bureau does not possess any data to calculate the impact of this provision on consumer welfare, the likely costs of credit, or the availability of access to credit. No commenters suggested data sources.

The Bureau is aware that after the comment period closed some data became available, as the Federal Reserve System released its July 2014 installment of the Senior Loan Officer Opinion Survey.[28] Several questions (for example, survey question 18e) were regarding the points and fees qualified mortgage limit, and whether it affected certain aspects of creditors' practices. Most of the responses indicated that the points and fees limits did not have a significant effect. Given that this is not a representative survey and that the survey has qualitative replies, the Bureau still does not have sufficient data to calculate the effect of this provision on consumer welfare, the likely costs of credit, or the availability of access to credit. Moreover, as mentioned in part VII.C, the Bureau believes that this provision will largely benefit smaller creditors (and, potentially, their consumers), whereas larger creditors are sampled at a higher rate than smaller creditors in the Senior Loan Officer Opinion Survey.

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

Covered persons with no more than $10 billion in assets likely will be the only covered persons affected by the two exemptions regarding associated nonprofits and contingent subordinate liens: The respective loan limits of each provision virtually ensure that any creditor or servicer with over $10 billion in assets would not qualify for these two exemptions. For the third provision, regarding points and fees, smaller creditors might benefit more than larger creditors. Larger creditors are more likely to have sufficiently robust compliance procedures that largely prevent inadvertent points and fees overages. Thus, this provision might not benefit them as much. The third provision may lead smaller creditors to

[27] While a result of the points and fees cure is that creditors have less of an incentive to perform rigorous quality control before consummation, there is also an alleviating effect. Any errors uncovered in the post-consummation review might help creditors improve their pre-consummation review by immediately pointing out areas on which to focus. In addition, the incentive to limit (to an undesirable extent) pre-consummation quality control measures is mitigated by the fact that effecting the cure is not without costs, both operational and reputational.

[28] Bd. of Governors of the Fed. Reserve Sys., *July 2014 Senior Loan Officer Opinion Survey on Bank Lending Practices,* (August 4, 2014), *available at http://www.federalreserve.gov/boarddocs/snloansurvey/201408/fullreport.pdf.*

extend a greater number of qualified mortgages near or at the applicable points and fees limit, to extend them for a lower price, and/or to forgo inefficient pre-consummation quality control. To the extent that possibility is realized, smaller creditors would benefit from the liability protection afforded by qualified mortgages.

D. Impact on Access to Credit

The Bureau does not believe that there will be an adverse impact on access to credit resulting from any of the three provisions. Moreover, it is possible that there will be an expansion of access to credit.

E. Impact on Rural Areas

The Bureau believes that rural areas might benefit from these three provisions more than urban areas, to the extent that there are fewer active creditors or servicers operating in rural areas than in urban areas. Thus, any creditors or servicers exiting the market or curtailing lending or servicing in rural areas—or restricting the origination of loans with points and fees close to or at the applicable limit for qualified mortgages—might negatively affect access to credit in those areas more than similar behavior by creditors or servicers operating in more urban areas. A similar argument applies to any increases in the cost of credit.

VIII. Regulatory Flexibility Act Analysis

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

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

The final rule will not have a significant economic impact on any small entities. As noted in the Section 1022(b)(2) Analysis, above, the Bureau does not expect the rule to impose costs on covered persons, including small entities. All methods of compliance under current law will remain available to small entities when these provisions become effective. Thus, a small entity that is in compliance with current law need not take any additional action if the proposal is adopted. Further, the Bureau does not possess any data that would enable it to report the number of transactions affected, including transactions involving small entities.

Accordingly, the undersigned certifies that this 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. The collections of information related to Regulations Z and X have been previously reviewed and approved by OMB in accordance with the PRA and assigned OMB Control Number 3170–0015 (Regulation Z) and 3170–0016 (Regulation X). Under the PRA, the Bureau may not conduct or sponsor, and, notwithstanding any other provision of law, a person is not required to respond to an information collection unless the information collection displays a valid control number assigned by OMB. The Bureau has determined that this final rule would not impose any new or revised information collection requirements (recordkeeping, reporting, or disclosure requirements) on covered entities or members of the public that would constitute collections of information requiring OMB approval under the PRA.

List of Subjects in 12 CFR Part 1026

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

Authority and Issuance

For the reasons set forth in the preamble, the Bureau amends 12 CFR part 1026 as set forth below:

PART 1026—TRUTH IN LENDING (REGULATION Z)

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

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

Subpart E—Special Rules for Certain Home Mortgage Transactions

■ 2. Section 1026.41 is amended by revising paragraph (e)(4)(ii) and the introductory text of paragraph (e)(4)(iii) to read as follows:

§ 1026.41 Periodic statements for residential mortgage loans.

* * * * *

(e) * * *

(4) * * *

(ii) *Small servicer defined.* A small servicer is a servicer that:

(A) Services, together with any affiliates, 5,000 or fewer mortgage loans, for all of which the servicer (or an affiliate) is the creditor or assignee;

(B) Is a Housing Finance Agency, as defined in 24 CFR 266.5; or

(C) Is a nonprofit entity that services 5,000 or fewer mortgage loans, including any mortgage loans serviced on behalf of associated nonprofit entities, for all of which the servicer or an associated nonprofit entity is the creditor. For purposes of this paragraph (e)(4)(ii)(C), the following definitions apply:

(*1*) The term ''nonprofit entity'' means an entity having a tax exemption ruling or determination letter from the Internal Revenue Service under section 501(c)(3) of the Internal Revenue Code of 1986 (26 U.S.C. 501(c)(3); 26 CFR 1.501(c)(3)–1), and;

(*2*) The term ''associated nonprofit entities'' means nonprofit entities that by agreement operate using a common name, trademark, or servicemark to further and support a common charitable mission or purpose.

(iii) *Small servicer determination.* In determining whether a servicer satisfies paragraph (e)(4)(ii)(A) of this section, the servicer is evaluated based on the mortgage loans serviced by the servicer and any affiliates as of January 1 and for the remainder of the calendar year. In determining whether a servicer satisfies paragraph (e)(4)(ii)(C) of this section, the servicer is evaluated based on the mortgage loans serviced by the servicer as of January 1 and for the remainder of the calendar year. A servicer that ceases to qualify as a small servicer will have six months from the time it ceases to qualify or until the next January 1, whichever is later, to comply with any requirements from which the servicer is no longer exempt as a small servicer. The following mortgage loans are not considered in determining whether a servicer qualifies as a small servicer:

* * * * *

■ 3. Section 1026.43 is amended by revising paragraph (a)(3)(v)(D)(*1*) and adding new paragraph (a)(3)(vii) and by revising the introductory text of paragraph (e)(3)(i) and adding new paragraphs (e)(3)(iii) and (iv) to read as follows:

§ 1026.43 Minimum standards for transactions secured by a dwelling.

(a) * * *
(3) * * *
(v) * * *
(D) * * *

(*1*) During the calendar year preceding receipt of the consumer's application, the creditor extended credit secured by a dwelling no more than 200 times, except as provided in paragraph (a)(3)(vii) of this section;

* * * * *

(vii) Consumer credit transactions that meet the following criteria are not considered in determining whether a creditor exceeds the credit extension limitation in paragraph (a)(3)(v)(D)(*1*) of this section:

(A) The transaction is secured by a subordinate lien;

(B) The transaction is for the purpose of:

(*1*) Downpayment, closing costs, or other similar home buyer assistance, such as principal or interest subsidies;

(*2*) Property rehabilitation assistance;

(*3*) Energy efficiency assistance; or

(*4*) Foreclosure avoidance or prevention;

(C) The credit contract does not require payment of interest;

(D) The credit contract provides that repayment of the amount of the credit extended is:

(*1*) Forgiven either incrementally or in whole, at a date certain, and subject only to specified ownership and occupancy conditions, such as a requirement that the consumer maintain the property as the consumer's principal dwelling for five years;

(*2*) Deferred for a minimum of 20 years after consummation of the transaction;

(*3*) Deferred until sale of the property securing the transaction; or

(*4*) Deferred until the property securing the transaction is no longer the principal dwelling of the consumer;

(E) The total of costs payable by the consumer in connection with the transaction at consummation is less than 1 percent of the amount of credit extended and includes no charges other than:

(*1*) Fees for recordation of security instruments, deeds, and similar documents;

(*2*) A bona fide and reasonable application fee; and

(*3*) A bona fide and reasonable fee for housing counseling services; and

(F) The creditor complies with all other applicable requirements of this part in connection with the transaction.

* * * * *

(e) * * *

(3) * * * (i) Except as provided in paragraph (e)(3)(iii) of this section, a covered transaction is not a qualified mortgage unless the transaction's total points and fees, as defined in § 1026.32(b)(1), do not exceed:

* * * * *

(iii) For covered transactions consummated on or before January 10, 2021, if the creditor or assignee determines after consummation that the transaction's total points and fees exceed the applicable limit under paragraph (e)(3)(i) of this section, the loan is not precluded from being a qualified mortgage, provided:

(A) The loan otherwise meets the requirements of paragraphs (e)(2), (e)(4), (e)(5), (e)(6), or (f) of this section, as applicable;

(B) The creditor or assignee pays to the consumer the amount described in paragraph (e)(3)(iv) of this section within 210 days after consummation and prior to the occurrence of any of the following events:

(*1*) The institution of any action by the consumer in connection with the loan;

(*2*) The receipt by the creditor, assignee, or servicer of written notice from the consumer that the transaction's total points and fees exceed the applicable limit under paragraph (e)(3)(i) of this section; or

(*3*) The consumer becoming 60 days past due on the legal obligation; and

(C) The creditor or assignee, as applicable, maintains and follows policies and procedures for post-consummation review of points and fees and for making payments to consumers in accordance with paragraphs (e)(3)(iii)(B) and (e)(3)(iv) of this section.

(iv) For purposes of paragraph (e)(3)(iii) of this section, the creditor or assignee must pay to the consumer an amount that is not less than the sum of the following:

(A) The dollar amount by which the transaction's total points and fees exceeds the applicable limit under paragraph (e)(3)(i) of this section; and

(B) Interest on the dollar amount described in paragraph (e)(3)(iv)(A) of this section, calculated using the contract interest rate applicable during the period from consummation until the payment described in this paragraph (e)(3)(iv) is made to the consumer.

* * * * *

■ 4. In Supplement I to part 1026:

■ a. Under *Section 1026.41—Periodic Statements for Residential Mortgage Loans:*

■ i. Under *41(e)(4)(ii) Small servicer defined,* the introductory text of paragraph 2 is revised and paragraph 4 is added.

■ ii. Under *41(e)(4)(iii) Small servicer determination,* paragraphs 2 and 3 are revised and paragraphs 4 and 5 are added.

■ b. Under *Section 1026.43—Minimum Standards for Transactions Secured by a Dwelling:*

■ i. New subheading *Paragraph 43(a)(3)(vii)* and paragraph 1 under that subheading are added.

■ ii. New subheading *Paragraph 43(e)(3)(iii)* and paragraphs 1, 2, and 3 under that subheading are added.

■ iii. New subheading *Paragraph 43(e)(3)(iv)* and paragraphs 1 and 2 under that subheading are added.

The revisions and additions read as follows:

Supplement I to Part 1026—Official Interpretations

* * * * *

Subpart E—Special Rules for Certain Home Mortgage Transactions

* * * * *

Section 1026.41—Periodic Statements for Residential Mortgage Loans

* * * * *

41(e)(4)(ii) Small servicer defined.

* * * * *

2. *Services, together with affiliates, 5,000 or fewer mortgage loans.* To qualify as a small servicer, under § 1026.41(e)(4)(ii)(A), a servicer must service, together with any affiliates, 5,000 or fewer mortgage loans, for all of which the servicer (or an affiliate) is the creditor or assignee. There are two elements to satisfying § 1026.41(e)(4)(ii)(A). First, a servicer, together with any affiliates, must service 5,000 or fewer mortgage loans. Second, a servicer must service only mortgage loans for which the servicer (or an affiliate) is the creditor or assignee. To be the creditor or assignee of a mortgage loan, the servicer (or an affiliate) must either currently own the mortgage loan or must have been the entity to which the mortgage loan obligation was initially payable (that is, the originator of the mortgage loan). A servicer is not a small servicer under § 1026.41(e)(4)(ii)(A) if it services any mortgage loans for which the servicer or an affiliate is not the creditor or assignee (that is, for which the servicer or an affiliate is not the owner or was not the originator). The following two examples demonstrate circumstances in which a servicer would not qualify as a small servicer under § 1026.41(e)(4)(ii)(A) because it did not meet both requirements under § 1026.41(e)(4)(ii)(A) for determining a servicer's status as a small servicer:

* * * * *

4. *Nonprofit entity that services 5,000 or fewer mortgage loans.* To qualify as a small servicer under § 1026.41(e)(4)(ii)(C), a servicer must be a nonprofit entity that services 5,000 or fewer mortgage loans, including any mortgage loans serviced on behalf of associated nonprofit entities, for all of which the servicer or an associated nonprofit entity is the creditor. There are two elements to satisfying § 1026.41(e)(4)(ii)(C). First, a nonprofit entity must service 5,000 or fewer mortgage loans, including any mortgage loans serviced on behalf of associated nonprofit entities. For each associated nonprofit entity, the small servicer determination is made separately, without consideration of the number of loans serviced by another associated nonprofit entity. Second, a nonprofit entity must service only mortgage loans for which the servicer (or an associated nonprofit entity) is the creditor. To be the creditor, the servicer (or an associated nonprofit entity) must have been the entity to which the mortgage loan obligation was initially payable (that is, the originator of the mortgage loan). A nonprofit entity is not a small servicer under § 1026.41(e)(4)(ii)(C) if it services any mortgage loans for which the servicer (or an associated nonprofit entity) is not the creditor (that is, for which the servicer or an associated nonprofit entity was not the originator). The first of the following two examples demonstrates circumstances in which a nonprofit entity would qualify as a small servicer under § 1026.41(e)(4)(ii)(C) because it meets both requirements for determining a nonprofit entity's status as a small servicer under § 1026.41(e)(4)(ii)(C). The second example demonstrates circumstances in which a nonprofit entity would not qualify as a small servicer under § 1026.41(e)(4)(ii)(C) because it does not meet both requirements under § 1026.41(e)(4)(ii)(C).

i. Nonprofit entity A services 3,000 of its own mortgage loans, and 1,500 mortgage loans on behalf of associated nonprofit entity B. All 4,500 mortgage loans were originated by A or B. Associated nonprofit entity C services 2,500 mortgage loans, all of which it originated. Because the number of mortgage loans serviced by a nonprofit entity is determined by counting the number of mortgage loans serviced by the nonprofit entity (including mortgage loans serviced on behalf of associated nonprofit entities) but not counting any mortgage loans serviced by an associated nonprofit entity, A and C are both small servicers.

ii. A nonprofit entity services 4,500 mortgage loans—3,000 mortgage loans it originated, 1,000 mortgage loans originated by associated nonprofit entities, and 500 mortgage loans neither it nor an associated nonprofit entity originated. The nonprofit entity is not a small servicer because it services mortgage loans for which neither it nor an associated nonprofit entity is the creditor, notwithstanding that it services fewer than 5,000 mortgage loans.

41(e)(4)(iii) Small servicer determination.

* * * * *

2. *Timing for small servicer exemption.* The following examples demonstrate when a servicer either is considered or is no longer considered a small servicer under § 1026.41(e)(4)(ii)(A) and (C):

i. Assume a servicer (that as of January 1 of the current year qualifies as a small servicer) begins servicing more than 5,000 mortgage loans on October 1, and services more than 5,000 mortgage loans as of January 1 of the following year. The servicer would no longer be considered a small servicer on January 1 of the following year and would have to comply with any requirements from which it is no longer exempt as a small servicer on April 1 of the following year.

ii. Assume a servicer (that as of January 1 of the current year qualifies as a small servicer) begins servicing more than 5,000 mortgage loans on February 1, and services more than 5,000 mortgage loans as of January 1 of the following year. The servicer would no longer be considered a small servicer on January 1 of the following year and would have to comply with any requirements from which it is no longer exempt as a small servicer on that same January 1.

iii. Assume a servicer (that as of January 1 of the current year qualifies as a small servicer) begins servicing more than 5,000 mortgage loans on February 1, but services fewer than 5,000 mortgage loans as of January 1 of the following year. The servicer is considered a small servicer for the following year.

3. *Mortgage loans not considered in determining whether a servicer is a small servicer.* Mortgage loans that are not considered pursuant to § 1026.41(e)(4)(iii) in applying § 1026.41(e)(4)(ii)(A) are not considered either for determining whether a servicer (together with any affiliates) services 5,000 or fewer mortgage loans or whether a servicer is servicing only mortgage loans that it (or an affiliate) owns or originated. For example, assume a servicer services 5,400 mortgage loans. Of these mortgage loans, the servicer owns or originated 4,800 mortgage loans, voluntarily services 300 mortgage loans that neither it (nor an affiliate) owns or originated and for which the servicer does not receive any compensation or fees, and services 300 reverse mortgage transactions. The voluntarily serviced mortgage loans and reverse mortgage loans are not considered in determining whether the servicer qualifies as a small servicer pursuant to § 1026.41(e)(4)(iii)(A). Thus, because only the 4,800 mortgage loans owned or originated by the servicer are considered in determining whether the servicer qualifies as a small servicer, the servicer satisfies § 1026.41(e)(4)(ii)(A) with regard to all 5,400 mortgage loans it services.

4. *Mortgage loans not considered in determining whether a nonprofit entity is a small servicer.* Mortgage loans that are not considered pursuant to § 1026.41(e)(4)(iii) in applying § 1026.41(e)(4)(ii)(C) are not considered either for determining whether a nonprofit entity services 5,000 or fewer mortgage loans, including any mortgage loans serviced on behalf of associated nonprofit entities, or whether a nonprofit entity is servicing only mortgage loans that it or an associated nonprofit entity originated. For example, assume a servicer that is a nonprofit entity services 5,400 mortgage loans. Of these mortgage loans, the nonprofit entity originated 2,800 mortgage loans and associated nonprofit entities originated 2,000 mortgage loans. The nonprofit entity receives compensation for servicing the loans originated by associated nonprofits. The nonprofit entity also voluntarily services 600 mortgage loans that were originated by an entity that is not an associated nonprofit entity, and receives no compensation or fees for servicing these loans. The voluntarily serviced mortgage loans are not considered in determining whether the servicer qualifies as a small servicer. Thus, because only the 4,800 mortgage loans originated by the nonprofit entity or associated nonprofit entities are considered in determining whether the servicer qualifies as a small servicer, the servicer satisfies § 1026.41(e)(4)(ii)(C) with regard to all 5,400 mortgage loans it services.

5. *Limited role of voluntarily serviced mortgage loans.* Reverse mortgages and mortgage loans secured by consumers' interests in timeshare plans, in addition to not being considered in determining small servicer qualification, are also exempt from the requirements of § 1026.41. In contrast, although voluntarily serviced mortgage loans, as defined by § 1026.41(e)(4)(iii)(A), are likewise not considered in determining small servicer status, they are not exempt from the requirements of § 1026.41. Thus, a servicer that does not qualify as a small servicer would not have to provide periodic statements for reverse mortgages and timeshare plans because they are exempt from the rule, but would have to provide periodic statements for mortgage loans it voluntarily services.

* * * * *

Section 1026.43—Minimum Standards for Transactions Secured by a Dwelling

* * * * *

Paragraph 43(a)(3)(vii).

1. *Requirements of exclusion.* Section 1026.43(a)(3)(vii) excludes certain transactions from the credit extension limit set forth in § 1026.43(a)(3)(v)(D)(*1*), provided a transaction meets several conditions. The terms of the credit contract must satisfy the conditions that the transaction not require the payment of interest under § 1026.43(a)(3)(vii)(C) and that repayment of the amount of credit extended be forgiven or deferred in accordance with § 1026.43(a)(3)(vii)(D). The other requirements of § 1026.43(a)(3)(vii) need not be reflected in the credit contract, but the creditor must retain evidence of compliance with those provisions, as required by § 1026.25(a). In particular, the creditor must have information reflecting that the total of closing costs imposed in connection with the transaction is less than 1 percent of the amount of credit extended and include no charges other than recordation, application, and housing counseling fees, in accordance with § 1026.43(a)(3)(vii)(E). Unless an itemization of the amount financed sufficiently details this requirement, the creditor must establish compliance with § 1026.43(a)(3)(vii)(E) by some other written document and retain it in accordance with § 1026.25(a).

* * * * *

Paragraph 43(e)(3)(iii).

1. *Payment to the consumer.* The creditor or assignee, as applicable, complies with § 1026.43(e)(3)(iii)(B) if it pays to the consumer the amount described in § 1026.43(e)(3)(iv) within 210 days after consummation and prior to the occurrence of any of the events in § 1026.43(e)(3)(iii)(B)(*1*) through (*3*). A creditor or assignee, as applicable, does not comply with § 1026.43(e)(3)(iii)(B) if it pays to the consumer the amount described in § 1026.43(e)(3)(iv) more than 210 days after consummation or after the occurrence of any of the events in § 1026.43(e)(3)(iii)(B)(*1*) through (*3*). Payment may be made by any means mutually agreeable to the consumer and the creditor or assignee, as applicable, or by check. If payment is made by check, the creditor or assignee complies with § 1026.43(e)(3)(iii)(B) if the check is delivered or placed in the mail to the consumer within 210 days after consummation.

2. *60 days past due.* Section 1026.43(e)(3)(iii)(B)(*3*) provides that, to comply with § 1026.43(e)(3)(iii)(B), the creditor or assignee must pay to the consumer the amount described in § 1026.43(e)(3)(iv) prior to the consumer becoming 60 days past due on the legal obligation. For this purpose, ''past due'' means the failure to make a periodic payment (in one full payment or in two or more partial payments) sufficient to cover principal, interest, and, if applicable, escrow under the terms of the legal obligation. Other amounts, such as any late fees, are not considered for this purpose. For purposes of § 1026.43(e)(3)(iii)(B)(*3*), a periodic payment is 30 days past due when it is not paid on or before the due date of the following scheduled periodic payment and is 60 days past due when, after already becoming 30 days past due, it is not paid on or before the due date of the next scheduled periodic payment. For purposes of § 1026.43(e)(3)(iii)(B)(*3*), the creditor or assignee may treat a received payment as applying to the oldest outstanding periodic payment. The following example illustrates the meaning of 60 days past due for purposes of § 1026.43(e)(3)(iii)(B)(*3*):

i. Assume a loan is consummated on October 15, 2015, that the consumer's periodic payment is due on the 1st of each month, and that the consumer timely made the first periodic payment due on December 1, 2015. For purposes of § 1026.43(e)(3)(iii)(B)(*3*), the consumer is 30 days past due if the consumer fails to make a payment (sufficient to cover the scheduled January 1, 2016 periodic payment of principal, interest, and, if applicable, escrow) on or before February 1, 2016. For purposes of § 1026.43(e)(3)(iii)(B)(*3*), the consumer is 60 days past due if the consumer then also fails to make a payment (sufficient to cover the scheduled January 1, 2016 periodic payment of principal, interest, and, if applicable, escrow) on or before March 1, 2016. For purposes of § 1026.43(e)(3)(iii)(B)(*3*), the consumer is not 60 days past due if the consumer makes a payment (sufficient to cover the scheduled January 1, 2016 periodic payment of principal, interest, and, if applicable, escrow) on or before March 1, 2016.

3. *Post-consummation policies and procedures.* The policies and procedures described in § 1026.43(e)(3)(iii)(C) need not require that a creditor or assignee, as applicable, conduct a post-consummation review of all loans originated by the creditor or acquired by the assignee, nor must such policies and procedures require a creditor or assignee to apply § 1026.43(e)(3)(iii) and (iv) for all loans for which the total points and fees are found to exceed the applicable limit under § 1026.43(e)(3)(i).

Paragraph 43(e)(3)(iv).

1. *Interest rate.* For purposes of § 1026.43(e)(3)(iv)(B), interest is calculated using the contract interest rate applicable during the period from consummation until the payment described in § 1026.43(e)(3)(iv) is made to the consumer. In an adjustable-rate or step-rate transaction in which more than one interest rate applies during the period from consummation until payment is made to the consumer, the minimum payment amount is determined by calculating interest on the dollar amount described in § 1026.43(e)(3)(iv)(A) at each such interest rate for the part of the overall period during which that rate applies. However, § 1026.43(e)(3)(iv) provides that, for purposes of § 1026.43(e)(3)(iii), the creditor or assignee can pay to the consumer an amount that exceeds the sum of the amounts described in § 1026.43(e)(3)(iv)(A) and (B). Therefore, a creditor or assignee may, for example, elect to calculate interest using the maximum interest rate that may apply during the period from consummation until payment is made to the consumer. See comment 43(e)(3)(iii)–1 for guidance on making payments to the consumer.

2. *Relationship to RESPA tolerance cure.* Under Regulation X (12 CFR 1024.7(i)), if any charges at settlement exceed the charges listed on the good faith estimate of settlement costs by more than the amounts permitted under 12 CFR 1024.7(e), the loan originator may cure the tolerance violation by reimbursing the amount by which the tolerance was exceeded at settlement or within 30 calendar days after settlement. The amount paid to the consumer pursuant to § 1026.43(e)(3)(iv) may be offset by the amount paid to the consumer pursuant to 12 CFR 1024.7(i), to the extent that the amount paid to the consumer pursuant to 12 CFR 1024.7(i) is being applied to fees or charges included in points and fees pursuant to § 1026.32(b)(1). However, a creditor or assignee has not satisfied § 1026.43(e)(3)(iii) unless the total amount described in § 1026.43(e)(3)(iv), including any offset due to a payment made pursuant to 12 CFR 1024.7(i), is paid to the consumer within 210 days after consummation and prior to the occurrence of any of the events in § 1026.43(e)(3)(iii)(B)(*1*) through (*3*).

* * * * *

■ 5. Effective August 1, 2015, in Supplement I to part 1026, under *Section 1026.43*, subheading *Paragraph 43(e)(3)(iv)*, paragraph 2 is revised to read as follows:

Supplement I to Part 1026—Official Interpretations

* * * * *

Subpart E—Special Rules for Certain Home Mortgage Transactions

* * * * *

Section 1026.43—Minimum Standards for Transactions Secured by a Dwelling

* * * * *

Paragraph 43(e)(3)(iv).

* * * * *

2. *Relationship to RESPA tolerance cure.* Under Regulation X (12 CFR 1024.7(i)), if any charges at settlement exceed the charges listed on the good faith estimate of settlement costs by more than the amounts permitted under 12 CFR 1024.7(e), the loan originator may cure the tolerance violation by reimbursing the amount by which the tolerance was exceeded at settlement or within 30 calendar days after settlement. Similarly, under § 1026.19(f)(2)(v), if amounts paid by the consumer exceed the amounts specified under § 1026.19(e)(3)(i) or (ii), the creditor complies with § 1026.19(e)(1)(i) if the creditor refunds the excess to the consumer no later than 60 days after consummation. The amount paid to the consumer pursuant to § 1026.43(e)(3)(iv) may be offset by the amount paid to the consumer pursuant to 12 CFR 1024.7(i) or § 1026.19(f)(2)(v), to the extent that the amount paid to the consumer pursuant to 12 CFR 1024.7(i) or § 1026.19(f)(2)(v) is being applied to fees or charges included in points and fees pursuant to § 1026.32(b)(1). However, a creditor or assignee has not satisfied § 1026.43(e)(3)(iii) unless the total amount described in § 1026.43(e)(3)(iv), including any offset due to a payment made pursuant to 12 CFR 1024.7(i) or § 1026.19(f)(2)(v), is paid to the consumer within 210 days after consummation and prior to the occurrence of any of the events in § 1026.43(e)(3)(iii)(B)(*1*) through (*3*).

* * * * *

Dated: October 17, 2014.

Richard Cordray,

Director, Bureau of Consumer Financial Protection.

[FR Doc. 2014–25503 Filed 10–31–14; 8:45 am]

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