with utilizing additional identifiers or not including name-only matched information in a consumer report, the Bureau continues to conclude that it is not a reasonable procedure to use name-only matching to match information to the consumer who is the subject of the report in preparing a consumer report.

In some cases, in preparing consumer reports, consumer reporting agencies may obtain information from a data broker, database, or other source that does not have or use identifying information other than consumers' names. It is not a reasonable procedure for the consumer reporting agency to simply include information from such sources in a consumer's report without taking additional steps to match the information to the consumer who is the subject of the report, such as consulting other databases or sources of information that contain additional identifying information.

II. Regulatory Matters

This advisory opinion is an interpretive rule issued under the Bureau's authority to interpret the FCRA, including under section 1022(b)(1) of the Dodd-Frank Wall Street Reform and Consumer Protection Act,[41] which authorizes guidance as may be necessary or appropriate to enable the Bureau to administer and carry out the purposes and objectives of Federal consumer financial laws.[42]

As an interpretive rule, this advisory opinion is exempt from the notice-and-comment rulemaking requirements of the Administrative Procedure Act.[43] Because no notice of proposed rulemaking is required, the Regulatory Flexibility Act does not require an initial or final regulatory flexibility analysis.[44] The Bureau has also determined that this advisory opinion does not impose any new or revise any existing recordkeeping, reporting, or disclosure requirements on covered entities or members of the public that would be collections of information requiring approval by the Office of Management and Budget under the Paperwork Reduction Act.[45]

Pursuant to the Congressional Review Act,[46] the Bureau will submit a report containing this interpretive rule and other required information to the United States Senate, the United States House of Representatives, and the Comptroller General of the United States prior to the rule's published effective date. The Office of Information and Regulatory Affairs has designated this interpretive rule as not a ''major rule'' as defined by 5 U.S.C. 804(2).

Dated: November 3, 2021.

Rohit Chopra,

Director, Bureau of Consumer Financial Protection.

[FR Doc. 2021–24471 Filed 11–9–21; 8:45 am]

BILLING CODE 4810–AM–P

[41] Public Law 111–203, 124 Stat. 1376 (2010).

[42] 12 U.S.C. 5512(b)(1).

[43] 5 U.S.C. 553(b).

[44] 5 U.S.C. 603(a), 604(a).

[45] 44 U.S.C. 3501–3521.

[46] 5 U.S.C. 801 *et seq.*

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 107

[Docket No. FAA–2018–1087; Amdt. No. 107–9]

RIN 2120–AK85

Operation of Small Unmanned Aircraft Systems Over People; Technical Amendments

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

ACTION: Technical amendments.

SUMMARY: The Federal Aviation Administration is making technical amendments to the ''Operation of Small Unmanned Aircraft Systems over People'' final rule, which was published on January 15, 2021. The final rule document inadvertently misnumbered regulatory text and used inconsistent language to refer to a process.

DATES: Effective November 10, 2021.

FOR FURTHER INFORMATION CONTACT: Michael Machnik, General Aviation and Commercial Division, Flight Standards Service, Federal Aviation Administration, 800 Independence Avenue SW, 8th Floor, Washington, DC 20591; telephone 1–844–FLY–MYUA; email: *UASHelp@faa.gov.*

SUPPLEMENTARY INFORMATION:

Electronic Access and Filing

A copy of the notice of proposed rulemaking (NPRM) (84 FR 3856, February 13, 2019), all comments received, the final rule, and all background material may be viewed online at *https://www.regulations.gov* using the docket number listed above. A copy of these technical amendments will be placed in the docket. Electronic retrieval help and guidelines are available on the website. It is available 24 hours each day, 365 days each year. An electronic copy of this document may also be downloaded from the Office of the Federal Register's website at *https://www.federalregister.gov* and the Government Publishing Office's website at *https://www.govinfo.gov.* A copy may also be found at the FAA's Regulations and Policies website at *https://www.faa.gov/regulations_policies.*

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

All documents the FAA considered in developing these technical amendments, including economic analyses and technical reports, may be accessed in the electronic docket for this rulemaking.

Good Cause for Adoption Without Prior Notice

Section 553(b)(3)(B) of the Administrative Procedure Act (APA) (5 U.S.C. 551 *et seq.*) authorizes agencies to dispense with notice and comment procedures for rules when the agency for ''good cause'' finds that those procedures are ''impracticable, unnecessary, or contrary to the public interest.'' Section 553(d)(3) of the APA requires that agencies publish a rule not less than 30 days before its effective date, except as otherwise provided by the agency for good cause found and published with the rule.

Because this action merely makes technical amendments to a published final rule, the FAA finds that notice and public comment under 5 U.S.C. 553(b) is unnecessary. For the same reason, the FAA finds that good cause exists under 5 U.S.C. 553(d) for making this rule effective in less than 30 days.

Background

On January 15, 2021, the ''Operation of Small Unmanned Aircraft Systems Over People'' final rule (RIN 2120–AK85) published in the **Federal Register** at 86 FR 4314. After the rule was published, the FAA discovered three minor drafting errors that require correction. This document corrects drafting errors in § 107.110(b) and (c) and in § 107.125(a)(2). In § 107.110, two paragraphs were designated improper paragraph levels. Section 107.110(b) should change to § 107.110 (a)(2) and § 107.110(c) should change to § 107.110(b). The final drafting errors that occur in § 107.125(a)(2) should read as ''FAA-accepted declaration of compliance,'' instead of ''current'' declaration of compliance, to match the language in § 107.115(a)(2).

List of Subjects in 14 CFR Part 107

Aircraft, airmen, Aviation safety, Reporting and recordkeeping requirements.

Accordingly, the FAA corrects 14 CFR part 107 by making the following technical amendments:

PART 107—SMALL UNMANNED AIRCRAFT SYSTEMS

■ 1. The authority citation for part 107 continues to read as follows:

Authority: 49 U.S.C. 106(f), 40101 note, 40103(b), 44701(a)(5), 46105(c), 46110, 44807.

§ 107.110 [Amended]

■ 2. Amend § 107.110 by redesignating paragraphs (b) and (c) and paragraphs (a)(2) and (b), respectively.

■ 3. Amend § 107.125 by revising paragraph (a)(2) to read as follows:

§ 107.125 Category 3 operations: Operating requirements.

* * * * *

(a) * * *

(2) Is listed on an FAA-accepted declaration of compliance as eligible for Category 3 operations in accordance with § 107.160; and

* * * * *

Issued in Washington, DC, under the authority provided by 49 U.S.C. 106(f), 40101 note and 44807.

Caitlin Locke,

Acting Deputy Executive Director, Office of Rulemaking, Federal Aviation Administration.

[FR Doc. 2021–24550 Filed 11–9–21; 8:45 am]

BILLING CODE 4910–13–P

SECURITIES AND EXCHANGE COMMISSION

17 CFR Part 275

[Release No. IA–5904]

Performance-Based Investment Advisory Fees

AGENCY: Securities and Exchange Commission.

ACTION: Final rule.

SUMMARY: The Securities and Exchange Commission (''Commission'' or ''SEC'') is adopting amendments to the rule under the Investment Advisers Act of 1940 (''Advisers Act'') that permits investment advisers to charge performance-based compensation to ''qualified clients.'' The rule defines ''qualified client'' with reference to specific dollar amount thresholds, which are required to be adjusted every five years to account for the effects of inflation. These amendments replace specific dollar amount thresholds in the rule's ''qualified client'' definition with references to the Commission's ''most recent order,'' as defined by the amended rule, containing the specific dollar amount thresholds adjusted for inflation.

DATES: The amendments are effective on November 10, 2021.

FOR FURTHER INFORMATION CONTACT: Matthew Cook, Senior Counsel, at (202) 551–6787 or *IArules@sec.gov,* Investment Adviser Regulation Office, Division of Investment Management, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549–8549.

SUPPLEMENTARY INFORMATION: The Commission is adopting amendments to 17 CFR 275.205–3 (rule 205–3) under the Advisers Act.[1]

I. Background

Section 205(a)(1) of the Advisers Act generally prohibits an investment adviser registered or required to be registered with the Commission from entering into, extending, renewing, or performing any investment advisory contract that provides for compensation to the adviser based on a share of capital gains on, or capital appreciation of, the funds of a client.[2] Congress restricted these compensation arrangements (also known as performance compensation or performance fees) in 1940 to protect advisory clients from fee arrangements it believed could encourage advisers to engage in speculative trading practices while managing client funds in order to realize or increase advisory fees.[3] Congress subsequently authorized the Commission to exempt any advisory contract from the performance fee prohibition if the contract is with any person that the Commission determines does not need the protections of this restriction.[4] Rule 205–3 under the Advisers Act exempts an investment adviser from the prohibition against charging a client performance fees when the client is a ''qualified client.'' [5] A qualified client includes a client that has at least a certain dollar amount in assets under management with the adviser immediately after entering into the advisory contract (''assets-under-management test''), and a client that the adviser reasonably believes, immediately prior to entering into the contract, had a net worth of more than a certain dollar amount (''net worth test'').[6]

The Dodd-Frank Wall Street Reform and Consumer Protection Act (''Dodd-Frank Act'') [7] amended section 205(e) of the Advisers Act to provide that, by July 21, 2011, and every five years thereafter, the Commission shall, by order, adjust for the effects of inflation the dollar amount thresholds included in rules issued under section 205(e), rounded to the nearest multiple of $100,000.[8] In 2011, the Commission issued an order to revise the dollar amount thresholds of the assets-under-management and net worth tests to $1,000,000 and $2,000,000, respectively.[9] In 2012, the Commission amended rule 205–3 to codify the dollar amount thresholds in the 2011 Order and, among other

[1] 15 U.S.C. 80b. Unless otherwise noted, all references to statutory sections are to 15 U.S.C. 80b of the United States Code, at which the Advisers Act is codified, and all references to rules under the Advisers Act, including rule 205–3, are to title 17, part 275 of the Code of Federal Regulations [17 CFR part 275].

[2] 15 U.S.C. 80b–5(a)(1).

[3] *See* Exemption to Allow Registered Investment Advisers to Charge Fees Based Upon a Share of Capital Gains Upon or Capital Appreciation of a Client's Account, Investment Advisers Act Release No. 996 (Nov. 14, 1985) [50 FR 48556 (Nov. 26, 1985)] (''1985 Adopting Release''), at Section I.A and footnote 3.

[4] Section 205(e) of the Advisers Act. Section 205(e) provides that the Commission may determine that persons do not need the protections of section 205(a)(1) on the basis of such factors as ''financial sophistication, net worth, knowledge of and experience in financial matters, amount of assets under management, relationship with a registered investment adviser, and such other factors as the Commission determines are consistent with [section 205].''

[5] 1985 Adopting Release, *supra* footnote 3. The exemption applies to the entrance into, performance, renewal, and extension of advisory contracts. *See* rule 205–3(a).

[6] Rule 205–3(d)(1)(i) through (ii). The dollar amount thresholds of the assets-under-management and net worth tests were $500,000 and $1 million, respectively, when the Commission adopted rule 205–3 in 1985. *See* 1985 Adopting Release, *supra* footnote 3. In 1998, the Commission amended rule 205–3 to, among other things, revise the dollar amounts of the assets-under-management test and net worth test to adjust for the effects of inflation since 1985 (the amounts were adjusted to $750,000 and $1.5 million, respectively). *See* Exemption To Allow Investment Advisers To Charge Fees Based Upon a Share of Capital Gains Upon or Capital Appreciation of a Client's Account, Investment Advisers Act Release No. 1731 (July 15, 1998) [63 FR 39022 (July 21, 1998)]. These dollar amount thresholds were subsequently adjusted to account for the effects of inflation by Commission orders in 2011, 2016 and 2021, as discussed *infra* footnotes 9, 11, and 12 and accompanying text.

[7] Public Law 111–203, 124 Stat. 1376 (2010).

[8] *See* section 418 of the Dodd-Frank Act (requiring the Commission to issue an order every five years revising dollar amount thresholds in a rule that exempts a person or transaction from section 205(a)(1) of the Advisers Act if the dollar amount threshold was a factor in the Commission's determination that the person does not need the protections of that section).

[9] Order Approving Adjustment for Inflation of the Dollar Amount Tests in Rule 205–3 under the Investment Advisers Act of 1940, Investment Advisers Act Release No. 3236 (July 12, 2011) [76 FR 41838 (July 15, 2011)] (''2011 Order'').