

# Proposed Rules

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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.

## FEDERAL ELECTION COMMISSION

**11 CFR Parts 1, 4, 5, 6, 100, 102, 103, 104, 105, 106, 108, 109, 110, 111, 112, 114, 116, 200, 201, 300, 9003, 9004, 9007, 9032, 9033, 9034, 9035, 9036, 9038, and 9039**

[NOTICE 2022–18]

### Technological Modernization

**AGENCY:** Federal Election Commission.

**ACTION:** Request for additional comment.

**SUMMARY:** The Federal Election Commission is seeking additional public comment on previously proposed rules that would modernize the agency's regulations in light of technological advances in communications, recordkeeping, and financial transactions, and that would eliminate and update references to outdated technologies and address similar technological issues.

**DATES:** Comments must be submitted on or before October 11, 2022.

**ADDRESSES:** All comments must be in writing. Commenters may submit comments electronically via the Commission's website at <http://sers.fec.gov/fosers/>, reference REG 2013–01.

Each commenter must provide, at a minimum, his or her first name, last name, city, and state. All properly submitted comments, including attachments, will become part of the public record, and the Commission will make comments available for public viewing on the Commission's website and in the Commission's Public Records Office. Accordingly, commenters should not provide in their comments any information that they do not wish to make public, such as a home street address, personal email address, date of birth, phone number, social security number, or driver's license number, or any information that is restricted from disclosure, such as trade secrets or commercial or financial information that is privileged or confidential.

**FOR FURTHER INFORMATION CONTACT:** Ms. Amy L. Rothstein, Assistant General Counsel, or Ms. Joanna S. Waldstreicher or Mr. Tony Buckley, Attorneys, Office of the General Counsel, at [techmod@fec.gov](mailto:techmod@fec.gov).

**SUPPLEMENTARY INFORMATION:** The Federal Election Commission is seeking additional public comment on certain aspects of its prior proposals to modernize campaign finance regulations in light of technological advances. The Commission published its proposals in a Notice of Proposed Rulemaking ("NPRM") on November 2, 2016.<sup>1</sup> The Commission had previously issued an Advance Notice of Proposed Rulemaking ("ANPRM") on the subject.<sup>2</sup> The Commission received several public comments in response to both the ANPRM and the NPRM, which are available on the Commission website, at <https://sers.fec.gov/fosers/search.htm> (search for REG 2013–01).

The Commission is now seeking additional public comment about any technological developments that may have occurred following publication of the NPRM that would be relevant to the Commission's consideration of its proposed rules. In particular, the Commission is soliciting updated information regarding electronic payment processing, newer electronic payment technologies, and contributions made via prepaid cards, to ensure that its understanding of the relevant technologies and associated practices in these areas is up to date.

### Payment Processing

Several of the Commission's proposed rules relate to the standards and practices that vendors and payment processors use to process payments made by credit card, debit card, prepaid card, and other electronic payment methods such as text message and direct carrier billing. Some of the proposed rules also concern the methods by which vendors and payment processors verify a payor's identity, attribute payments, and collect, maintain, and transmit transaction records. The Commission seeks comment on whether practices in these areas have changed since publication of the NPRM in ways

that would affect the applicability and utility of the proposed rules.

The Commission also seeks additional comment on proposed revisions to its regulations regarding when a contribution initiated through electronic means is considered to be "made" and "received." Specifically, in the NPRM the Commission proposed to revise 11 CFR 110.1(b)(6), which describes when a contribution is "made." As revised, it would state that "[a] contribution made in an electronic transaction is considered to be made when the contributor authorizes the transaction," even if the contributor has not yet transmitted any funds. Similarly, the Commission proposed to revise 11 CFR 102.8(a) and (b)(2), which describe when a person "receives" a contribution for a political committee and must forward the contribution to the political committee's treasurer. As revised, the "date of receipt" of "a contribution made in an electronic transaction in which the receipt of authorization precedes the receipt of funds" would be the date the person "obtains the contributor's authorization of the transaction." Finally, the Commission recognized that many electronically initiated contributions to political committees—including contributions made via text message or internet-based platforms—are first received by commercial entities that process the contributions electronically. Accordingly, the Commission proposed new 11 CFR 102.8(d), which would provide that "[e]very person whose usual and normal business involves the processing and transmission of payments and who processes a contribution to a political committee in the ordinary course of its business will satisfy the [forwarding] requirements . . . if such person transmits funds and contributor information to the recipient political committee within the time periods prescribed," even if the payment processor has not yet received any funds from the contributor.

The Commission received one comment on these proposals. The commenter, a wireless communication industry trade association, opposed the proposals as applied to wireless companies involved in direct carrier billing.<sup>3</sup> The commenter stated that

<sup>1</sup> Technological Modernization, 81 FR 76416 (Nov. 2, 2016).

<sup>2</sup> Technological Modernization, 78 FR 25635 (May 2, 2013).

<sup>3</sup> The commenter described direct carrier billing as "a payment process . . . which enables

“[w]ireless companies do not front—in the ordinary course of business—money to merchants, political committees, or other designated recipients of funds before the customer pays his or her wireless bill,” and asserted that “[a]ny regulatory requirement that would force money to be transferred to political committees sooner than standard business practices dictate will preclude wireless carriers from offering DCB as a means of processing political contributions.”<sup>4</sup> The commenter characterized these proposals as effectively “overturn[ing] the conclusion in the m-Qube advisory opinion—and preclud[ing] political contributions made by the processes approved therein.”<sup>5</sup>

The Commission invites additional comment on the proposed rules in light of these statements, and on current processes used by the wireless communication industry to process contributions to political committees. For example, how prevalent is direct carrier billing in processing payments generally, and contributions to political committees in particular? Under current processes, would these proposals, if adopted, require wireless carriers or other companies participating in processing contributions to depart from their standard business practices? Do wireless carriers or other companies typically extend credit to political committees and other customers as described in Advisory Opinion 2012–17 (Red Blue T, Armour Media, m-Qube)? Would the proposals present an obstacle to direct carrier billing or other methods wireless carriers use in processing political contributions? Do connection aggregators still engage in factoring as described in Advisory Opinion 2012–17 (Red Blue T, Armour Media, m-Qube)? What other post-NPRM developments in

consumers to purchase goods and services by charging them to a wireless bill.” CTIA, Comment at 1 (Dec. 2, 2016), REG 2013–01.

<sup>4</sup> CTIA, Comment at 9.

<sup>5</sup> *Id.* In Advisory Opinion 2012–17 (Red Blue T, Armour Media, m-Qube), which concerned the use of text messaging to raise funds for political committees, the Commission concluded that “[u]nder m-Qube’s proposed factoring arrangement, which is similar to how credit card contributions are handled, the Commission considers the contributions to be received at the time of the opt-in, as opposed to when the bill is paid.” Advisory Opinion 2012–17 (Red Blue T, Armour Media, m-Qube) at 6. The Commission further concluded that “because m-Qube’s factored payments will be extensions of credit under 11 CFR part 116,” the payments would not constitute prohibited corporate contributions by m-Qube. *Id.* at 9. Consequently, because “the factored payments are extensions of credit by m-Qube in the ordinary course of business and are not contributions that m-Qube has received and forwarded, the factored payments do not trigger the forwarding requirements of [52 U.S.C. 30102(b)] and 11 CFR 102.8.” *Id.* at 10.

the processing of electronic payments should the Commission consider?

### Electronic Payment Technologies

Some of the Commission’s proposed rules also relate to newer electronic payment methods such as PayPal, Venmo, BitPay, Square, and other electronic wallet, swipe P2P, mobile app, and social media payment platforms. The Commission seeks comment on whether practices in these areas have changed since publication of the NPRM in ways that would affect the applicability and utility of the proposed rules. The Commission also seeks comment on whether additional new methods of electronic payment have been developed or become more commonly used, that would be affected by the existing or proposed rules in ways that the Commission has not yet considered.

### Contributions by Prepaid Cards

The Commission also proposed revisions to its regulations with respect to contributions made by prepaid cards. Like currency, prepaid cards are easily transferable and relatively untraceable. They are not linked to a customer’s identity, and they are not associated with a depository institution and thus are not subject to those institutions’ “know-your-customer” obligations under federal law.

Accordingly, the Commission proposed to update its rules to apply the limitations on contributions of cash or currency at 11 CFR 110.4(c) to contributions made by prepaid cards, to clarify that a “cash contribution” includes a contribution made using a prepaid card. The Commission also proposed a conforming change to 11 CFR 110.4(c)(1) by updating the current prohibition on making contributions aggregating more than \$100 in “currency of the United States, or of any foreign country” to apply to any “cash contribution,” as provided in new 11 CFR 110.4(c)(4).

The Commission received one comment on this proposal. The commenter, a non-connected political committee that processes electronic contributions, opposed treating prepaid cards differently from other electronic contributions.<sup>6</sup> The commenter acknowledged that prepaid cards could be used to evade campaign finance regulations, but pointed out that “[n]o online contribution is ever made without the contributor providing identifying information.”<sup>7</sup> The

<sup>6</sup> ActBlue, Comment at 3 (June 3, 2013), REG 2013–01.

<sup>7</sup> *Id.* at 6.

commenter further stated that a “committee to whom the card number is presented online for payment is unlikely to know that it is a prepaid card.”<sup>8</sup> The Commission requests feedback on these two statements by this commenter. First, as a practical matter, are online contributions made by prepaid cards always accompanied by sufficient identifying information about the contributor to enable recipient political committees to fulfill their reporting obligations and avoid accepting prohibited contributions? Are there any ways in which the process of making a contribution using a prepaid card differs from the process of making a contribution using a credit card, such as the information collected or the way the card number is provided? Second, are recipient political committees actually able to determine whether online contributions are made using prepaid cards? How do (or could) they make that determination?

The same commenter also stated that it “would not be practical to expect that the payment industry would limit all transactions using these cards to \$100 to accommodate campaign finance regulations.”<sup>9</sup> The Commission’s understanding, however, is that prepaid card issuers are able to exclude certain categories of merchants from receiving payments made by prepaid cards.<sup>10</sup> Is this understanding accurate? Do prepaid card issuers, in fact, exclude certain categories of merchants from receiving payments made by prepaid cards? Could political committees, as a category of merchants, use this or another mechanism (such as partial authorization) to decline contributions made by prepaid cards either entirely or in excess of \$100? The Commission is interested in how this might work in practice. For example, does Merchant Category Code 8651 (“political organizations”) cover all political committees (including separate segregated funds, party committees, and nonconnected committees), or only a

<sup>8</sup> *Id.*

<sup>9</sup> *Id.*

<sup>10</sup> See, e.g., Visa, Visa Core Rules and Visa Product and Service Rules 258 (2022), <https://www.visa.com.bs/content/dam/VCOM/download/about-visa/visa-rules-public.pdf> (indicating that selective authorization may be based on criteria including merchant category classification); Visa Merchant Data Standards Manual, Visa Supp. Requirements 101 (2021), [visa-merchant-data-standards-manual.pdf](https://www.visa.com/merchant-data-standards-manual.pdf) (listing “political organizations” as Merchant Category Code 8651); see also U.S. Dept. of Labor, Description for 8651: Political Organizations | Occupational Safety and Health Administration ([osha.gov](https://www.osha.gov)) (describing “political organizations” in SIC 8651 as including “Political Action Committees (PACs),” “Political campaign organizations,” and “Political fundraising (except on a contract or fee basis”).

subset?<sup>11</sup> Is it possible to exclude political committees without also excluding any non-political committees that might also fall under MCC 8651? Who would request the political committees' exclusion, and who would be responsible for putting their exclusion into effect?

What other means do political committees have to limit or decline contributions made by prepaid cards? Can individual merchants set limits on the amounts of payments they will accept using prepaid cards? Are there other factors relating to the mechanisms of prepaid card transactions that the Commission should take into consideration?

Finally, the Commission invites comments on whether it should consider any other post-NPRM developments in the processing of electronic payments in general, or prepaid cards in particular, before promulgating final rules.

### Conclusion

The Commission's goal in this rulemaking is to promulgate final rules that are flexible enough to encompass both traditional and electronic forms of payments and communications, and that remain relevant as new forms of information storage and payment methods emerge in the future. Accordingly, the Commission welcomes comment on any other recent innovations in technologies used for recordkeeping, payment processing, or communications that would affect issues addressed by this rulemaking.

Dated: August 31, 2022.

On behalf of the Commission.

**Allen J. Dickerson,**

*Chairman, Federal Election Commission.*

[FR Doc. 2022-19382 Filed 9-7-22; 8:45 am]

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## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### 14 CFR Part 39

[Docket No. FAA-2022-0816; Project Identifier AD-2022-00355-T]

RIN 2120-AA64

### Airworthiness Directives; The Boeing Company Airplanes

**AGENCY:** Federal Aviation Administration (FAA), DOT.

<sup>11</sup> See Visa Merchant Data Standards Manual, Visa Supp. Requirements 101 (2021), [visa-merchant-data-standards-manual.pdf](#) (listing "political organizations" as Merchant Category Code 8651).

**ACTION:** Notice of proposed rulemaking (NPRM).

**SUMMARY:** The FAA proposes to adopt a new airworthiness directive (AD) for certain The Boeing Company Model 747-8 and -8F series airplanes. This proposed AD was prompted by reports of cracking in stringers and splice fittings located at stringer splices at multiple body stations. This proposed AD would require an inspection of each free flange of the stringers at the stringer splice for the presence of radius fillers at fastener locations, an inspection for cracking of the stringers and stringer splice fittings at certain stringer splice locations, and applicable on-condition actions. The FAA is proposing this AD to address the unsafe condition on these products.

**DATES:** The FAA must receive comments on this proposed AD by October 24, 2022.

**ADDRESSES:** You may send comments, using the procedures found in 14 CFR 11.43 and 11.45, by any of the following methods:

- *Federal eRulemaking Portal:* Go to [www.regulations.gov](http://www.regulations.gov). Follow the instructions for submitting comments.

- *Fax:* 202-493-2251.

- *Mail:* U.S. Department of Transportation, Docket Operations, M-30, West Building Ground Floor, Room W12-140, 1200 New Jersey Avenue SE, Washington, DC 20590.

- *Hand Delivery:* Deliver to Mail address above between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

For service information identified in this NPRM, contact Boeing Commercial Airplanes, Attention: Contractual & Data Services (C&DS), 2600 Westminister Blvd., MC 110-SK57, Seal Beach, CA 90740-5600; telephone 562-797-1717; internet [www.myboeingfleet.com](http://www.myboeingfleet.com). You may view this referenced service information at the FAA, Airworthiness Products Section, Operational Safety Branch, 2200 South 216th St., Des Moines, WA. For information on the availability of this material at the FAA, call 206-231-3195. It is also available at [www.regulations.gov](http://www.regulations.gov) by searching for and locating Docket No. FAA-2022-0816.

### Examining the AD Docket

You may examine the AD docket at [www.regulations.gov](http://www.regulations.gov) by searching for and locating Docket No. FAA-2022-0816; or in person at Docket Operations between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays. The AD docket contains this NPRM, any comments received, and other

information. The street address for Docket Operations is listed above.

**FOR FURTHER INFORMATION CONTACT:** Stefanie Roesli, Aerospace Engineer, Airframe Section, FAA, Seattle ACO Branch, 2200 South 216th St., Des Moines, WA 98198; phone: 206-231-3964; email: [stefanie.n.roesli@faa.gov](mailto:stefanie.n.roesli@faa.gov).

### SUPPLEMENTARY INFORMATION:

#### Comments Invited

The FAA invites you to send any written relevant data, views, or arguments about this proposal. Send your comments to an address listed under **ADDRESSES**. Include "Docket No. FAA-2022-0816; Project Identifier AD-2022-00355-T" at the beginning of your comments. The most helpful comments reference a specific portion of the proposal, explain the reason for any recommended change, and include supporting data. The FAA will consider all comments received by the closing date and may amend this proposal because of those comments.

Except for Confidential Business Information (CBI) as described in the following paragraph, and other information as described in 14 CFR 11.35, the FAA will post all comments received, without change, to [www.regulations.gov](http://www.regulations.gov), including any personal information you provide. The agency will also post a report summarizing each substantive verbal contact received about this NPRM.

#### Confidential Business Information

CBI is commercial or financial information that is both customarily and actually treated as private by its owner. Under the Freedom of Information Act (FOIA) (5 U.S.C. 552), CBI is exempt from public disclosure. If your comments responsive to this NPRM contain commercial or financial information that is customarily treated as private, that you actually treat as private, and that is relevant or responsive to this NPRM, it is important that you clearly designate the submitted comments as CBI. Please mark each page of your submission containing CBI as "PROPIN." The FAA will treat such marked submissions as confidential under the FOIA, and they will not be placed in the public docket of this NPRM. Submissions containing CBI should be sent to Stefanie Roesli, Aerospace Engineer, Airframe Section, FAA, Seattle ACO Branch, 2200 South 216th St., Des Moines, WA 98198; phone: 206-231-3964; email: [stefanie.n.roesli@faa.gov](mailto:stefanie.n.roesli@faa.gov). Any commentary that the FAA receives that is not specifically designated as CBI will be placed in the public docket for this rulemaking.